

**DESOTO PARISH CLERK OF COURT
MANSFIELD, LOUISIANA**

**ANNUAL FINANCIAL REPORT
JUNE 30, 2025**

DeSoto Parish Clerk of Court
Mansfield, Louisiana

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DeSoto Parish Clerk of Court
Mansfield, Louisiana

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INDEPENDENT AUDITOR’S REPORT

DeSoto Parish Clerk of Court
P. O. Box 1206
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Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the fiduciary fund of the DeSoto Parish Clerk of Court (“Clerk”) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Clerk’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 the fiduciary fund of the DeSoto Parish 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 and the *Louisiana Governmental Audit Guide*. 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related 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 the preparation and fair presentation of these 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 the 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's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 opinion. 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 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 judgment 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'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'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 the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedule of Proportionate Share of Net Pension Liability, Schedule of Employer Pension Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, as listed in the Table of Contents, be presented to supplement the basic financial statements and notes to required supplementary information. 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 evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The accompanying combining schedules of fiduciary net position and changes in fiduciary net position – custodial funds, and the Schedule of Compensation, Benefits, and Other Payments to the Agency Head or Chief Executive Officer 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. The 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 combining schedules of fiduciary net position and changes in fiduciary net position – custodial funds, and the Schedule of Compensation, Benefits and Other Payments to the Agency Head or Chief Executive Officer are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, contracts, and 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's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated December 17, 2025, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

December 17, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the DeSoto Parish Clerk of Court, Mansfield, Louisiana, (hereafter referred to as the Clerk) we offer the readers of the Clerk's financial statements this narrative overview and analysis of the financial activities of the Clerk as of and for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the Clerk's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

As of June 30, 2025, the total assets and deferred outflows of resources of the Clerk exceeded the total liabilities and deferred inflows of resources by \$2,502,425 (net position). This represents an increase of \$264,708 (11.83%) from the previous year's net position of \$2,237,717. This reverses a trend of decreases in net position in prior years.

Program revenues decreased \$189,296 (9.12%) to \$1,886,266 for the year ended June 30, 2025 from \$2,075,562 during the prior year. This continues a downward trend in program revenues.

During the year ended June 30, 2025, the Clerk's total expenses, excluding depreciation of \$24,812, decreased \$1,009,889 (33.80%) to \$1,977,721, compared to \$2,987,610 during the year ended June 30, 2024. This decrease is the result of more efficient operations by the Clerk's office under the management of the newly elected Clerk which allowed for a reduction in payroll and personnel expenses of \$806,465 (34.53%) and general operating expenses of \$203,424 (31.20%) during the year ended June 30, 2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Clerk's basic financial statements. The Clerk's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) and supplementary information in addition to the basic financial statements. These components are described below:

Government-wide Financial Statements

The government-wide financial statements provide a broad view of the Clerk's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Clerk's financial position, which assists users in assessing the Clerk's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenses connected with the year even if cash has not been received or paid and include all assets of the Clerk as well as all liabilities. The government-wide financial statements include two statements:

- **The *statement of net position*** presents all of the Clerk's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the Clerk's net position may serve as a useful indicator of whether the financial position of the Clerk is improving or deteriorating.
- **The *statement of activities*** presents information showing how the Clerk's net position changed during the most recent year using the full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The funds of the Clerk can be divided into two categories; governmental funds and fiduciary funds.

- *Governmental funds.* The services provided by the Clerk are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the year. Such information may be useful in evaluating the Clerk's near-term financing requirements. This approach is known as using the flow of financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the Clerk's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Clerk.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, users may better understand the long-term impact of the Clerk's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental funds financial statement.

The Clerk has one governmental fund, the General Fund (*Salary Fund*), which is classified as a major fund.

- *Fiduciary funds.* Fiduciary funds, which consist solely of custodial funds, are used to account for resources held for the benefit of parties outside of the government. The Clerk is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The Clerk's fiduciary activities are reported in a statement of fiduciary net position and a statement of changes in fiduciary net position. Fiduciary fund financial statements are presented as part of the basic financial statements in this report. The fiduciary funds use the accrual basis of accounting.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the governmental fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance of the General Fund as presented in the governmental fund financial statements. Additionally, this section includes information about employee and retiree health and pension benefits. Following the required supplementary information is supplementary information that is provided to show additional details.

Supplementary Information

A combining statement of fiduciary net position – custodial funds and combining statement of changes in fiduciary net position – custodial funds are presented to provide individual custodial fund detail. The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfill the requirements of Louisiana Revised Statute 24:513(A)(3). The justice system funding reporting schedules are presented to fulfill the requirements of Louisiana Revised Statute 24:515.2.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

Net Position

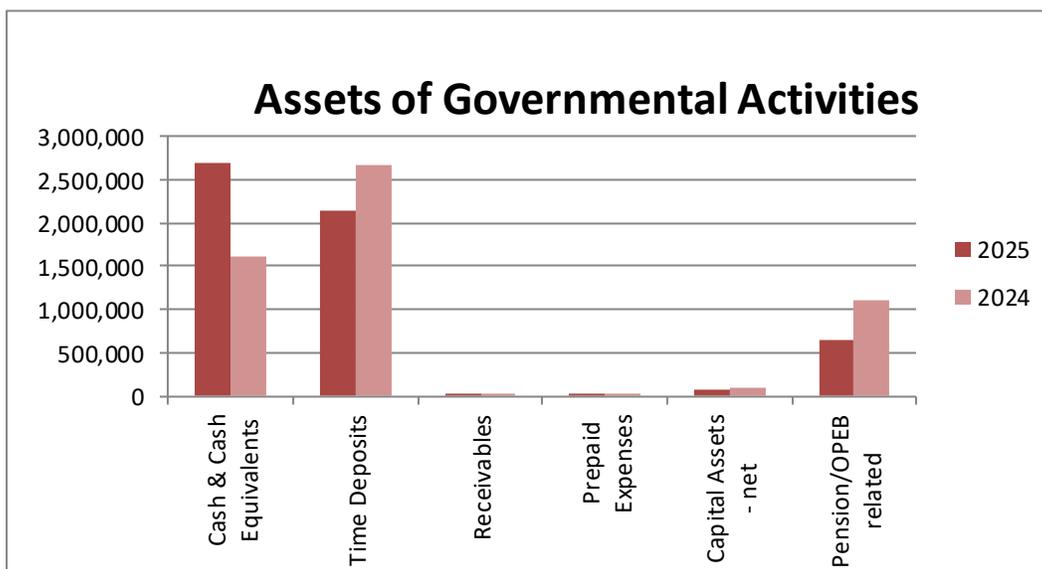
The following table provides a summary of the Clerk's net position:

	June 30, 2025	June 30, 2024
Assets		
Current assets	\$ 4,873,789	\$ 4,340,429
Capital assets, net	84,801	103,150
Total assets	<u>4,958,590</u>	<u>4,443,579</u>
Deferred Outflows of Resources		
Pension and OPEB related	<u>656,990</u>	<u>1,109,834</u>
Liabilities		
Current liabilities	70,674	55,966
Noncurrent liabilities:		
Compensated Absences	13,429	12,775
Net pension liability	1,898,076	2,302,913
OPEB liabilities	<u>552,252</u>	<u>614,438</u>
Total liabilities	<u>2,534,431</u>	<u>2,986,092</u>
Deferred Inflows of Resources		
Pension and OPEB related	<u>578,724</u>	<u>329,604</u>
Net Position		
Net investment in capital assets	84,801	103,150
Unrestricted	2,417,624	2,134,567
Total net position	<u>\$ 2,502,425</u>	<u>\$ 2,237,717</u>

Net position may serve over time as a useful indicator of the Clerk's financial position. As of June 30, 2025, the Clerk's net position total is \$2,502,425.

At June 30, 2025, \$84,801 (3.39%) of the of the Clerk's net position reflects capital assets with a historical cost of \$306,238 and accumulated depreciation of \$221,437. The remaining net position of \$2,417,624 (96.61%) is unrestricted and may be used to meet the Clerk's ongoing obligations to the citizens of DeSoto Parish and customers of the Clerk's office. The unrestricted balance primarily consists of cash, interest-bearing demands deposits, LAMP deposits, and time deposits.

The following chart depicts assets by category for the years ending June 30, 2025 and 2024:



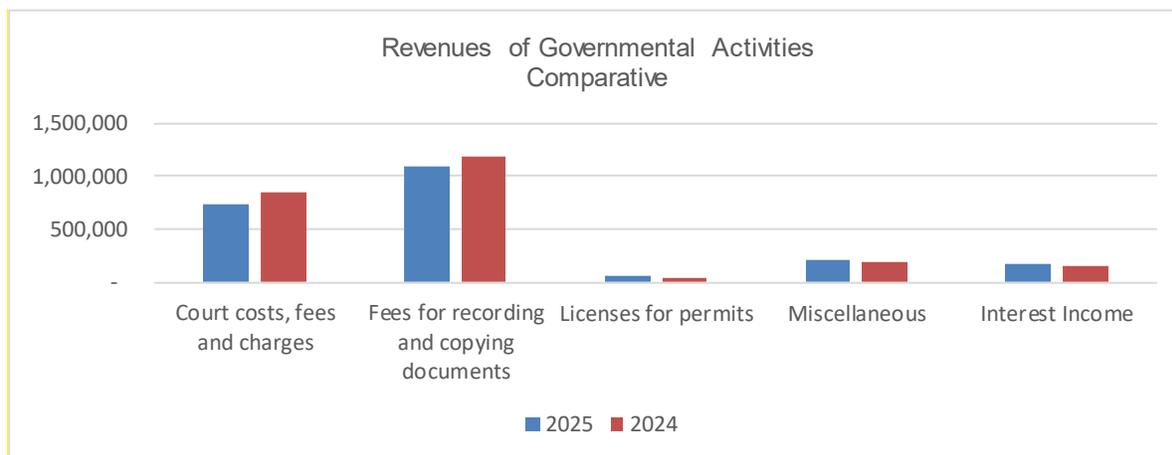
Changes in Net Position

Comparative data for government-wide information is presented as it accumulates and is presented to assist in future years. The following table provides a summary of the Clerk’s changes in net position for the years ended:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Revenues:		
Program revenues:		
Court costs, fees and charges	\$ 741,054	\$ 847,918
Fees for recording legal documents	1,090,426	1,180,394
Licenses and permits	54,786	47,250
General revenues:		
Interest	174,550	150,723
Other	206,425	193,222
Total Revenues	<u>2,267,241</u>	<u>2,419,507</u>
Expenses		
Judiciary	<u>2,002,533</u>	<u>3,014,992</u>
Increase (Decrease) in net position	264,708	(595,485)
Net position, beginning of year	<u>2,237,717</u>	<u>2,833,202</u>
Net position, end of year	<u>\$ 2,502,425</u>	<u>\$ 2,237,717</u>

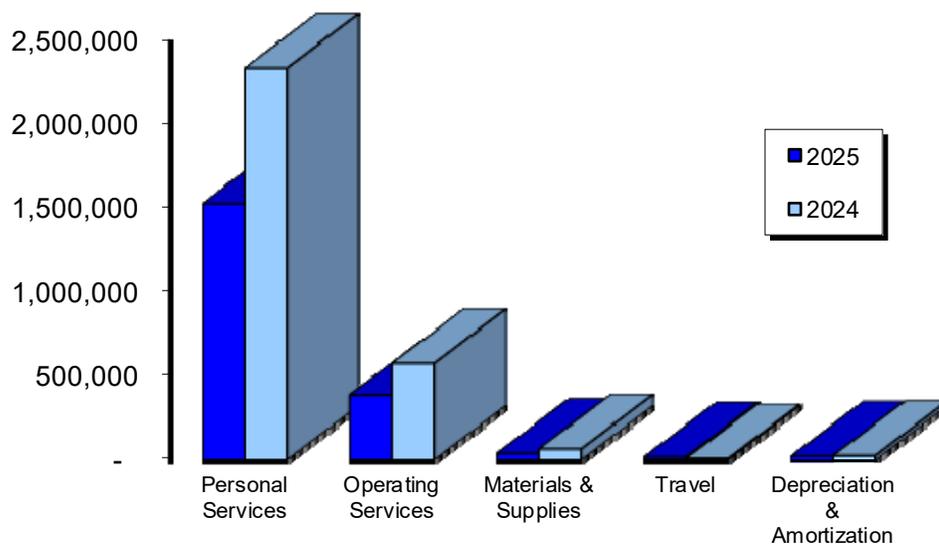
Approximately 83.20% (\$1,886,266) of the Clerk’s total revenues were derived through charges for services and licenses and permits in 2025 compared to 85.78% (\$2,075,562) in 2024. Expenses incurred by the Clerk are primarily for the provision of legal recordings of the Forty-Second Judicial District, DeSoto Parish, Louisiana. Approximately 76.36% (\$1,529,114) of the Clerk’s expenses are for salaries and related payroll taxes and employee benefits during the year ended June 30, 2025, compared to 77.47% (\$2,335,579) during the prior year. In 2025, Governmental activities program revenues of \$1,886,266 were less than program expenses of \$2,002,533 by \$116,267.

The following chart depicts revenues by category for the years ended June 30, 2025 and 2024:



The following chart depicts expenses by category for the years ended June 30, 2025 and 2024:

Total Expenses of Governmental Activities



FINANCIAL ANALYSIS OF THE CLERK'S INDIVIDUAL FUNDS

As noted earlier, the Clerk uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Clerk's governmental fund is to provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Clerk's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Clerk's net resources available for spending at the end of the year. As of the end of the year, the Clerk's governmental fund (general fund) reported an ending fund balance of \$4,803,115, an increase of \$518,653 (12.11%) compared to the prior year fund balance of \$4,284,462.

The general fund is the operating fund of the Clerk. A total of \$4,784,032 (99.60%) of the ending fund balance is unassigned and is available for spending in the coming year while \$19,083 (0.40%) is non-spendable and represents amounts expended for prepaid items. Additionally, as a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance of \$4,784,032, represents 303.25% of the total general fund expenditures (\$1,577,606) for the year ended.

GENERAL FUND BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Clerk complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA – R.S. 39:1301 et seq.).

The Clerk's budget was amended once during the year.

The actual expenditures were \$286,846 (15.28%) less than the final budgeted amounts and actual revenues were \$156,033 (7.99%) more than the final budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The addition to capital assets during the year ending June 30, 2025 was a new cubicle system for a total of \$6,463.

At June 30, 2025, the depreciable capital assets for governmental activities were 72.31% depreciated versus 65.59% in the prior year. This comparison indicates that the Clerk has some aging assets that may require increased capital outlays in the future.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors were considered when the budget for the fiscal year ended June 30, 2025, was prepared:

- Revenues are expected to remain consistent with the prior year.
- Other expenditures are expected to remain consistent with the prior year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the DeSoto Parish Clerk of Court, Mansfield, Louisiana, and seeks to demonstrate the Clerk's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Honorable Lisa Lobrano Burson, Clerk of Court for DeSoto Parish, P.O. Box 1206, Mansfield, Louisiana 71052.

BASIC FINANCIAL STATEMENTS

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

Governmental Fund Balance Sheet / Statement of Net Position

June 30, 2025

	Governmental Funds Financial Statements		Government-wide Statements
	Balance Sheet		Statement of
	General Fund	Adjustments	Net Position
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,697,983	\$ -	\$ 2,697,983
Investments	2,150,170	-	2,150,170
Receivables, net	6,553	-	6,553
Prepaid expenses	19,083	-	19,083
Noncurrent assets:			
Capital assets, net	-	84,801	84,801
Total assets	\$ 4,873,789	84,801	4,958,590
DEFERRED OUTFLOWS OF RESOURCES			
OPEB related		190,841	190,841
Pension related		466,149	466,149
Total deferred outflows of resources		656,990	656,990
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 53,098	-	53,098
Salaries and benefits payable	17,576	-	17,576
Noncurrent liabilities:			
Compensated absences	-	13,429	13,429
OPEB liability	-	552,252	552,252
Net pension liability	-	1,898,076	1,898,076
Total liabilities	70,674	2,463,757	2,534,431
DEFERRED INFLOWS OF RESOURCES			
OPEB related		375,656	375,656
Pension related		203,068	203,068
Total deferred inflows of resources		578,724	578,724
FUND BALANCE/NET POSITION			
Fund Balances:			
Nonspendable - Prepaid expenses	19,083	(19,083)	
Unassigned	4,784,032	(4,784,032)	
Total fund balances	4,803,115	(4,803,115)	
Total liabilities, deferred inflows of resources, and fund balance	\$ 4,873,789	(1,760,634)	
Net Position:			
Net investment in capital assets		84,801	84,801
Unrestricted		2,417,624	2,417,624
Total net position		\$ -	\$ 2,502,425

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT B

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana
**Reconciliation of Fund Balance on the Balance Sheet for Governmental Funds to
Net Position of Governmental Activities on the Statement of Net Position**
June 30, 2025

Fund Balance - Governmental Fund	\$	4,803,115
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Add - Capital assets	\$	306,237	
Deduct - Accumulated depreciation		<u>(221,436)</u>	84,801

Certain deferred outflows are reported in the governmental activities are not financial resources and therefore are not reported in the governmental funds.

Deferred outflows-OPEB			190,841
Deferred outflows-pension related			466,149

Noncurrent liabilities are not due and payable in the current period, and therefore, are not reported in the governmental fund:

OPEB liability			(552,252)
Compensated absences			(13,429)
Deferred inflows-OPEB			(375,656)
Deferred inflows-pension related			(203,068)
Net pension liability			<u>(1,898,076)</u>

Total Net Position of Government Activities	\$	<u><u>2,502,425</u></u>
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The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

STATEMENT C

**Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance / Statement of Activities**
For the year ended June 30, 2025

	Governmental Funds Financial Statements		Government-wide Statements
	Statement of revenues, expenditures, and changes in fund balance		Statement of Activities
	General Fund	Adjustments	Activities
Expenditures / Expenses			
Current			
General Government - Judiciary	\$ 1,583,917	\$ 393,804	\$ 1,977,721
Capital outlays	6,463	(6,463)	-
Depreciation and amortization	-	24,812	24,812
Total expenditures / expenses	<u>1,590,380</u>	<u>412,153</u>	<u>2,002,533</u>
Program revenues			
Charges for service:			
Court costs, fees and charges	741,054	-	741,054
Fees for recording and copies	1,090,426	-	1,090,426
Licenses and permits	54,786	-	54,786
Total program revenues	<u>1,886,266</u>	<u>-</u>	<u>1,886,266</u>
Net program expense			(116,267)
General revenues			
Other income	48,217	158,208	206,425
Use of money and property - interest	174,550	-	174,550
Total general revenues	<u>222,767</u>	<u>158,208</u>	<u>380,975</u>
Net change in fund balance / Change in net position			
	518,653	(253,945)	264,708
Fund balance / Net position			
Beginning of the year	4,284,462		2,237,717
End of the year	<u>\$ 4,803,115</u>		<u>\$ 2,502,425</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT D

DESOTO PARISH CLERK OF COURT

DeSoto Parish, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of the Governmental Fund to the Statement of Activities**

For the year ended June 30, 2025

Net change in Fund Balance - Governmental Fund	\$ 518,653
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Governmental funds report capital outlays as expenditures. However in the the Statement of activities, the cost of assets are capitalized and allocated over their estimated useful lives and reported as depreciation. Therefore, capital expenditures are not recorded in the statement of activities.

Capital outlays	6,463
Depreciation	(24,812)

Pension expenses not requiring the use of current economic resources are not recorded in the fund financial statements.

Non-employer contributions to cost-sharing pension plan	158,208
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In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.

Compensated absences expense	\$ (655)
Pension (expense) benefit	(383,509)
OPEB (expense) benefit	<u>(9,640)</u> <u>(393,804)</u>

Change in Net Position - Statement of Activities	\$ <u>264,708</u>
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The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT E

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana**Statement of Fiduciary Net Position**
Custodial Funds
June 30, 2025

	Custodial Funds
Assets	
Cash and cash equivalents	\$ <u>8,462,921</u>
Net Position	
Fiduciary net position - held for others	\$ <u><u>8,462,921</u></u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT F

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

Statement of Changes in Fiduciary Net Position
Custodial Funds

For the year ended June 30, 2025

	Custodial Funds	
	<hr/>	
ADDITIONS:		
Suits and successions	\$	4,074,057
Interest income		96,382
Total additions		<hr/> 4,170,439 <hr/>
 REDUCTIONS		
Clerk's costs (transferred to general fund)		403,870
Judge's compensation fund		21,637
Judicial court expense fund		11,825
Settlements to litigants		828,656
Curator fees		9,916
DeSoto Parish Sheriff		54,799
Other Sheriff's and Clerks		35,722
Other State fees		8,266
DeSoto Parish Police Jury		2,825
Other reductions		3,902
Total reductions		<hr/> 1,381,418 <hr/>
 Net increase (decrease) in fiduciary net position		2,789,021
 Net position - beginning		5,673,900
 Net position - ending	\$	<hr/> 8,462,921 <hr/>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the DeSoto Parish Clerk of Court (the Clerk) have been prepared in conformity with governmental accounting principles generally accepted in the United States of America applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for GAAP for state and local governments through its pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*.

The significant accounting and reporting policies and practices used by the Clerk are described below.

B. REPORTING ENTITY

The Clerk is an independently elected official and as such, is solely responsible for the operations of their office, which includes responsibility for the hiring and retention of employees, the annual operating budget and any fund deficits, and the receipt and disbursement of funds. The DeSoto Parish Police Jury (DPPJ) maintains and operates the parish courthouse in which the Clerk's office is located and is responsible for certain expenses incurred by the Clerk as required by law. Despite this fact, the Clerk was determined to be financially independent and not a component unit of the DPPJ. Accordingly, the Clerk is a separate governmental reporting entity. The accompanying financial statements present information only on the funds and activities controlled by the Clerk and do not present information on the DPPJ, the general government services provided by that governmental unit, or other separate reporting entities from the Clerk.

C. FUND ACCOUNTING

The Clerk uses funds to maintain its financial records during the year. 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 a separate accounting entity with a self-balancing set of accounts.

Funds of the Clerk are classified into two categories: governmental (General Fund) and fiduciary (custodial funds). These funds are described as follows:

Governmental Funds

Governmental funds account for all or most of the Clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk. The following is the Clerk's governmental fund:

General Fund- The General Fund (Salary Fund), as provided by Louisiana Revised Statute (R.S.) 13:781, is the principal fund of the Clerk and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Clerk are custodial funds. The Advance Deposit and Registry of Court custodial funds account for assets held by the Clerk in a trustee capacity or as an agent for litigants pending court action and do not involve measurement of results of operations. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, Fiduciary Activities.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Clerk's operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues

Recordings, cancellations, court attendance, criminal costs, and other fees, charges and commissions for services are recorded in the year in which they are earned. Interest income on time deposits is recorded when the time deposits have matured and the income is available. Substantially, all other revenues are recorded when received by the Clerk.

Based on the above criteria, recordings, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Salaries and related payroll taxes and benefits are recorded when employee services are provided to the Clerk. Capital outlays are reported at the time purchased.

The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity; therefore, the Clerk reports the General Fund as a major fund.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Clerk as a whole. These statements include all the financial activities of the Clerk, except for fiduciary activities. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of the economic resources 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 the Clerk's activities are reported. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Gains on the sale of capital assets are reported as general revenues, losses on the sale of capital assets are reported as program expenses.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk'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 for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Program revenues reduce the cost of the function to be financed from the Clerk's general revenues.

Revenues that are not classified as program revenues, including interest, are presented as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - (Continued)

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The only funds accounted for in this category by the Clerk are custodial funds. Data from the fiduciary funds is not incorporated in the government-wide financial statements.

E. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash includes cash on hand, amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents includes amounts invested with the Louisiana Asset Management Pool, Inc. (LAMP) and any short-term, highly liquid investments or time deposits with maturities of 90 days or less when purchased. LAMP is a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates as a local government investment pool. Investments include any investment or time deposit with a maturity of 90 days or more when purchased. Under state law, the Clerk may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. RECEIVABLES

Accounts receivable consist only of balances due for copies and recordings of legal documents. All trade receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivable outstanding in excess of 90 days comprise the trade accounts receivable allowance for uncollectible accounts.

G. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets in the financial statements.

H. CAPITAL ASSETS AND DEPRECIATION

Capital assets which include office equipment, furniture and fixtures, and building improvements are reported in the government-wide financial statements. All purchased and constructed capital assets are valued at historical cost or estimated cost if historical cost is not available. Donated capital assets are valued at their estimated fair value at the date of donation. The Clerk maintains a threshold level of \$2,000 or more for capitalizing capital assets for reporting purposes. Assets reported in the fund financial statements for governmental funds exclude capital assets. The governmental funds financial statements report the acquisition of capital assets as expenditures.

All capital assets, other than land, are depreciated using the straight-line method over their estimated useful lives, ranging from five to twenty years depending upon the expected durability of the particular asset. Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities. Capital assets are recorded in the statement of net position.

I. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of financial position reports a separate section for Deferred Inflows of Resources. This separate financial statement element represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Clerk recognizes differences between expected and actual factors in total pension liability measurements, changes in assumptions about future factors in the total pension liability measurements, and the differences between projected and actual earnings on pension plan investments within these financial statement sections.

J. COMPENSATED ABSENCES AND LEAVE POLICIES

The Clerk recognition and measurement criteria for compensated absences follows GASB Statement No. 101. The Clerk, in accordance with GASB 101, recognizes a liability for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. COMPENSATED ABSENCES AND LEAVE POLICIES – (Continued)

The Clerk has the following policy relating to leave time:

Following completion of one year of continuous service and depending on length of service, employees of the Clerk's office earn Paid Time Off (PTO) leave between 12 work days and 17 work days annually. Upon voluntary resignation or retirement, an employee is compensated for annual PTO balances unused and remaining. Only 12 work days of leave can be rolled over annually for each employee.

Following completion of 90 days of service, employees are entitled to 10 days of sick leave annually. Employees are allowed to rollover up to 45 days of sick leave annually. Sick leave is not paid out upon termination of employment.

K. NET POSITION AND FUND EQUITY

Net Position

The Clerk classifies net position in the government-wide financial statements, as follows:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Clerk's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Clerk.

Fund Balances

The Clerk classifies fund balances in governmental funds as follows:

- Nonspendable- Resources that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- Restricted- Resources constrained to specific purposes by their providers (such as grantors or higher levels of government).
- Committed- Resources constrained by the Clerk itself. To be reported as committed, amounts cannot be used for any other purpose unless the Clerk takes the action to remove or change the constraint.
- Assigned- Resources the Clerk intends to use for a specific purpose.
- Unassigned- Resources that are available for any purpose.

The Clerk establishes (and modifies and rescinds) fund balance commitments and assignments through adoption and amendment of the budget. The Clerk would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

The General Fund, the Clerk's only governmental fund, has an unassigned fund balance of \$4,784,032.

L. PENSION PLAN

The Clerk is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 5. 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 each of the plans, and additions to / deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

M. USE OF 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

N. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Clerk follows GASB Statement 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which requires the accrual of other postemployment benefits for retired employees. The Clerk has recorded a liability for other postemployment benefits (see Note 6). In the government-wide financial statements, the OPEB liability is recorded as an expense and non-current liability and allocated on a functional basis. In the fund financial statements, OPEB expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to OPEB payments due and payable as of the end of the year.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and Cash Equivalents: At June 30, 2025, the Clerk had cash and cash equivalent (book balances) totaling \$11,160,904 as follows:

	Governmental Fund	Custodial Funds	Total
Cash	\$ 1,575	\$ -	\$ 1,575
Interest-bearing demand deposits	350,656	8,062,921	8,413,577
LAMP	2,345,752	400,000	\$ 2,745,752
	\$ 2,697,983	\$ 8,462,921	\$ 11,160,904

Investments: At June 30, 2025, the Clerk had investments (book balances) totaling \$2,150,170 as follows:

	Governmental Fund	Custodial Funds	Total
Time Deposits	\$ 2,150,170	\$ -	\$ 2,150,170

These deposits are stated at cost, which approximates fair value. 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 always equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. LA R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LA R.S. 39:1224 states that securities held by a third party shall be deemed to be held in the Clerk's name.

The cash equivalents and investments of the Clerk are subject to the following risks:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. At year end, the Clerk had collected bank balances of \$10,576,742 which were fully protected by \$1,000,000 of federal depository insurance and the pledge of securities with a market value of \$11,082,268 held by the custodial bank in the name of the Clerk.

Interest Rate Risk: The Clerk's time deposits (certificates of deposit) have maturities of one year or less at the time of acquisition, which limits exposure to fair value losses arising from rising interest rates.

Credit Risk: The Clerk's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Clerk may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk 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.

**DESOTO PARISH CLERK OF COURT
MANSFIELD, LOUISIANA**

Notes to the Financial Statements
For the Year Ended June 30, 2025

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS - (Continued)

Cash equivalents held at June 30, 2025, include \$2,745,752 (collected balances) invested with the Louisiana Asset Management Pool (LAMP), a local government investment pool. The Louisiana Asset Management Pool 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 LA-R.S. 33:2955.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. 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.

3. ACCOUNTS RECEIVABLE

Accounts receivable balances, including applicable allowances for uncollectible accounts, as of June 30, 2025 are as follows:

Fees, charges and commissions for services:	
Fees for recording and copying	12,349
Gross receivables	12,349
Less allowance for uncollectibles	(5,796)
Net total receivables	\$ 6,553

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2025, is as follows:

Governmental activities	6/30/2024	Additions	Deletions	6/30/2025
<u>Capital assets being depreciated</u>				
Office furniture and equipment	\$ 299,775	\$ 6,463	\$ -	\$ 306,238
Total	299,775	6,463	-	306,238
<u>Less accumulated depreciation</u>				
Office equipment	196,625	24,812	-	221,437
Total	196,625	24,812	-	221,437
Net capital assets	\$ 103,150	\$ (18,349)	\$ -	\$ 84,801

Depreciation expense of \$24,812 was charged to the judiciary function of the governmental activities.

5. PENSION PLAN

Plan Description. Substantially all employees of the Clerk are members of the Louisiana Clerks' of Court Retirement and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees and established in accordance with Louisiana Revised Statute 11:1501.

The Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of LA R.S. Title 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.

5. PENSION PLAN – (Continued)

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% percent 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 3½% 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. 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 ¼ 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 ½ 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 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.

5. PENSION PLAN – (Continued)

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 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.

Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2024, the actual employer contribution rate was 23.00%. The contractually required contribution for the Clerk for the year ended June 30, 2025, was \$142,984.

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 Clerk for the year ended June 30, 2024 was \$158,208.

Schedule of Employer Allocations: The schedule of employer allocations reports the historical employer contributions in addition to the employer allocation percentages for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Louisiana Clerks' of Court Retirement and Relief Fund. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the Fund during the fiscal year ended June 30, 2024 as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the DeSoto Parish Clerk of Court reported a liability of \$1,898,076 for its proportionate share of the net pension liability of the Plan. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the net pension liability was based on a projection of the Clerk'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 (Plan's measurement date), the Clerk's proportion was 1.140788% which was an increase of 0.070286% from the proportion measured as of June 30, 2023.

**DESOTO PARISH CLERK OF COURT
MANSFIELD, LOUISIANA**

Notes to the Financial Statements
For the Year Ended June 30, 2025

5. PENSION PLAN – (Continued)

For the year ended June 30, 2025, the Clerk recognized a pension expense of \$393,508, representing its proportionate share of the Plan's net expense, including amortization of deferred amounts.

At June 30, 2025, the Clerk 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
Differences between expected and actual experience	\$ 6,626	\$ 48,075
Changes of assumptions	41,779	-
Net difference between projected and actual earnings on pension plan investments	-	154,865
Changes in proportion and differences between Employer contributions and proportionate share of contributions	102,018	-
Differences between employer and proportionate share of contributions	172,742	128
Employer contributions subsequent to the measurement date	142,984	-
Total	\$ 466,149	\$ 203,068

The Clerk reported a total of \$142,984 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2024, which will be recognized as a reduction in net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

June 30,	
2025	\$ 9,734
2026	238,217
2027	(60,412)
2028	(67,442)
Total	\$ 120,097

Actuarial Methods and 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. The components of the net pension liability of the Clerk as of June 30, 2024 are as follows:

Total pension liability	\$ 11,227,526
Less plan fiduciary net position	9,329,450
Total net pension liability	\$ 1,898,076

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024 is as follows:

Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Life	5 Years
Investment Rate of Return	6.55%, net of investment expense
Inflation rate	2.40%
Projected Salary Increases	1-5 years of service - 6.2%
	5 years or more - 5%
Mortality Rates	Pub - 2010 Public Retirement Plans multiplied by 120%
	Mortality Table with full generation projection using the appropriate MP-2019 improvement scale

5. PENSION PLAN – (Continued)

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 experiences.

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

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 Portfolio Real Rate of Return
Fixed Income:		
Domestic Bonds	30%	0.59%
International Bonds	35%	0.22%
Domestic Equity	20%	2.62%
International Equity	15%	1.70%
Real Estate	15%	0.68%
System Total	100%	5.81%
Inflation		2.50%
Expected Arithmetic Return		8.31%

Discount Rate. The discount rate used to measure the total pension liability was 6.55%. 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 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 the total pension liability.

5. PENSION PLAN – (Continued)

Sensitivity of the Clerk’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the Clerk calculated using the discount rate of 6.55 percent, as well as what the Clerk’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.55 percent) or one percentage point higher (7.55 percent) than the current rate:

	1% Decrease 5.55%	Current Discount Rate 6.55%	1% Increase 7.55%
Net Pension Liability	\$ 3,129,637	\$ 1,898,076	\$ 859,242

Change in Net Pension Liability: The changes in the net pension liability for the year ended June 30, 2024, were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience: The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Differences between Projected and Actual Investment Earnings: The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

Changes of Assumptions or Other Inputs: The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Changes in Proportion: Changes in the employer’s proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer’s pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

Plan Fiduciary Net Position. The System issues an annual publicly available financial report that includes financial statements, required supplementary information for the System and detailed information about the plan’s fiduciary net position. Access to the report can be found on the Office of Louisiana Legislative Auditor’s official website: www.la.state.la.us or by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 10202 Jefferson Hwy, Building A Baton Rouge, LA 70809, or by calling (225) 293-1162.

6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The DeSoto Parish Clerk of Court (the Clerk) provides certain continuing health care and life insurance benefits for its retired employees. The DeSoto Parish Clerk of Court’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Clerk. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Clerk. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: Attainment of age 55 and 12 years of service; or, attainment of age 60 and 12 years of service for employees hired on and after January 1, 2011. Employees hired on and after January 1, 2011 are not able to retire or enter DROP until age 60 without actuarial reduction in benefits.

Life insurance coverage is provided to retirees and 50% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 50% of the original amount at age 70.

**DESOTO PARISH CLERK OF COURT
MANSFIELD, LOUISIANA**

Notes to the Financial Statements
For the Year Ended June 30, 2025

6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS – (Continued)

Retiree Premiums – Retiree premiums provided from the Louisiana Clerks’ of Courts Association were used to determine retiree cost projections. The "value of benefits" has been assumed to be the portion of the premium after the retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The active employees and pre-Medicare retirees are assigned the same rate, a blended rate. Thus, since GASB 74/75 mandates that "unblended" rates be used, we have estimated the "unblended" rates for retired members before Medicare eligibility to be 130% of the blended rates. The unblended rates provided are those for Medicare eligible retirees.

Participation - Employees who receive active benefits are assumed to also receive retiree benefits. We also assume that the same percentage of employees with spouse coverage would also have spouse coverage as retirees.

Contribution rates - Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. Retirees contribute to the cost of the Medical and life plans offered. The plan provisions and contribution rates are contained in the official plan documents.

Employees covered by benefit terms – As of the measurement date June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Active employees	10
	16

Total OPEB Liability

The Clerk’s total OPEB liability is \$552,252 as of the measurement date June 30, 2025 the end of the fiscal year.

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:

Inflation	3.00%
Salary increases	3.00%, including inflation
Prior Discount rate	3.93% annually
Current discount rate	5.20% annually
Healthcare cost trend rates	Getzen Model, initial trend of 5.5%
Mortality	120% of Pub-2010 for general employees and healthy retirees with MP-2021 scale

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates.

The actuarial assumptions used in the June 30, 2025 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2024.

Changes in the Total OPEB Liability

Balance at June 30, 2024	\$ 614,438
Changes for the year:	
Service cost	16,649
Interest	24,475
Differences between expected and actual experience	(94,707)
Changes in assumptions	(416)
Benefit payments and net transfers	(8,187)
Net changes	(62,186)
Balance at June 30, 2025	\$ 552,252

**DESOTO PARISH CLERK OF COURT
MANSFIELD, LOUISIANA**

Notes to the Financial Statements
For the Year Ended June 30, 2025

6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS – (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Clerk, as well as what the Clerk’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1.0% Decrease (4.20%)	Current Discount Rate (5.20%)	1.0% Increase (6.20%)
Total OPEB liability	\$ 628,021	\$ 552,252	\$ 489,677

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Clerk, as well as what the Clerk’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 518,084	\$ 552,252	\$ 595,258

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Clerk recognized OPEB expense of \$17,827. At June 30, 2025, the Clerk reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 64,792	\$ (206,961)
Changes in assumptions	126,049	(168,695)
Total	\$ 190,841	\$ (375,656)

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

Years ending June 30:	
2026	\$ (23,297)
2027	\$ (23,297)
2028	\$ (23,297)
2029	\$ (23,297)
2030	\$ (23,297)
Thereafter	\$ (68,332)

7. DEBT

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the fiscal year ended June 30, 2025:

	Compensated Absences	Pension Liability	OPEB Liability	Total
Balances at July 1, 2024	\$ -	\$ 2,302,913	\$ 614,438	\$ 2,917,351
Increases	13,429	-	-	13,429
Decreases	-	(404,837)	(62,186)	(467,023)
Balances as June 30, 2025	\$ 13,429	\$ 1,898,076	\$ 552,252	\$ 2,463,757

8. RISK MANAGEMENT

The Clerk is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk purchases commercial insurance to provide workers compensation coverage, general liability, error and omission, and property insurance. There were no significant reductions in insurance coverage from the previous year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Clerk.

9. DEFERRED COMPENSATION PLAN

Certain employees of the Clerk are eligible to participate in the State of Louisiana deferred compensation plan adopted under the provisions of the Internal Revenue Service Code Section 457. Employees may contribute up to the maximum allowed by the Internal Revenue Code and investment options. The contributions are withheld from the employees' paychecks and the Clerk makes a matching contribution up to a maximum of 7% of the employees annual salary. The contributions are fully vested immediately and are remitted to a third-party administrator each pay period where they are deposited to an account in the employee's name. The Clerk does not assume any liability for the funds and does not have control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2025 the Clerk's matching funds totaled \$20,375.

10. EXPENDITURES OF THE CLERK OF COURT PAID BY THE POLICE JURY

The Clerk's office is located in the DeSoto Parish Courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715 is paid by the DPPJ and are not included in the accompanying financial statements.

11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 22, 2025, the date the financial statements were available to be issued and has concluded that there are no significant events requiring recognition or disclosure through that date.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the year ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with final budget positive (negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Court costs, fees and charges	\$ 736,000	\$ 736,000	\$ 741,054	\$ 5,054
Fees for recording and copies	1,172,000	1,017,000	1,090,426	73,426
Licenses and permits	35,000	35,000	54,786	19,786
Other income	40,000	40,000	48,217	8,217
Use of money and property - interest	125,000	125,000	174,550	49,550
Total revenues	<u>2,108,000</u>	<u>1,953,000</u>	<u>2,109,033</u>	<u>156,033</u>
Expenditures				
Current				
General Government - Judiciary	2,767,226	1,877,226	1,583,917	293,309
Capital outlays	-	-	6,463	(6,463)
Total expenditures	<u>2,767,226</u>	<u>1,877,226</u>	<u>1,590,380</u>	<u>286,846</u>
Net change in fund balance	(659,226)	75,774	518,653	442,879
FUND BALANCE				
Beginning of the year	4,284,462	4,284,462	4,284,462	-
End of the year	<u>\$ 3,625,236</u>	<u>\$ 4,360,236</u>	<u>\$ 4,803,115</u>	<u>\$ 442,879</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SCHEDULE 2

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

Schedule of Proportionate Share of Net Pension Liability

For the year ended June 30, 2025

Louisiana Clerks' of Court Retirement and Relief Fund:

Fiscal Year* ending June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Employer's proportionate share of the net pension liability as a % of its covered payroll	Plan fiduciary net position as a % of the total pension liability
2016	0.673925%	\$ 1,010,909	\$ 608,568	166%	78.1%
2017	0.739857%	\$ 1,368,716	\$ 675,345	203%	74.2%
2018	0.782376%	\$ 1,183,683	\$ 705,813	168%	79.7%
2019	0.777741%	\$ 1,293,617	\$ 765,185	169%	79.1%
2020	0.843044%	\$ 1,530,961	\$ 817,011	187%	77.9%
2021	0.870242%	\$ 2,093,685	\$ 862,891	243%	72.1%
2022	0.903796%	\$ 1,202,264	\$ 912,216	132%	85.4%
2023	0.941555%	\$ 2,282,107	\$ 965,106	236%	74.1%
2024	1.070502%	\$ 2,302,913	\$ 1,028,862	224%	77.6%
2025	1.140788%	\$ 1,898,076	\$ 1,238,509	153%	83.1%

*Amounts presented were determined as of the measurement date (previous fiscal year end).

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SCHEDULE 3

DESOTO PARISH CLERK OF COURT

DeSoto Parish, Louisiana

Schedule of Employer Pension Contributions

For the year ended June 30, 2025

Louisiana Clerks' of Court Retirement and Relief Fund:

<u>Fiscal year*</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Employer's covered payroll</u>	<u>Contributions as a % of covered payroll</u>
2016	\$ 128,315	\$ 128,315	\$ -	\$ 675,345	19.00%
2017	\$ 134,104	\$ 134,104	\$ -	\$ 705,813	19.00%
2018	\$ 137,554	\$ 137,554	\$ -	\$ 765,185	17.98%
2019	\$ 155,316	\$ 155,316	\$ -	\$ 817,011	19.01%
2020	\$ 165,968	\$ 165,968	\$ -	\$ 862,891	19.23%
2021	\$ 191,126	\$ 191,126	\$ -	\$ 912,216	20.95%
2022	\$ 216,368	\$ 216,368	\$ -	\$ 965,106	22.42%
2023	\$ 254,544	\$ 254,544	\$ -	\$ 1,028,862	24.74%
2024	\$ 284,857	\$ 284,857	\$ -	\$ 1,238,509	23.00%
2025	\$ 142,984	\$ 142,984	\$ -	\$ 621,670	23.00%

*Amounts presented were determined as of the end of the fiscal year.

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

SCHEDULE 4

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

Schedule of Changes in Net OPEB Liability and Related Ratios
For the year ended June 30, 2025

	2025	2024	2023	2022	2021
OPEB expenses					
Service cost	\$ 16,649	\$ 15,796	\$ 15,822	\$ 26,262	\$ 25,497
Interest	24,475	24,022	22,052	14,462	13,543
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(416)	(109,750)	15,108	15,716	17,561
Changes of assumptions	(94,707)	41,902	(10,666)	(91,244)	5,593
Benefit payments	(8,187)	(7,760)	(7,105)	(6,604)	(5,827)
Net change in total OPEB liability	<u>(62,186)</u>	<u>(35,790)</u>	<u>35,210</u>	<u>(41,407)</u>	<u>56,367</u>
Total beginning OPEB liability	614,438	650,228	615,018	656,425	600,058
Total ending OPEB liability	<u>\$ 552,252</u>	<u>\$ 614,438</u>	<u>\$ 650,228</u>	<u>\$ 615,018</u>	<u>\$ 656,425</u>
Covered-employee payroll	\$ 505,254	\$ 490,538	\$ 956,529	\$ 928,669	\$ 844,384
Net OPEB liability as a % of covered-employee payroll	109.30%	125.26%	67.98%	66.23%	77.74%

-continued-

	2020	2019	2018
OPEB expenses			
Service cost	\$ 36,359	\$ 28,646	\$ 27,812
Interest	23,576	21,808	20,749
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(225,024)	24,198	31,299
Changes of assumptions	118,611	42,407	(28,862)
Benefit payments	(8,876)	(10,832)	(10,139)
Net change in total OPEB liability	<u>(55,354)</u>	<u>106,227</u>	<u>40,859</u>
Total beginning OPEB liability	655,412	549,185	508,326
Total ending OPEB liability	<u>\$ 600,058</u>	<u>\$ 655,412</u>	<u>\$ 549,185</u>
Covered-employee payroll	\$ 819,790	\$ 829,731	\$ 765,185
Net OPEB liability as a % of covered-employee payroll	73.20%	78.99%	71.77%

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

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

Notes to Required Supplementary Information
as of and for the year ended June 30, 2025

Budgetary Information

The budget for the General Fund (Salary Fund) is prepared and is adopted annually on the cash basis of accounting. A preliminary budget for the General Fund for the ensuing year is prepared by the DeSoto Parish Clerk of Court (the Clerk) during May of each year. The availability of the proposed budget for public inspection and the date of the public hearing on the budget are then advertised in the official journal. During June, the Clerk holds a public hearing on the proposed budget in order to receive comments from the public and other interested parties. The General Fund budget is adopted during June of each year and notice is published in the official journal.

The proposed budget for 2025 fiscal year was made available for public inspection at the Clerk's office on June 6, 2024. The proposed budget, prepared on the cash basis of accounting, was published in the official journal ten days before the public hearing. The budget hearing was held at the Clerk's office on June 21, 2024.

Louisiana Revised Statute (LSA-R.S.) 39:1311 requires the chief executive or administrative officer of the Clerk's office to advise the Clerk in writing when:

- (1) Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.
- (2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.
- (3) Actual beginning fund balance, within a fund, fails to meet estimated fund balance by five percent or more and fund balance is being used to fund current year expenditures.

The Clerk prepares necessary budget amendments when, in the judgement of the Clerk, actual operations differ materially from those anticipated in the original budget and formally adopts the amendments. The adoption of the amendments is published in the official journal. The General Fund budget for the fiscal year ended June 30, 2025, was amended once.

Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year-end. Formal budget integration is employed as a management control device during the year. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The Clerk is in compliance with the Louisiana Local Government Budget Act.

Pension Information

The schedule of the Clerk's proportionate share of the net pension liability and the schedule of the Clerk's pension contributions are intended to show information for 10 years. Additional years will be displayed as they become available. There were no changes of benefit terms nor changes in benefit assumptions for the year ended June 30, 2025.

Changes of assumptions:

Year ended June 30,	Discount Rate	Investment Rate of return	Inflation Rate	Expected Remaining lives	Projected Salary increase
2015	7.25%	7.25%	-	5	5.75%
2016	7.00%	7.00%	-	5	5.00%
2017	7.00%	7.00%	2.5%	5	5.00%
2018	7.00%	7.00%	2.5%	5	5.00%
2019	6.75%	6.75%	2.5%	5	5.00%
2020	6.75%	6.75%	2.5%	5	5.00%
2021	6.75%	6.75%	2.5%	5	Range
2022	6.55%	6.55%	2.4%	5	Range
2023	6.55%	6.55%	2.4%	5	Range
2024	6.55%	6.55%	2.4%	5	Range
2025	6.55%	6.55%	2.4%	5	Range

Notes to Required Supplementary Information
as of and for the year ended June 30, 2025

Schedule of Changes in Net OPEB Liability and Related Ratios

Changes of Benefit Terms

There were no changes of benefit terms for the year ended June 30, 2025.

Changes of Assumptions

<u>Year ended June 30,</u>	<u>Discount rate</u>	<u>Inflation Rate</u>	<u>Healthcare Cost Trends</u>	<u>Projected salary increase</u>
2018	3.62%	3.00%	5.50%	3.00%
2019	3.50%	2.50%	5.50%	3.00%
2020	2.21%	2.50%	5.50%	3.00%
2021	2.16%	2.00%	Variable	3.00%
2022	3.54%	3.00%	Variable	3.00%
2023	3.65%	3.00%	Getzen Model	3.00%
2024	3.93%	3.00%	Getzen Model	3.00%
2025	5.20%	3.00%	Getzen Model	3.00%

SUPPLEMENTARY INFORMATION

SCHEDULE 5

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

Combining Schedule of Fiduciary Net Position
Custodial Funds
June 30, 2025

	Advance Deposit Fund	Registry of Court Fund	Total
Assets			
Cash and cash equivalents	\$ 898,035	\$ 7,564,886	\$ 8,462,921
Net Position			
Fiduciary net position - held for others	\$ 898,035	\$ 7,564,886	\$ 8,462,921

Supplementary information.
See the accompanying independent auditor's report.

SCHEDULE 6

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

Combining Schedule of Changes in Fiduciary Net Position
Custodial Funds

For the year ended June 30, 2025

	Advance Deposit Fund	Registry of Court Fund	Total
ADDITIONS:			
Suits and successions	\$ 778,152	\$ 3,295,905	\$ 4,074,057
Investment income	-	96,382	96,382
Total additions	<u>778,152</u>	<u>3,392,287</u>	<u>4,170,439</u>
REDUCTIONS			
Clerk's costs (transferred to general fund)	403,870	-	403,870
Judge's compensation fund	21,637	-	21,637
Judicial court expense fund	11,825	-	11,825
Settlements to litigants	174,530	654,126	828,656
Curator fees	9,916	-	9,916
DeSoto Parish Sheriff	54,799	-	54,799
Other Sheriff's and Clerks	35,722	-	35,722
Other State fees	8,266	-	8,266
DeSoto Parish Police Jury	2,825	-	2,825
Other reductions	3,902	-	3,902
Total reductions	<u>727,292</u>	<u>654,126</u>	<u>1,381,418</u>
Net increase (decrease) in fiduciary net position	50,860	2,738,161	2,789,021
Net position- beginning	847,175	4,826,725	5,673,900
Net position - ending	<u>\$ 898,035</u>	<u>\$ 7,564,886</u>	<u>\$ 8,462,921</u>

Supplementary information.
See the accompanying independent auditor's report.

SCHEDULE 7

DESOTO PARISH CLERK OF COURT
DeSoto Parish, Louisiana

**Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer**
For the year ended June 30, 2025

Lisa Lobrano Burson, Clerk of Court

Purpose:

Salary	\$	129,746
Benefits- insurance		11,784
Benefits- retirement		40,871
Benefits- deferred compensation		5,600
Benefits- other		-
Vehicle provided by government		18,060
Per diem		-
Reimbursements		128
Travel		4,597
Registration fees		-
Conferences and seminars		-
Continuing professional education fees		-
Cell phone		-
Unvouchered expenses		-
Special meals		-
Registration fees		1,300
Reimbursements		4,597

Supplementary information.

See the accompanying independent auditor's report.

DeSoto Parish Clerk of Court
 DeSoto Parish, Louisiana
Justice System Funding Schedule - Receiving Entity
 As Required by Act 87 of the 2020 Regular Legislative Session

Cash Basis Presentation	1st 6 month period ended 12/31/2024	2nd 6 month period ended 06/30/2025
10. Receipts From:		
<i>DeSoto Parish Sheriff, Criminal Court Costs/Fees</i>	21,954	44,664
Subtotal Receipts	21,954	44,664
11. Ending Balance of Amounts Assessed but Not Received	-	-

Collection Types to be used in the "Receipts From:" section above	
a	Civil Fees
b	Bond Fees
c	Asset Forfeiture/Sale
d	Pre-Trial Diversion Program Fees
e	Criminal Court Costs/Fees
f	Criminal Fines - Contempt
g	Criminal Fines - Other
h	Restitution
i	Probation/Parole/Supervision Fees
j	Service/Collection Fees
k	Interest Earnings on Collected Balances
l	Other <i>(do not include collections that fit into more specific categories above)</i>

SCHEDULE 9

DeSoto Parish Clerk of Court
DeSoto Parish, Louisiana
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session

Cash Basis Presentation	1st 6 month period ended 12/31/2024	2nd 6 month period ended 06/30/2025
1. Beginning Balance of Amounts Collected	847,175	800,246
2. Add: Collections		
Civil Fees	373,575	404,577
m Subtotal Collections	373,575	404,577
3. Less: Disbursements To Governments & Nonprofits:		
<i>Forty-Second Judicial District Judicial Expense Fund, Civil Fees</i>	6,032	5,793
<i>Louisiana State Treasurer - Judges Compensation, Civil Fees</i>	11,361	10,276
<i>Battered Womens Fund, Civil Fees</i>	320	300
<i>Judicial College Fee, Civil Fees</i>	201	147
<i>Secretary of State, Civil Fees</i>	2,150	850
<i>Court of Appeals, Civil Fees</i>	1,324	2,979
<i>DeSoto Parish Sheriff, Civil Fees</i>	29,413	25,386
<i>DeSoto Parish Police Jury, Civil Fees</i>	-	2,825
<i>AVOYELLES PARISH SHERIFF, Civil Fees</i>	54	54
<i>BIENVILLE PARISH SHERIFF, Civil Fees</i>	184	180
<i>BOSSIER PARISH SHERIFF, Civil Fees</i>	2,174	2,291
<i>CADDO PARISH SHERIFF, Civil Fees</i>	7,866	5,637
<i>CALCASIEU PARISH SHERIFF, Civil Fees</i>	105	356
<i>CALDWELL PARISH SHERIFF, Civil Fees</i>	38	-
<i>CLAIBORNE PARISH SHERIFF, Civil Fees</i>	-	30
<i>COLLIN COUNTY CONSTABLE, Civil Fees</i>	75	-
<i>CONCORDIA PARISH SHERIFF, Civil Fees</i>	32	-
<i>EAST BATON ROUGE PARISH SHERIFF, Civil Fees</i>	5,767	3,707
<i>EAST CARROLL PARISH SHERIFF, Civil Fees</i>	-	31
<i>EVANGELINE PARISH SHERIFF, Civil Fees</i>	-	40
<i>FRANKLIN PARISH SHERIFF, Civil Fees</i>	32	-
<i>JACKSON PARISH SHERIFF, Civil Fees</i>	61	-
<i>JEFFERSON PARISH SHERIFF, Civil Fees</i>	90	390
<i>KING COUNTY SHERIFF, Civil Fees</i>	83	-
<i>LA SALLE PARISH SHERIFF, Civil Fees</i>	53	-
<i>LAFAYETTE PARISH SHERIFF, Civil Fees</i>	326	565
<i>LAFOURCHE PARISH SHERIFF, Civil Fees</i>	-	34
<i>LINCOLN PARISH SHERIFF, Civil Fees</i>	-	31
<i>NATCHITOCHE PARISH SHERIFF, Civil Fees</i>	492	34
<i>ORLEANS PARISH SHERIFF, Civil Fees</i>	518	1,020
<i>OUACHITA PARISH SHERIFF, Civil Fees</i>	441	146
<i>RAPIDES PARISH SHERIFF, Civil Fees</i>	263	423
<i>RED RIVER PARISH SHERIFF, Civil Fees</i>	105	162
<i>RICHLAND PARISH SHERIFF, Civil Fees</i>	62	-
<i>SABINE PARISH SHERIFF, Civil Fees</i>	234	514
<i>SHELBY COUNTY SHERIFF'S OFFICE, Civil Fees</i>	90	-
<i>ST. CHARLES PARISH SHERIFF, Civil Fees</i>	42	-
<i>ST. JOHN THE BAPTIST PARISH SHERIFF, Civil Fees</i>	35	-
<i>ST. LANDRY PARISH SHERIFF, Civil Fees</i>	-	26
<i>ST. TAMMANY PARISH SHERIFF, Civil Fees</i>	110	125

-continued-

DeSoto Parish Clerk of Court
DeSoto Parish, Louisiana
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session

	1st 6 month period ended 12/31/2024	2nd 6 month period ended 06/30/2025
3. Less: Disbursements To Governments & Nonprofits (continued):		
<i>TERREBONNE PARISH SHERIFF, Civil Fees</i>	4	-
<i>UNION PARISH SHERIFF, Civil Fees</i>	-	47
<i>VERNON PARISH SHERIFF, Civil Fees</i>	-	146
<i>WASHINGTON PARISH SHERIFF, Civil Fees</i>	50	37
<i>WEBSTER PARISH SHERIFF, Civil Fees</i>	40	162
<i>WEST BATON ROUGE PARISH SHERIFF, Civil Fees</i>	36	-
<i>WEST CARROLL PARISH SHERIFF, Civil Fees</i>	-	68
4. Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency		
Civil Fees	200,968	202,902
5. Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	141,623	32,908
Bond Fee Refunds	-	-
Restitution Payments to Individuals	-	-
Other Disbursements to Individuals	7,650	6,038
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	420,504	306,660
7. Total: Ending Balance of Amounts Collected but not Disbursed/Retained	800,246	898,163

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

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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*

DeSoto Parish Clerk of Court
P. O. Box 1206
Mansfield, LA 71052

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, the major fund and the fiduciary fund of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the DeSoto Parish Clerk of Court’s (Clerk) basic financial statements and have issued our report thereon dated December 17, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk’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’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk’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 entity’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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002 and 2024-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk'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 financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

December 22, 2025

DeSoto Parish Clerk of Court
Schedule of Audit Findings
Year Ended June 30, 2025

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit findings:

1. An unmodified opinion was issued on the financial statements of the DeSoto Parish Clerk of Court as of and for the year ended June 30, 2025.
2. The audit disclosed no instances of material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None noted.

I. PRIOR YEAR AUDIT FINDING

Internal Control-

2024-01 Possible Misuse of Public Funds by Clerk of Court

Condition - During our review of expenditures, we noted that the Clerk of Court's office may have disbursed public funds for costs that were unnecessary and do not appear to be authorized or allowable under state law or Clerk of Court guidelines. In addition, some didn't have proper invoicing or approval.

Status - This finding was cleared for June 30, 2025.

2024-02 Possible Use of Clerk of Court Funds for Campaign

Condition - During the 2023 DeSoto Parish Clerk of Court election, for which Jeremy Evans was running for the office, invoices totaling \$12,721 were paid to consultant, Rougarou Consulting. The invoices were paid in July 2023 and were recorded in the general fund as other professional services. The invoices' description of services provided were for digital banner ad design, digital and social media buy.

Status - This finding was cleared for June 30, 2025.

2024-03 Control over Supporting Documentation

Condition - For the year ended June 30, 2024, the Clerk's records did not include all supporting documentation for some expenditures that were paid during the year.

Status - This finding was cleared for June 30, 2025.

DeSoto Parish Clerk of Court
Schedule of Audit Findings
Year Ended June 30, 2025
(continued)

Compliance-

2024-04 Late Submission of Report

Condition - For the year ended June 30, 2024, the Clerk did not submit the annual audit within six months after the close of their fiscal year.

Status - This finding was cleared for June 30, 2025.

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES**

To the Desoto Parish Clerk of Court
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The Clerk's management is responsible for those C/C areas identified in the SAUPs.

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 for 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 as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations).
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - 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.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - 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)

- v. **Payroll/Personnel**, including (1) payroll processing, and (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.
- 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.
- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- 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 reasonable of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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.
- 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 Results: No exceptions were noted as a result of these procedures.

3) Bank Reconciliations

- A. Obtain a listing of client 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 if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each 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, electronically logged);
 - ii. Bank reconciliations include evidence that a member of management/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, electronically logged); and
 - iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results: No exceptions were noted as a result of these procedures.

4) Collections (excluding EFTs)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (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).
- 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 (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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 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 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.
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
- C. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (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 Results: No exceptions were noted as a result of these procedures.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - i. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder; and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results: No exceptions were noted as a result of these procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain ethics compliance 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 each employee and official were notified of any changes to the entity's policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedure Results: No exceptions were noted as a result of these procedures..

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Procedure Results: No exceptions were noted as a result of these procedures.

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.

This report is intended 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 is distributed by the LLA as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

December 22, 2025