

ST. MARY PARISH CLERK OF COURT
Franklin, Louisiana

Annual Component Unit Financial Statements
with Independent Auditor's Report
and
Report on Internal Control Over Financial Reporting
and Compliance and Other Matters

For the Year Ended June 30, 2025

CONTENTS

	<u>Page</u>
<u>FINANCIAL INFORMATION SECTION</u>	
Independent Auditor's Report	1-4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements	
Balance Sheet - Governmental Funds	10-11
Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Funds	12-13
Statement of Fiduciary Net Position	14
Statement of Changes in Fiduciary Net Position	15
Notes to the Financial Statements	16-43
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Budgetary Comparison – General Fund (unaudited)	45
Schedule of Changes in Total OPEB Liability and Related Ratios (unaudited)	46
Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset) (unaudited)	47
Schedule of Employer's Contributions (unaudited)	48
Notes to Required Supplementary Information	49-51
<u>GENERAL SUPPLEMENTARY INFORMATION</u>	
Justice System Funding Schedules	
Receiving Entity	53
Collecting/Disbursing Entity	54-55
<u>INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	57-58

CONTENTS

	<u>Page</u>
Schedule of Findings and Responses	59
Summary of Prior Year Findings and Related Corrective Action Prepared by St. Mary Parish Clerk of Court	60



INDEPENDENT AUDITOR'S REPORT

The Honorable Greg Aucoin
St. Mary Parish Clerk of Court
Franklin, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and aggregate remaining fund information of the St. Mary Parish Clerk of Court (Clerk of Court), a component unit of the St. Mary Parish Council, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Clerk of Court's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and aggregate remaining fund information of the Clerk of Court, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk of Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk of Court's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk of Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk of Court's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Budgetary Comparison Schedules, Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of Net Pension Liability, and Schedule of Employer Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance.

The Clerk of Court has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

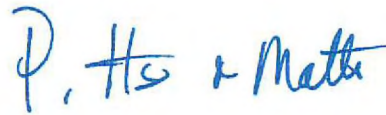
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that comprise the Clerk of Court's basic financial statements. The Justice System Funding Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Justice System Funding Schedules are

fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Requirements by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 29, 2025 on our consideration of the Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Clerk of Court's internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards in considering Clerk of Court's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

December 29, 2025
Morgan City, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

ST. MARY PARISH CLERK OF COURT

Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
CURRENT ASSETS	
Cash and cash equivalents	\$ 578,806
Investments	413,209
Accounts receivable	14,344
Due from other governments	13,053
Prepaid expenses	683
Total current assets	<u>1,020,095</u>
NONCURRENT ASSETS	
Fixed assets, net of accumulated depreciation	20,976
Right-of-use assets, net of accumulated amortization	17,578
Total noncurrent assets	<u>38,554</u>
Total assets	<u>1,058,649</u>
DEFERRED OUTFLOW OF RESOURCES	
Related to pensions	217,947
Related to OPEB	260,285
Total assets and deferred outflows of resources	<u>\$ 1,536,881</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
LIABILITIES	
Current liabilities	
Accounts payable	\$ 8,109
Compensated absences payable	20,580
Lease liability	6,239
Total current liabilities	<u>34,928</u>
Long-term liabilities	
Lease liability	11,339
Net pension liability	1,176,350
OPEB liability	2,494,739
Total noncurrent liabilities	<u>3,682,428</u>
Total liabilities	<u>3,717,356</u>
DEFERRED INFLOWS OF RESOURCES	
Related to pensions	164,988
Related to OPEB	829,532
Total liabilities and deferred inflows of resources	<u>4,711,876</u>
NET POSITION (DEFICIT)	
Net investment in capital assets	20,976
Unrestricted	(3,195,971)
Total net position (deficit)	<u>(3,174,995)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,536,881</u>

The accompanying notes are an integral part of these financial statements.

ST. MARY PARISH CLERK OF COURT

**Statement of Activities
For the Year Ended June 30, 2025**

	<u>Total</u>
<u>Expenses</u>	
General government	
Personal service and related benefits	\$ 1,137,980
Operating services	95,694
Material and supplies	5,290
Travel and other charges	18,798
Depreciation	17,014
Miscellaneous	83,512
	<hr/>
Total expenses	1,358,288
	<hr/>
<u>Program revenues</u>	
Fee, charges and commissions for services	
Court costs, fees and charges	865,603
Fees for recording legal documents	462,039
Fees for certified copies of documents	72,139
Marriage licenses	2,859
Birth/Death Certificates	6,550
Miscellaneous	46,332
Operating grants and contributions	130,351
	<hr/>
Total program revenues	1,585,873
	<hr/>
<u>General revenues</u>	
Interest income	73,130
	<hr/>
Total general revenues	73,130
	<hr/>
Change in net position	300,715
	<hr/>
Net Position (Deficit) - beginning of year	(3,475,710)
	<hr/>
Net Position (Deficit)- end of year	\$ (3,174,995)
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

ST. MARY PARISH CLERK OF COURT

Balance Sheet
Governmental Funds
June 30, 2025

	General <u>Fund</u>
ASSETS	
Cash and cash equivalents	\$ 578,806
Investments	413,209
Accounts Receivable	14,344
Due from other governments	13,053
Prepaid expenditures	<u>683</u>
Total assets	\$ <u>1,020,095</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 8,109
Compensated absences payable	<u>20,580</u>
Total liabilities	<u>28,689</u>
Fund balances:	
Nonspendable	683
Unassigned	<u>990,723</u>
Total fund balances	<u>991,406</u>
Total liabilities and fund balances	\$ <u>1,020,095</u>

Reconciliation of the total fund balance -- total governmental funds
to the net position of governmental activities:

Total fund balance - Governmental Funds	\$	991,406	
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.			38,554
Noncurrent liabilities are not due and payable in the current period and, noncurrent assets are not collectible in the current period, therefore, they are not reported in the governmental fund balance sheet:			
Lease liability	\$	(17,578)	
Net pension liability (asset)		(1,176,350)	
OPEB liability		<u>(2,494,739)</u>	(3,688,667)
Deferred outflows and inflows of resources do not affect the current period and, therefore, they are not reported in the governmental fund balance sheet:			
Deferred outflows of resources:			
Related to pensions		217,947	
Related to OPEB		260,285	478,232
Deferred inflows of resources:			
Related to pensions		(164,988)	
Related to OPEB		<u>(829,532)</u>	<u>(994,520)</u>
Net position of governmental activities	\$		<u><u>(3,174,995)</u></u>

The accompanying notes are an integral part of these financial statements.

ST. MARY PARISH CLERK OF COURT

**Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2025**

	<u>General Fund</u>
Revenues	
Fees, charges, and commissions for services:	
Court costs, fees and charges	\$ 865,603
Fees for recording legal documents	462,039
Fees for certified copies of documents	72,139
Marriage licenses	2,859
Birth/Death certificates	6,550
Miscellaneous	46,332
Intergovernmental	32,300
Interest income	73,130
Total revenues	<u>1,560,952</u>
 Expenditures	
Current operating	
General government	
Personal service and related benefits	1,405,162
Operating services	94,660
Materials and supplies	5,290
Travel and other charges	18,798
Miscellaneous	83,512
Leases	
Principal	1,034
Total expenditures	<u>1,608,456</u>
 Excess (deficiency) of revenues over expenditures	 (47,504)
 Fund balance at beginning of year	 <u>1,038,910</u>
 Fund balance at end of year	 \$ <u><u>991,406</u></u>

Reconciliation of the changes in fund balances – total governmental funds to the change in net position of governmental activities

Net change in fund balance - Governmental Funds \$ (47,504)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays meeting the Clerk's Capitalization Policy in the current period (\$0) was exceeded by depreciation and amortization (\$17,014) (17,014)

Repayment of lease obligation is an expenditure in the governmental funds, but the repayment reduces liabilities in the statement of net position.

Payments on lease 1,034

Effects of recording net pension liability, other postemployment benefits liability, deferred inflows and outflows of resources, and other items related to these liabilities:

Pension expense (benefit)	\$ (248,745)	
Cost of benefits earned net of employee contributions	151,631	
Nonemployer pension contributions	98,051	
Other postemployment benefit expense (benefit)	<u>364,296</u>	365,233

Some expenses reported in the statement of activities do not require the use of current financial resources; therefore are not reported in governmental funds

Amortization of lease assets (1,034)

Change in net position of governmental activities \$ 300,715

The accompanying notes are an integral part of these financial statements.

ST. MARY PARISH CLERK OF COURT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

ASSETS	<u>Custodial Funds</u>
Cash	\$ 5,225,151
Investments	<u>1,033,138</u>
Total Assets	<u>\$ 6,258,289</u>
 NET POSITION	
Restricted for litigants and others	<u>\$ 6,258,289</u>

The accompanying notes are an integral part of these financial statement.

ST. MARY PARISH CLERK OF COURT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended June 30, 2025

	<u>Custodial Funds</u>
ADDITIONS	
Suits and successions	\$ 5,098,159
Interest earned	3,344
Total additions	<u>5,101,503</u>
DEDUCTIONS	
Clerk's costs (transferred to General Fund)	\$ 585,539
Refunds to litigants	178,145
Sheriff fees	101,406
Judges supplemental	35,012
Other	63,672
Total deductions	<u>963,774</u>
Change in net position	<u>4,137,729</u>
Net Position	
Net position-beginning of year	<u>2,120,560</u>
Net position-end of year	<u><u>\$ 6,258,289</u></u>

The accompanying notes are an integral part of these financial statements.

ST. MARY PARISH CLERK OF COURT

Notes to the Financial Statements
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages, and other acts, and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

A. Financial Reporting Entity

The Clerk of Court is an independently elected official; however, the Clerk of Court is fiscally dependent on the Parish of St. Mary. The parish government maintains and operates the parish courthouse in which the Clerk of Court's office is located and provides funds for equipment and furniture of the Clerk of Court's office. Because the Clerk of Court is fiscally dependent on the parish government, the Clerk of Court was determined to be a component unit of the Parish of St. Mary, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

The accompanying basic financial statements of the Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Clerk of Court as a whole. These statements include all the financial activities of the Clerk of Court which are considered to be governmental activities. Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the statement of fiduciary net position and the statement of changes in fiduciary net position at the fund financial statement level. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Codification section N50, *Nonexchange Transactions*.

The statement of activities presents a comparison between direct expenses and program revenues for the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Clerk of Court, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements

The Clerk of Court uses funds to maintain its financial records and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate accounting entity with a self-balancing set of accounts. Funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Clerk of Court or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures of individual funds are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the individual governmental funds are at least 5 percent of the corresponding total for all governmental funds combined.

Governmental Fund

General Fund – This fund is the primary operating fund of the Clerk of Court, and it accounts for the operations of the Clerk of Court's office. The General Fund is available for any purpose provided it is extended or transferred in accordance with state and federal laws and according to the Clerk of Court's policy.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support the Clerk of Court's programs. The

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Clerk of Court has adopted GASBS No. 84 for the reporting and classification of its fiduciary activities. Fiduciary reporting focuses on net position and changes in net position and is reported using the accrual basis of accounting.

The Clerk of Court's fiduciary funds (custodial) are presented in the fiduciary fund financial statements. Because by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the Clerk of Court, these funds are not incorporated into the government-wide statements. The custodial funds are as follows:

Advance Deposit Fund – The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

Registry of the Court Fund – The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

C. Measurement Focus

Measurement focus is a term used to describe “which” transactions are recorded with the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

On the government-wide statement of net position and statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. The operating statement presents sources and uses of available spendable financial resources during a given year. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Clerk of Court considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Clerk of Court.

Investments

Under state law, the Clerk of Court may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Clerk of Court may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates local government investment pool.

Accounts receivable

The Clerk of Court records its fees in the month the services are rendered.

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid items

The Clerk of Court's policy regarding prepaid expenditures is to record as prepaid the portion of insurance premiums and maintenance agreements that is paid during the current fiscal year for future periods.

Capital assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Depreciation is provided using the straight-line method of depreciation over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture and fixtures	10
Office equipment	5-10
Vehicles	5
Leasehold improvements	10

Compensated absences

Employees of the Clerk of Court's office earn 5 – 20 days of leave each year depending on length of service. Such leave is to be used for vacation, sickness, or emergencies. Vacation leave must be taken in the year earned. In accordance with GASBS No. 101, liabilities for compensated absences are estimated based on hours remaining and pay rates in effect at the balance sheet date. Upon resignation or retirement, employees may be paid for unused leave at the employee's current rate of pay.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Equity classifications

Government-wide financial statements

In the government-wide financial statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – Consists of net position with constraints place on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Clerk of Court considers the restricted funds to have been spent first.

Fund financial statements

Fund balance for the Clerk of Court’s governmental fund (the General Fund) is displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used. In the governmental financial statements, fund balances are classified as follows:

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Nonspendable – amounts that cannot be spent because either they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. Committed – amounts that can be used only for specific purposes determined by a formal action of the governing authority of the Clerk of Court's office. The Clerk of Court is the highest level of decision-making authority for the Clerk of Court. Commitments may be established, modified, or rescinded only through formal declarations approved by the Clerk of Court.
4. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Clerk of Court's policy, only the Clerk of Court may assign amounts for specified purposes.
5. Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Clerk of Court considers the restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk of Court considers the amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Clerk of Court has provided otherwise in its commitment or assignment actions.

F. Revenues, Expenditures and Expenses

Revenues

Fees, charges and commissions for services are recorded when the Clerk of Court is entitled to the funds. Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function and in the fund financial statements, expenditures are classified by type.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts utilizing the direct write-off method. Although this method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible accounts receivable was made due to immateriality at June 30, 2025.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Clerk of Court may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk of Court may invest in United States bonds, treasury notes or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 2025, the Clerk of Court has cash and cash equivalents (book balances) totaling \$5,803,957 as follows:

	Governmental Fund	Fiduciary Funds	Total Book Balance
Cash	\$ 300	\$ -	\$ 300
Demand deposits	378,506	5,225,151	5,603,657
Time deposits	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Total	<u>\$ 578,806</u>	<u>\$ 5,225,151</u>	<u>\$ 5,803,957</u>

NOTE 2 – CASH AND INTEREST-BEARING DEPOSITS (continued)

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Clerk of Court in a holding or custodial bank that is mutually acceptable to both parties.

These deposits (bank balances) are secured from risk as follows:

	<u>Governmental Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Bank balance	<u>\$ 197,118</u>	<u>\$ 5,453,187</u>	<u>\$ 5,650,305</u>
Secured by:			
FDIC coverage	197,118	250,000	447,118
Pledged securities	<u> -</u>	<u>5,203,187</u>	<u>5,203,187</u>
	<u>\$ 197,118</u>	<u>\$ 5,453,187</u>	<u>\$ 5,650,305</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Clerk of Court's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. The Clerk of Court does not have a policy that limits allowable deposits or to monitor or attempt to reduce exposure to custodial credit risk. At June 30, 2025, deposits in the amount of \$5,203,187 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the Clerk of Court's fiscal agent but not in the Clerk of Court's name.

NOTE 3 – INVESTMENTS

State law allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. Government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. Government; time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, savings accounts or shares of savings and loan associations and savings banks; certain account of federally of state chartered credit unions; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporation.

NOTE 3 – INVESTMENTS (continued)

As of June 30, 2025, the Clerk of Court had the following investments and maturities (in years):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>
LAMP	<u>1,446,347</u>	<u>1,446,347</u>

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Clerk of Court will not be able to recover the value of its investment. The Clerk of Court does not have an investment policy that conforms to state law, as described above, which has no provision for custodial risk.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Clerk of Court does not have an investment policy that conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The types of investments allowed by state law ensure that the Clerk of Court is not exposed to credit risk.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with R.S. 33:2955. Separately issued financial statements for LAMP are available at www.lamppool.com.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

NOTE 3 – INVESTMENTS (continued)

- Credit risk: LAMP is rated AAAM by Standard & Poor's Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed but not categorized because they are not evidenced by securities that exist in physical book-entry form. The public entity's investments are with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 43 days as of June 30, 2025.
- Foreign currency risk: Not applicable to 2a7-like pools.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Fair Value Measurements

To the extent available, the Clerk of Court's investments are recorded at fair value as of June 30, 2025. GASB Statement No. 72, *Fair Value Measurements and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Clerk of Court measures its investments using fair value guidelines established by GASBS No. 72, which recognizes a three-tiered fair value hierarchy as follows:

- Level 1-quoted prices for identical investments in active markets
- Level 2-observable inputs other than quoted market prices
- Level 3-unobservable inputs

The Clerk of Court's investments in LAMP are measured using observable inputs other than quoted market prices (Level 2 inputs). The investments in LAMP are valued using quoted market prices of the underlying investment of LAMP on a weekly basis and the value of the position in the external pool is the same as the net asset value of the pool shares.

NOTE 4 – DUE FROM OTHER GOVERNMENTAL UNITS

Individual balances due from other governments are as follows:

State of Louisiana:	
Department of Children and Family Services	<u>\$ 13,053</u>

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Furniture and fixtures	\$ 389,825	\$ -	\$ -	\$ 389,825
Office equipment	262,972	-	-	262,972
Vehicles	-	-	-	-
Leasehold improvements	312,638	-	-	312,638
Total	965,435	-	-	965,435
Less: accumulated depreciation	(927,445)	(17,014)	-	(944,459)
Total depreciable capital assets, net	37,990	(17,014)	-	20,976
Intangible right-to-use asset:				
Leased vehicle	44,248	-	(44,248)	-
Leased equipment	-	18,612	-	18,612
Total	44,248	18,612	(44,248)	18,612
Less: accumulated amortization	(44,248)	(1,034)	44,248	(1,034)
Intangible right-to-use asset, net	-	17,578	-	17,578
Net capital assets	<u>\$ 37,990</u>	<u>\$ 564</u>	<u>\$ -</u>	<u>\$ 38,554</u>

Depreciation and amortization expense of \$18,048 was charged to the general government function.

NOTE 6 – LEASES

During the fiscal year ended June 30, 2022, the Clerk of Court implemented GASBS No. 87, Leases, for accounting and reporting leases that had previously been reported as operating leases. At the commencement of a lease, the Clerk of Court initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

The Clerk of Court uses the interest rate charged by the lessor as the discount rate, if provided. When the interest rate charged by the lessor is not provided, the Clerk of Court uses its estimated incremental borrowing rate as the discount rate for leases. Lease payments included in the measurement of the lease liability are composed of fixed payments through the noncancellable term of the lease and renewal periods that management considers reasonably certain to be exercised.

During the current year, the Clerk of Court leased office equipment with a term of 36 months. The Clerk of Court recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. For purposes of discounting future payments on the lease, the Clerk of Court used the borrowing rate of 0.38%.

The following is a summary of changes in the lease liability for the year ended June 30, 2025:

	Beginning			Ending	Due Within
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Lease liability	<u>\$ -</u>	<u>\$ 18,612</u>	<u>\$ (1,034)</u>	<u>\$ 17,578</u>	<u>\$ 6,239</u>

The leased assets and accumulated amortization of the right-to-use assets are outlined in Note 5.

Future lease payments under these leases are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 6,182	\$ 56	\$ 6,238
2027	6,206	32	6,238
2028	<u>5,190</u>	<u>9</u>	<u>5,199</u>
Total	\$17,578	\$ 97	\$17,675

NOTE 7 – PENSION PLAN

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana Clerks' of Court Retirement and Relief Fund and additions to/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description

Substantially all employees of the Clerk of Court, except part-time and temporary employees, are members of the Louisiana Clerks' of Court Retirement and Relief Fund (Fund), a cost-sharing, multiple-employer, defined-benefit pension plan administered by a separate board of trustees.

The Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11:1501 for eligible employees of the clerk of the supreme court, each of the district courts, each of the courts of appeal, each of the city and traffic courts in cities having a population in excess of four hundred thousand at the time of entrance into the Fund, the Louisiana Clerks' of Court Association, the Louisiana Clerks of Court Insurance Fund, and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Retirement Benefits

A member or former member shall be eligible for regular retirement benefits upon attaining 12 or more years of credited service, attaining the age of 55 years (age 60 if hired on or after January 1, 2011), and terminating employment. Regular retirement benefits, payable monthly for life, is equal to 3% of the member's monthly average final compensation multiplied by the number of years of credited service, not to exceed 100% of the monthly average final compensation. The retirement benefit accrual rate is increased to 3⅓% for all service credit accrued after June 30, 1999 (for members hired prior to January 1, 2011). For members hired before July 1, 2006 and who retire prior to January 1, 2011, monthly average final compensation is based on the highest 36 consecutive months, with a limit increase of 10% in each of the last three years of measurement. For members hired after July 1, 2006, monthly average final compensation is based on the highest compensated 60 consecutive months, or successive joined months if service was interrupted, with a limit increase of 10% in each of the last five years of measurement.

NOTE 7 – PENSION PLAN (continued)

For members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is 36 months plus the number of whole months elapsed since January 1, 2011, not to exceed 60 months.

Disability Benefits

Disability benefits are awarded to active members who are totally and permanently disabled as a result of injuries sustained in the line of duty or to active members with 10 or more years of credible service who are totally disabled due to any cause. A member who is officially certified as totally or permanently disabled by the State Medical Disability Board will be paid monthly disability retirement benefits equal to the greater of forty percent of their monthly average final compensation or 75% of their monthly regular retirement benefit computed as per R.S. 11:1521 (C).

Survivor Benefits

Upon the death of any active contributing member with less than five years of credited service, his/her accumulated contributions are paid to his/her designated beneficiary. Upon the death of any active contributing member with five or more years of credited service, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced $\frac{1}{4}$ of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid $\frac{1}{2}$ of the member's accrued retirement benefit in equal shares. Upon the death of any former member with less than 12 years of service, the designated beneficiary may receive his/her accumulated contributions. Upon the death of any former member with 12 or more years of service, automatic option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to 36 months and defer the receipt of benefits. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they

NOTE 7 – PENSION PLAN (continued)

existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the DROP account. Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the DROP account equal to the payments to the account or a true annuity based upon his account (subject to approval by the Board of Trustees). In addition, the member receives the monthly benefits that were paid into the DROP fund during his period of participation.

If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the Fund. Interest is paid on DROP account balances for members who complete their DROP participation but do not terminate employment. The interest earnings are based on the actual rate of return on funds in such accounts. These interest accruals cease upon termination of employment.

Upon termination, the member receives a lump sum payment from the DROP fund equal to the payments made to that fund on his behalf or a true annuity based in his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. Prior to January 1, 2011, the average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least 36 months. Effective January 1, 2011, the average compensation for members whose additional service is less than 36 months is equal to the lesser amount used to calculate his original benefit or the compensation earned in the period of additional service divided by the number of months of additional service. For former DROP participants who retire after December 30, 2010, the period used to determine final average compensation for post-DROP service is 36 months plus the number of whole months elapsed from January 1, 2011 to the date of DROP entry. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

Cost of Living Adjustments

The Board of Trustees is authorized to grant retired members and widows of members who have been retired for at least one full calendar year an annual cost of 2.5% of their benefit (not to exceed \$40 per month), and all retired members and widows who are 65 years of age or older a 2% increase in their original benefit (or their benefit as of October 1, 1977, if they retired prior to that time). In order to grant the 2.5% COLA, the

NOTE 7 – PENSION PLAN (continued)

increase in the consumer price index must have exceeded 3% since the last COLA granted. In order for the Board to grant either of these increases, the Fund must meet certain other criteria as detailed in the Louisiana statute relating to funding status. In lieu of granting the above cost of living increases, Louisiana statutes allow the Board to grant a cost-of-living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost of living amount which cannot exceed \$1.

Employer Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the plan year ended June 30, 2024, the actual employer contribution rate was 23.00%.

Non-employer Contributions

In accordance with state statute, the Fund also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue during the year and excluded from pension expense. Non-employer contribution revenue for the System for the Clerk of Court's fiscal year ended June 30, 2025 was \$98,051.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2025, the Clerk of Court reported liabilities in its government-wide financial statements of \$1,176,350 for its proportionate share of the net pension liabilities of the Fund. The net pension liabilities were measured as of June 30, 2024 and the total pension liability used to calculate the net pension obligation was determined by separate actuarial valuations performed as of that date. The Clerk of Court's proportion of the net pension liability was based on a projection of the Clerk of Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Clerk of Court's proportional share of the Fund was 0.707014%, which was an increase of 0.025101% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Clerk of Court recognized pension expense of \$248,745.

NOTE 7 – PENSION PLAN (continued)

At June 30, 2025, the Clerk of Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$4,107	\$29,795
Change of assumptions	25,893	-
Net difference between projected and actual investment earnings on pension plan investments	-	95,979
Change in proportion and differences between the employer contributions and proportionate share of contributions	36,434	39,214
District's contributions subsequent to the measurement date	<u>151,513</u>	<u>-</u>
	<u>\$217,947</u>	<u>\$164,988</u>

The \$151,513 reported as deferred outflows of resources related to pensions resulting from Clerk of Court contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal <u>Year Ending</u>	
2026	\$ (65,123)
2027	91,042
2028	(75,672)
2029	<u>(48,801)</u>
	<u>\$ (98,554)</u>

Actuarial Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

NOTE 7 – PENSION PLAN (continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2025 are as follows:

	Louisiana Clerks' of Court Retirement and Relief Fund
Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.55%, net of investment expense, including inflation
Projected Salary Increases	1-5 years of service – 6.2% 5 years or more – 5%
Inflation Rate	2.40%
Mortality Rates	Pub-2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using the appropriate MP-2019 improvement scale.
Expected Remaining	
Service Lives	5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used are based on the assumptions used in the 2024 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 through June 30, 2019, unless otherwise specified. In cases where benefit structures were changed after the experience study period, assumptions were based on future expectations.

The mortality rate assumption used was verified by combining data from this plan with two other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2014 through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated

NOTE 7 – PENSION PLAN (continued)

that these tables would produce liability values approximating the appropriate generational mortality tables used.

The investment rate of return was 6.55%, which was the same from the rate used in the prior year. The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term expected rate of return was 5.81%, for the year ended June 30, 2024. Best estimates of geometric real rates of return for each major asset class included in the Fund’s target asset allocation as of June 30, 2024 is summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income:		
Domestic Bonds	30.00%	0.59%
International Bonds		0.22%
Domestic Equity	35.00%	2.62%
International Equity	20.00%	1.70%
Real Estate	<u>15.00%</u>	<u>0.68%</u>
	<u>100.00%</u>	<u>5.81%</u>

The discount rate used to measure the total pension liability was 6.55%, which was the same from the rate used as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by the Board of Trustees and the Public Retirement System’s Actuarial Committee (PRSAC), taking into consideration the recommendation of the Fund’s actuary. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine to total pension liability.

NOTE 7 – PENSION PLAN (continued)

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate 6.55%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.55% or one percentage point higher 7.55% than the current rate:

	1% Decrease 5.55%	Current Discount Rate 6.55%	1% Increase 7.55%
Net Pension Liability	\$ 1,939,621	\$ 1,176,350	\$ 532,523

Payables to the Pension Plan

The Clerk of Court recorded no accrued liabilities related to the Fund for the year ended June 30, 2025.

Retirement Fund Audit Report

The Louisiana Clerks' of Court Retirement and Relief Fund of Louisiana has issued a standalone audit report on their financial statements for the year ended June 30, 2024. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lla.la.gov.

NOTE 8 – POST-RETIREMENT BENEFITS

Plan description

The Clerk of Court's defined benefit postemployment health care plan provides OPEB to eligible retired employees and their beneficiaries. The plan provides OPEB for permanent full-time employees of the Clerk of Court. The Clerk of Court's OPEB plan is a single-employer, defined-benefit OPEB plan administered by the Clerk of Court. Benefits are provided through the Louisiana Clerks of Court Insurance Trust ("LCCIT"), a multiple-employer healthcare plan administered by the Louisiana Clerks of Court Association. Louisiana Revised Statute 13:783 grants the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The premium rates are established and may be amended by the LCCIT board of trustees, with the Clerk of Court determining the contribution requirements of the retirees.

NOTE 8 – POST-RETIREMENT BENEFITS (continued)

Benefits provided

The Clerk of Court provides medical, dental, vision, and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 100% of retiree pre-Medicare health, Medicare Supplement, vision, and dental insurance premiums. The plan also provides for payment of 100% of retiree life insurance payments.

Employees covered by benefit terms

At January 1, 2024, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	15
Active employees	<u>14</u>
Total	<u>29</u>

The Clerk of Court's total OPEB liability of \$2,494,739 was measured as of June 30, 2025 and was determined by an actuarial valuation as of January 1, 2024.

Actuarial assumptions and other inputs.

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

NOTE 8 – POST-RETIREMENT BENEFITS (continued)

Inflation:	2.40%
Salary Increases, including inflation	3.25%
Discount Rate:	4.81%
Health Care Cost Trend Rates	
Medical:	6.50% for 2025, decreasing 0.25% per year to an ultimate rate of 4.75% for 2032 and later years
Medicare Advantage:	4.25% for 2025, decreasing 0.25% per year to an ultimate rate of 3.0% for 2030 and later years. Included 2% per year for aging
Dental:	3.0% per year
Vision:	2.5% per year
Retirees' Share of Benefit-Related Costs:	
Medical:	0% for retirees and 0% for dependents
Medicare Advantage:	0% for retirees and 0% for dependents
Dental:	0% for retirees and 0% for dependents
Vision:	0% for retirees and 0% for dependents
Basic Life Insurance:	0%

The discount rate was based on the June 30, 2025 S&P Municipal Bond 20 Year High Grade Index Yield.

Mortality rates for active employees were based on the PubG.H-2010 Employee mortality table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Mortality rates for retired employees were based on the PubG.H-2010 Healthy Retiree mortality table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

The actuarial assumptions used were based on the those used in the Louisiana Clerks of Court Retirement and Relief Fund valuation and actuarial experience.

NOTE 8 – POST-RETIREMENT BENEFITS (continued)

Changes in Total OPEB Liability:

	<u>Total OPEB Liability</u>
Balance at 6/30/2024	<u>\$ 2,343,205</u>
Charges for the year:	
Service cost	26,732
Interest	90,877
Differences between expected and actual experience	37,911
Changes in assumptions/inputs	156,432
Benefit payments	<u>(160,418)</u>
Net Changes	<u>151,534</u>
Balance at 6/30/2025	<u>\$ 2,494,739</u>

Sensitivity of the total OPEB liability to changes in the discount rate.

The following presents the total OPEB liability of the Clerk of Court, as well as what the Clerk of Court's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage- point lower (3.81 percent) or 1-percentage-point higher (5.81 percent) than the current discount rate:

	1% Decrease 3.81%	Current Discount Rate 4.81%	1% Increase 5.81%
Total OPEB Liability	<u>\$ 2,764,175</u>	<u>\$ 2,494,739</u>	<u>\$ 2,157,757</u>

NOTE 8 – POST-RETIREMENT BENEFITS (continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following presents the total OPEB liability of the Clerk of Court, as well as what the Clerk of Court's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ <u>2,273,287</u>	\$ <u>2,494,739</u>	\$ <u>2,764,910</u>

For the year ended June 30, 2025, the Clerk of Court recognized an OPEB benefit of \$203,876. At June 30, 2025, the Clerk of Court reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$108,935	\$267,717
Change of assumptions or other inputs	151,350	561,815
Total	<u>\$260,285</u>	<u>\$829,532</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending</u>	
2026	\$ (321,485)
2027	(193,616)
2028	(43,268)
2029	(43,268)
2030	<u>32,390</u>
	<u>\$ (569,247)</u>

NOTE 9 – NET POSITION

Net position is presented as net investments in capital assets and unrestricted on the Clerk of Court's government-wide statement of net position. A component of the Clerk of Court's net position is significantly affected by transactions that resulted in the recognition of deferred outflow of resources and deferred inflow of resources, and the difference between the deferred outflow of resources and deferred inflow of resources and the balance of the related asset or liability is significant. As discussed in Notes 7 and 8, the Clerk of Court's recognition of net pension liability in accordance with GASBS No. 68 and OPEB liability in accordance with GASBS No. 75 significantly affected the Clerk of Court's unrestricted portion of net position as of June 30, 2025.

NOTE 10 – CHANGES IN FIDUCIARY NET POSITION

A summary of changes in custodial fund net position follows:

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Custodial Funds</u>
Net position, beginning	\$ 1,378,328	\$ 742,232	\$ 2,120,560
Additions	1,081,411	4,020,092	5,101,503
Reductions	<u>(963,774)</u>	-	<u>(963,774)</u>
Net position, ending	<u>\$ 1,495,965</u>	<u>\$4,762,324</u>	<u>\$ 6,258,289</u>

NOTE 11 – COMPENSATED ABSENCES

The following is a summary of changes for the year ended June 30, 2025:

Compensated absences payable, July 1, 2024	\$ 18,199
Net Change	<u>2,381</u>
Compensated absences payable, June 30, 2025	<u>\$ 20,580</u>

The Clerk of Court's policy requires the disposition of available compensated absences by December 31st of each calendar year. Therefore, the compensated absence liability is presented as a component of current liabilities on the financial statements.

NOTE 12 – RISK MANAGEMENT

The Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The Clerk of Court is insured up to policy limits for each of the above risks. There were no significant changes in coverage, retentions, or limits during the year ended June 30, 2025. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years.

NOTE 13 – EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL

The Clerk of Court's office is located in the St. Mary Parish Courthouse, which is owned by the Parish of St. Mary. The parish government provides utilities and maintenance for operation of the courthouse. The parish government also furnishes the Clerk of Court's office with other operational materials and supplies. These expenditures are not reflected in the accompanying financial statements and are as follows for the year ended June 30, 2025:

Materials and Supplies		Building and Equipment	
Printing/forms	\$ 676	Internet	\$ 5,084
Office supplies	19,222	Rental equipment	19,044
Book binding	22,290	Software	73,584
Publications of legal notices	<u>6,077</u>	Office equipment maintenance	8,559
		Acquisition of office equipment	<u>17,324</u>
Total materials and supplies	<u>\$ 48,265</u>	Total building and equipment	<u>\$ 123,595</u>
		Total	<u>\$ 171,860</u>

NOTE 14 – COMPENSATION AND OTHER PAYMENTS TO AGENCY HEAD

Act 706 of the 2014 Legislative Session amended R.S. 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. Payments to and on behalf of the Clerk of Court, Greg Aucoin, for the year ended June 30, 2025 are as follows:

Salary	\$ 132,440
Benefits – Auto Allowance	18,060
Benefits - Retirement	10,926
Benefits - Deferred compensation	12,000
Election expense allowance	<u>2,400</u>
	<u>\$ 175,826</u>

REQUIRED SUPPLEMENTARY INFORMATION

ST. MARY PARISH CLERK OF COURT

**Budgetary Comparison -
General Fund
For the Year Ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<u>Revenues</u>				
Court costs, fees and charges	\$ 851,000	\$ 866,000	\$ 865,603	\$ (397)
Fees for recording legal documents	532,000	469,000	462,039	(6,961)
Fees for certified copies of documents	42,000	70,000	72,139	2,139
Marriage licenses	3,000	3,000	2,859	(141)
Birth/Death certificates	-	5,500	6,550	1,050
Miscellaneous	52,000	72,000	46,332	(25,668)
Intergovernmental	-	-	32,300	32,300
Interest income	20,000	74,500	73,130	(1,370)
	<u>1,500,000</u>	<u>1,560,000</u>	<u>1,560,952</u>	<u>952</u>
<u>Expenditures</u>				
Current operating				
General government				
Personal service and related benefits	\$ 1,355,220	\$ 1,373,000	\$ 1,405,162	\$ (32,162)
Operating services	120,400	130,000	95,694	34,306
Materials and supplies	9,600	10,500	5,290	5,210
Travel and other charges	5,800	20,000	18,798	1,202
Miscellaneous	-	83,000	83,512	(512)
	<u>1,491,020</u>	<u>1,616,500</u>	<u>1,608,456</u>	<u>8,044</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,980</u>	<u>(56,500)</u>	<u>(47,504)</u>	<u>8,996</u>
Fund balances, beginning of year	<u>1,038,911</u>	<u>1,038,911</u>	<u>1,038,910</u>	<u>(1)</u>
Fund balances, end of year	<u>\$ 1,047,891</u>	<u>\$ 982,411</u>	<u>\$ 991,406</u>	<u>\$ 8,995</u>

Unaudited

ST. MARY PARISH CLERK OF COURT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2025

	Year Ended June 30,							
	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 26,732	\$ 27,109	\$ 26,256	\$ 26,877	\$ 47,461	\$ 19,126	\$ 43,050	\$ 41,828
Interest	90,877	106,289	113,776	69,546	86,695	141,143	135,121	155,671
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	37,911	(386,541)	(17,466)	156,528	(18,219)	176,163	(162,241)	(9,384)
Changes of assumptions or other inputs	156,432	(67,411)	(322,584)	(650,577)	125,938	(1,196,918)	361,028	-
Benefit payments	(160,418)	(125,516)	(135,663)	(145,513)	(129,826)	(147,417)	(173,862)	(171,560)
Net change in total OPEB liability	151,534	(446,070)	(335,681)	(543,119)	112,049	(1,007,903)	203,096	16,555
Total OPEB liability - beginning	<u>2,343,205</u>	<u>2,789,275</u>	<u>3,124,956</u>	<u>3,668,075</u>	<u>3,556,026</u>	<u>4,563,929</u>	<u>4,360,833</u>	<u>4,344,278</u>
Total OPEB liability - ending	<u>\$ 2,494,739</u>	<u>\$ 2,343,205</u>	<u>\$ 2,789,275</u>	<u>\$ 3,124,956</u>	<u>\$ 3,668,075</u>	<u>\$ 3,556,026</u>	<u>\$ 4,563,929</u>	<u>\$ 4,360,833</u>
Covered-employee payroll	\$ 658,190	\$ 760,405	\$ 724,693	\$ 708,409	\$ 731,399	\$ 741,199	\$ 730,323	\$ 748,004
Net OPEB liability as a percentage of covered-employee payroll	379.03%	308.15%	384.89%	441.12%	501.51%	479.77%	624.92%	583.00%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Unaudited

St. Mary Parish Clerk of Court

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
 Louisiana Clerks' of Court Retirement and Relief Fund
 as of June 30, 2024 (The Plan Measurement Date)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer proportion of the net pension liability (asset)	0.707014%	0.681913%	0.691960%	0.724650%	0.747516%	0.761101%	0.805624%	0.835017%	0.881613%	0.874817%
Proportionate share of the net pension liability (asset)	\$ 1,176,360	\$ 1,486,962	\$ 1,677,148	\$ 963,967	\$ 1,788,423	\$ 1,363,993	\$ 1,338,985	\$ 1,283,326	\$ 1,630,773	\$ 1,312,263
Covered employee payroll	759,965	724,693	708,409	731,389	741,189	730,323	749,004	753,239	774,458	778,563
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	154.76%	202.43%	238.75%	131.60%	242.64%	186.77%	179.14%	167.71%	210.56%	169.33%
Plan fiduciary net position as a percentage of the total pension liability	83.09%	77.56%	74.09%	86.40%	72.08%	77.53%	79.07%	70.89%	74.17%	76.13%

Unaudited

St. Mary Parish Clerk of Court

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
Louisiana Clerks' of Court Retirement and Relief Fund
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 151,513	\$ 174,893	\$ 161,244	\$ 157,821	\$ 153,694	\$ 140,828	\$ 138,761	\$ 142,121	\$ 143,127	\$ 147,184
Contributions in relation to the contractually required contribution	161,513	174,893	161,244	157,821	153,594	140,828	138,781	142,121	143,127	147,164
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	868,763	798,985	724,853	708,409	731,388	741,169	730,323	746,004	753,299	774,548
Contribution as a percentage of covered employee payroll	23.00%	23.01%	22.25%	22.25%	21.00%	18.00%	19.00%	19.00%	19.00%	19.00%

Unaudited

ST. MARY PARISH CLERK OF COURT

Notes to the Required Supplementary Information June 30, 2025

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Clerk of Court.

NOTE 2 – BUDGET ADOPTION

The following procedures apply to establishing the budgetary data reflected in the supplementary information:

- A. A proposed budget is prepared and submitted by the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
- B. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- C. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
- D. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- E. All budgetary appropriations lapse at the end of the fiscal year.
- F. Budgetary control is exercised at the fund level.

NOTE 3 – RETIREMENT SYSTEMS

A. Changes of Benefit Terms –

There were no changes of benefit terms.

Notes to the Required Supplementary Information (continued)
June 30, 2025

B. Changes of Assumptions -

Plan Year Ended	Discount Rate	Investment Rate Of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
<u>June 30,</u>					
2015	7.00%	7.00%	2.50%	5	5.00%
2016	7.00%	7.00%	2.50%	5	5.00%
2017	7.00%	7.00%	2.50%	5	5.00%
2018	6.75%	6.75%	2.50%	5	5.00%
2019	6.75%	6.75%	2.50%	5	5.00%
2020	6.75%	6.75%	2.50%	5	5.00%-6.20%
2021	6.55%	6.55%	2.40%	5	5.00%-6.20%
2022	6.55%	6.55%	2.40%	5	5.00%-6.20%
2023	6.55%	6.55%	2.40%	6	5.00%-6.20%
2024	6.55%	6.55%	2.40%	5	5.00%-6.20%

NOTE 4 –OTHER POSTEMPLOYMENT BENEFITS

A. Changes of Benefit Terms – None

B. Changes of Assumptions – Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount and mortality rates used in each period:

<u>Period</u>	<u>Discount Rate</u>
2018	3.62%
2019	3.13%
2020	2.45%
2021	1.92%
2022	3.69%
2023	3.86%
2024	3.97%
2025	4.81%

Notes to the Required Supplementary Information (continued)
June 30, 2025

Mortality Rates

<u>Period</u>	<u>Source</u>
2018	RPH-2014 Employees and Healthy Annuitant, Generational with MP-2018
2019	PubG.H-2010 Employees and Healthy Retiree, Generational with MP-2018
2020	PubG.H-2010 Employees and Healthy Retiree, Generational with MP-2019
2021	PubG.H-2010 Employees and Healthy Retiree, Generational with MP-2020
2022-2025	PubG.H-2010 Employees and Healthy Retiree, Generational with MP-2021

- C. No assets are accumulated in a trust that meets the criteria in GASBS No. 75, paragraph 4, to pay related benefits.

SUPPLEMENTARY INFORMATION

ST. MARY PARISH CLERK OF COURT
 Justice System Funding Schedule (Cash Basis)
 Receiving Entity
 As Required by Act 87 of the 2020 Regular Legislative Session
 For the Year Ended June 30, 2025

	<u>First Six Month Period Ended 12/31/24</u>	<u>Second Six Month Period Ended 6/30/25</u>
Receipts From:		
<u>Agency Name</u>		
St. Mary Parish Sheriff - Criminal Fines	\$ 15,503	\$ 18,536
St. Mary Parish Sheriff - Bond Fees	<u>1,197</u>	<u>1,129</u>
 Total Receipts	 <u>\$ 16,700</u>	 <u>\$ 19,665</u>

ST. MARY PARISH CLERK OF COURT
Justice System Funding Schedule (Cash Basis)
Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended June 30, 2025

	First Six Month Period Ended 12/31/24	Second Six Month Period Ended 6/30/25
Beginning Balance of Amounts Collected	<u>\$ 1,545,293</u>	<u>\$ 1,613,941</u>
Add: Collections		
Civil Fees	477,553	584,106
Interest Earnings on Collected Balances	<u>26,750</u>	<u>23,329</u>
Subtotal Collections	<u>504,303</u>	<u>607,435</u>
Less: Disbursements to Governments & Nonprofits:		
Acadia Parish Sheriff - Civil Fees	1	69
Acension Parish Sheriff - Civil Fees	-	361
Assumption Parish Sheriff - Civil Fees	474	584
Avoyelles Parish Sheriff - Civil Fees	127	80
Beauregard Parish Sheriff - Civil Fees	-	98
Caddo Parish Sheriff - Civil Fees	-	1
Calcasieu Parish Sheriff - Civil Fees	316	284
Concordia Parish Sheriff - Civil Fees	-	37
East Baton Rouge Parish Sheriff - Civil Fees	4,265	6,191
Evangeline Parish Sheriff - Civil Fees	50	-
Iberia Parish Sheriff - Civil Fees	920	1,885
Iberville Parish Sheriff - Civil Fees	35	-
Jefferson Parish Sheriff - Civil Fees	870	870
Lafayette Parish Sheriff - Civil Fees	2,337	2,314
Lafourche Parish Sheriff - Civil Fees	890	833
Livingston Parish Sheriff - Civil Fees	67	33
Orleans Parish Sheriff - Civil Fees	1,261	1,417
Ouachita Parish Sheriff - Civil Fees	-	61
Plaquemines Parish Sheriff - Civil Fees	270	30
Rapides Parish Sheriff - Civil Fees	119	202
St. Bernard Parish Sheriff - Civil Fees	41	-
St. Charles Parish Sheriff - Civil Fees	-	109
St. Helena Parish Sheriff - Civil Fees	-	30
St. John the Baptist Parish Sheriff - Civil Fees	105	44
St. Landry Parish Sheriff - Civil Fees	181	101
St. Martin Parish Sheriff - Civil Fees	551	308
St. Mary Parish Sheriff - Civil Fees	29,005	39,346
St. Tammany Parish Sheriff - Civil Fees	438	543
Tangipahoa Parish Sheriff - Civil Fees	128	108
Terrebonne Parish Sheriff - Civil Fees	1,307	1,402
Vermilion Parish Sheriff - Civil Fees	229	78

ST. MARY PARISH CLERK OF COURT
Justice System Funding Schedule (Cash Basis)
Collecting/Disbursing Entity (Continued)
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended June 30, 2025

Louisiana Secretary of State - Civil Fees	2,150	2,600
Louisiana Supreme Court - Civil Fees	-	5
Louisiana Clerks Remote Access Authority - Criminal Fees	838	825
St. Mary Parish Government - Criminal Fees	188	4,700
Louisiana Supreme Court Judicial Administrator - LA Judicial College Fees	275	290
Louisiana State Treasurer - Judges' Supplemental Compensation Fund	16,642	18,371
16th Judicial District Court - Judicial Expense Fund	18,792	20,230
	<u>82,872</u>	<u>104,440</u>
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed to Collecting Agency - Civil Fees	239,259	346,280
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fees Refunds	104,249	73,763
Other Disbursements to Individuals	9,275	3,003
	<u>113,524</u>	<u>76,766</u>
Subtotal Disbursements/Retainage	<u>113,524</u>	<u>76,766</u>
Total: Ending Balance of Amounts Collected But Not Disbursed/Retained	<u>\$ 1,613,941</u>	<u>\$ 1,693,890</u>

INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Greg Aucoin
St. Mary Parish Clerk of Court
Franklin, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. Mary Parish Clerk of Court (Clerk of Court), a component unit of the St. Mary Parish Council, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Clerk of Court's basic financial statements, and have issued our report thereon dated December 29, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk of Court's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk of Court's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Clerk of Court's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk of Court's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk of Court's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Clerk of Court's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is considered a public record and may be distributed by the Legislative Auditor.

CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana
December 29, 2025

ST. MARY PARISH CLERK OF COURT

Schedule of Findings and Responses
For the Year Ended June 30, 2025

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statement of the St. Mary Parish Clerk of Court.
2. Report on Internal Control over Financial Reporting and Compliance and Other Matters

Internal Control over financial reporting

No findings are required to be reported for the year ended June 30, 2025.

Compliance

There were no material instances of noncompliance or other matters noted during the audit of the financial statements.

3. Federal Awards

This section is not applicable for the year ended June 30, 2025.

4. Management Letter

No letter was issued.

B. FINDINGS FINANCIAL STATEMENT AUDIT

There are no findings to be reported for the year ended June 30, 2025.

C. FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS PROGRAMS

This section is not applicable for the year ended June 30, 2025.

SUMMARY OF PRIOR YEAR FINDINGS AND RELATED CORRECTIVE ACTION
PREPARED BY ST. MARY PARISH CLERK OF COURT.

INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL
STATEMENTS

Item 2024-001 – Compliance and Other Matters

Item of Noncompliance

Disposition of Clerk's Salary Fund

Condition: The Clerk failed to remit excess funds to the parish treasury in accordance with RS 13:785.

Corrective Action: This has been corrected.

INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

This section is not applicable.

ST. MARY PARISH CLERK OF COURT

STATE OF LOUISIANA

SCHEDULE OF PROCEDURES PERFORMED AND
ASSOCIATED FINDINGS BASED UPON THE
STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED

June 30, 2025

WITH

AGREED UPON PROCEDURES REPORT

BY

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Certified Public Accountants' Report on Applying Agreed Upon Procedures	1-2
Schedule of Procedures Performed and Associated Findings Based upon the Statewide Agreed-Upon Procedures	
Guide to Presentation Format	3
Written Policies and Procedures	4-6
Board or Finance Committee	7
Bank Reconciliations	8
Collections (excluding electronic funds transfers)	9-10
Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)	11-13
Credit Cards/ Debit Cards/ Fuel Cards/ Purchase Cards (Cards)	14
Travel and Travel-Related Expense Reimbursements (excluding card transactions)	14
Contracts	14
Payroll and Personnel	15-16
Ethics	17
Debt Service	18
Fraud Notice	18
Information Technology Disaster Recovery/ Business Continuity	18
Prevention of Sexual Harassment	18



a corporation of
certified public accountants

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Greg Aucoin
St. Mary Parish Clerk of Court
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in the attached Schedule of Procedures Performed and Associated Findings Based Upon the Statewide Agreed-Upon Procedures (Schedule), on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor (LLA)'s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The St. Mary Parish Clerk of Court's (Clerk) management is responsible for those C/C areas identified in the SAUPs presented in the attached Schedule.

The Clerk has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are included in the attached Schedule.

We were engaged by the Clerk to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report may be distributed by the LLA as a public document.



CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana
December 29, 2025

ST. MARY PARISH CLERK OF COURT

STATE OF LOUISIANA

**Schedule of Procedures Performed and Associated Findings Based upon the
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2025**

Guide to Presentation Format

This report contains these items presented in this order:

Statewide Agreed-Upon Procedures (SAUPs) prescribed by the Louisiana Legislative Auditor (LLA),
Procedures performed by the Independent Certified Public Accountant,
Findings based upon the procedures performed, and
Management’s Comments relative to the findings, if applicable.

In order to facilitate understanding this report - the procedures and findings are presented in the following format:

<u>Order of Presentation</u>	<u>Presentation Format</u>
Area or function	Centered all CAPITALS IN BOLD TYPE
Statewide Agreed-Upon Procedures Prescribed (SAUPs) by Louisiana Legislative Auditor (LLA)	<u>Regular type highlighted with numbers or letters (if there are multiple parts)</u>
Actual procedures performed by Independent Certified Public Accountant	Denoted as Procedure Performed: (in bold type) followed by procedure in regular type
Finding based upon procedure performed	Denoted as Findings: (in bold type) followed by findings in regular type
Management’s response to findings	Denoted as Management’s Response: (in bold type) followed by <i>managements response in italics</i>

WRITTEN POLICIES AND PROCEDURES

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

Budgeting

- i. Budgeting, including preparing, adopting, monitoring, and amending the budget.

Procedure Performed: Obtained from management and read the written policies and procedures for budgeting.

Findings: Found that the written policies and procedures for budgeting include the specifies functions listed above.

Purchasing

- ii. Purchasing, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

Procedure Performed Obtained from management and read the written policies and procedures for purchasing.

Findings: Found that the written policies and procedures for purchasing include the specified functions listed above.

Disbursements

- iii. Disbursements, including processing, reviewing, and approving.

Procedure Performed: Obtained from management and read the written policies and procedures for disbursements.

Findings: Found that the written policies and procedures for disbursements include the specified functions listed above.

Receipts/Collections

- iv. Receipts/collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Procedure Performed: Obtained from management and read the written policies and procedures for receipts/collections.

Findings: Found the written policies and procedures for receipts/collections include the specified functions listed above.

WRITTEN POLICIES AND PROCEDURES (CONTINUED)

Payroll/Personnel

- v. Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Procedure Performed: Obtained from management and read the written policies and procedures for payroll/personnel.

Findings: Found that the written policies and procedures for payroll/personnel include the specifies functions listed above.

Contracting

- vi. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Procedure Performed: Obtained from management and read the written policies and procedures for contracting.

Findings: Found that the written policies and procedures for contracting include the specified functions listed above.

Travel and Expense Reimbursement

- vii. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Procedure Performed: Obtained from management and read the written policies and procedures for travel and expense reimbursement.

Findings: Found that the written policies and procedures for travel and expense reimbursement include the specified functions listed above.

Credit Cards

- viii. Credit Cards (and debit cards, fuel cards, purchase cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Procedure Performed Obtained from management and read the written policies and procedures for credit cards.

Findings: Found that the written policies and procedures for credit cards includes the specified functions listed above.

Ethics

- ix. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

WRITTEN POLICIES AND PROCEDURES (CONTINUED)

Procedure Performed: Obtained from management and read the written policies and procedures for ethics.

Findings: Found that the written policies and procedures for ethics include the specified function listed above.

Debt Service

x. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Procedure Performed: Obtained from management and read the written policies and procedures for debt service.

Findings: Found that the Clerk has not adopted formal policies and procedures for debt service; however, the Clerk has no debt and does not issue debt. Therefore, this procedure is not applicable to the entity.

Information Technology Disaster Recovery/Business Continuity

xi. Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Procedure Performed: Obtained from management and read the written policies and procedures for information technology disaster recovery/business continuity.

Findings: Discussed the findings with management.

Prevention of Sexual Harassment

xii. Prevention of Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedure Performed: Obtained from management and read the written policies and procedures for prevention of sexual harassment.

Findings: Found that the written policies and procedures include the specified functions listed above.

Management's response:

No comment.

BOARD OR FINANCE COMMITTEE

2) Board or Finance Committee

Procedure #2 is not applicable to the entity. As an independently elected official with complete executory control over his office, the Clerk does not have a board of finance committee.

BANK RECONCILIATIONS

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedures Performed: Obtained the listing of bank accounts from management and received management's written representation that the listing is complete. The listing contained 93 bank accounts. Randomly selected one month from the fiscal period and obtained and inspected the corresponding bank statement and bank reconciliation.

Findings:

- i. Observed written evidence that all five bank reconciliation were prepared within 2 months of the related statement closing date.
- ii. Observed written evidence that a member of management, who is also responsible for signing checks, has reviewed all five bank reconciliation within 1 month of the date the reconciliation was prepared.
- iii. Observed two of the five bank accounts had reconciling items outstanding for more than 12 months from the statement closing date. Inquired of management and found that all items outstanding for more than 12 months from the statement closing date for the two bank accounts, have been researched; however, no supporting documentation could be provided.

Management's response:

In the future, we will include written evidence that a member of management/board member who does not handle cash, post ledgers, or issues checks has reviewed each bank reconciliation. We will also have documentation reflecting research for reconciling items which have been outstanding for more than 12 months.

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Procedure Performed: Obtained the listing of deposit sites where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete.

Findings: Found that the Clerk has only one deposit site.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Procedure Performed: Obtained the listing of collection locations for the Clerk's one deposit site and management's representation that the listing is complete. The list contained two collection locations. We randomly chose one collection location and obtained and inspected the written policies and procedures relating to employee job duties.

Findings:

- i. Employees responsible for cash collections do not share a cash drawer.
- ii. Employees responsible for collecting cash are not responsible for preparing/making bank deposits.
- iii. Employees responsible for collecting cash are not also responsible for posting collection entries to the general ledger or subsidiary ledgers.
- iv. The employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is not responsible for collecting cash.

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Procedure Performed: Obtained and read a copy of the insurance policy for theft covering all employees who have access to cash and observed the insurance policy for theft was in force during the fiscal period.

Findings: Found that the Clerk's insurance policy for theft covering all employees who have access to cash was in force during the fiscal period.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and

- i. Observe that receipts are sequentially pre-numbered.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Procedure Performed: Randomly selected two deposit dates from the bank statements selected for procedure #3A. Obtained supporting documentation for the selected deposits.

Findings: Found that 2 of the 5 bank accounts selected for procedure #3A had only interest income activity during the fiscal period. For the remaining accounts:

- i. Found that the receipts are sequentially pre-numbered for the Fee Account. Found that the Advanced Deposit Account does not have sequentially pre-numbered receipts. Found that the Online Search Account receives only electronic deposits; therefore, sequentially prenumbered receipts for this account is not required.
- ii. Found that sequentially pre-numbered receipts, system reports, and other related collection documentation agree to the deposit slips for all 6 deposits selected.
- iii. Found that all six deposit slip totals agree to the actual deposit per the bank statement.
- iv. Observed all six deposits selected were made within one business day of receipt at the collection location.
- v. Found all actual deposits per the bank statements were recorded in the general ledger.

Management's response:

We have sequentially prenumbered receipts for Fee Account deposits; however, we do not consider it necessary to have sequentially prenumbered receipts for advanced deposits.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5):

Procedure Performed: Obtained a listing of locations that process payments from management and management's representation that the listing is complete.

Findings: Found the Clerk has only one location that processes payments.

B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

ii. At least two employees are involved in processing and approving payments to vendors;

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means;

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

Procedure Performed: We obtained a listing of employees involved with non-payroll purchasing and payment functions. We also obtained and inspected the written policies and procedures relating to employee job duties to observed that job duties are properly segregated.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

Findings:

- i. Found that at least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making a purchase.
- ii. Found that two employees are involved in processing and approving payments to vendors.
- iii. Found that the employees responsible for processing payments are not prohibited from adding/modifying vendor files.
- iv. Found that the Clerk of Court or Chief Deputy Clerk who are responsible for signing checks, give the checks to an employee, who is not responsible for processing payments, to mail.
- v. Found that the Clerk of Court and Chief Deputy Clerk, who are authorized to sign checks, approve electronic disbursements of funds.

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

Procedure Performed: Obtained the Clerk's non-payroll disbursements transaction population (excluding cards and travel reimbursements) and management's written representation that the population was complete. We randomly selected 5 disbursements from the listing and obtained and observed supporting documentation for each transaction.

Findings:

- i. Found that 5 of 5 disbursements was matched the related original itemized invoice. We found that only one disbursement was for materials. We viewed supporting documentation indicating deliverables were received by the Clerk.
- ii. Found that disbursement documentation includes evidence that the Clerk is following its policies as it relates to the segregation of duties tested under #5B(i), 5B(ii), and 5B(iv). 5B(iii) is not applicable for the selected disbursements because the vendor files were not added or modified for the disbursements. 5B(v) is not applicable for the selected disbursements because none of the disbursements were electronically disbursed.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Procedure Performed: Randomly selected 5 non-payroll-related electronic disbursements from the Clerk's main operating account for the month selected in procedure #3A and obtained supporting documentation for each disbursement.

Findings:

- a) Found that all 5 disbursements were approved by only those persons authorized to disburse funds per the Clerk's policy.
- b) Found that all 5 disbursements were approved by the required number of authorized signers per the Clerk's policy.

Management's response:

In the future, we will have an employee, who is not responsible for processing payments, periodically review changes to vendor files.

CREDIT CARDS/DEBIT CARDS/ FUEL CARDS/PURCHASE CARDS (CARDS)

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

Procedure #6 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, as this category did not have an exception in Year 1.

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

Procedure #7 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, as this category did not have an exception in Year 1.

CONTRACTS

8) Contracts

Procedure #8 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, as this category did not have an exception in Year 1.

PAYROLL AND PERSONNEL

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Procedure Performed: Obtained a listing of employees and officials employed during the fiscal period and management's written representation that the listing is complete. Selected 5 employees and obtained their related paid salaries and personnel files, and agreed paid salaries to authorized salaries.

Findings: Found that the listing contained 18 employees and 1 elected official. We obtained and inspected the paid salaries and viewed the personnel files for all five selected employees to agree paid salaries to authorized salaries.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Procedure Performed: Randomly selected one pay period during the fiscal period (Pay period 4/29/2025) and obtained attendance records and leave documentation for the selected pay period for the 5 employees selected for procedure #9A.

Findings:

- i. Observed that all 5 selected employees documented their daily attendance and leave.
- ii. Observed that all attendance and leave taken during the pay period was electronically approved by a supervisor.
- iii. Observed that any leave accrued or taken during the pay period was reflected in the Clerk's cumulative leave records.
- iv. For 4 of the 5 selected employees, we observed the paid salaries agreed to the authorized salary found within the personnel file. We found that one of the selected employees did not have an authorized salary form in the personnel file; therefore, we could not agree the salary paid to the authorized salary.

PAYROLL AND PERSONNEL (CONTINUED)

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

Procedure Performed: Inquired of management and obtained management's written representation that no employees or officials received termination payments during the fiscal period.

Findings: Found that no termination payments were made during the fiscal period.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Procedure Performed: Inquired of management and obtained management's written representation that employer and employee portions of third-party payroll related amounts have been paid, and all associated forms have been filed by required deadline.

Findings: Found that employer and employee portions of third-party payroll related amounts have been paid, and associated forms have been filed by required deadline.

Management's response:

In the future, we will ensure that authorized salary and pay rate forms are included in the personnel files for all employees.

ETHICS

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Procedure Performed: Obtained and observed ethics documentation from management for the 5 selected employees from Payroll and Personnel procedure #9A. Obtained management's written representation that there were no changes to the Clerk's ethics policy during the fiscal period.

Findings:

- i. Observed that the documentation demonstrates each employee completed one hour of ethics training during the calendar year.
- ii. This procedure is not applicable. There were no changes to the Clerk's ethics policy during the fiscal period.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedure Performed: Obtained from management and read the written policies and procedures for ethics as it relates to the ethics designee. Inquired of management to find whether or not the Clerk has appointed an ethics designee.

Findings: Found that the Clerk has appointed an ethics designee.

Management's response:

No comment.

DEBT SERVICE

11) Debt Service

Procedure #11 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, as this category did not have an exception in Year 1.

FRAUD NOTICE

12) Fraud Notice

Procedure #12 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, as this category did not have an exception in Year 1.

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

13) Information Technology Disaster Recovery/ Business Continuity

Procedure #13 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, since reporting the results of testing in this category was not required in Year 1.

PREVENTION OF SEXUAL HARRASSMENT

14) Prevention of Sexual Harassment

Procedure #14 is not tested in Year 2 based on the LLA SAUP's 2-year testing cycle, as this category did not have an exception in Year 1.