

TERREBONNE PARISH CLERK OF COURT
Houma, Louisiana

Annual Financial Report
For the Year Ended June 30, 2023

TERREBONNE PARISH CLERK OF COURT
Annual Financial Report
For the Year Ended June 30, 2023

TABLE OF CONTENTS

	Page
MANAGEMENT’S DISCUSSION & ANALYSIS	1
<i>Financial Section:</i>	
INDEPENDENT AUDITOR’S REPORT	6
<i>Government Wide Financial Statements:</i>	
Statement of Net Position	9
Statement of Activities	10
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Fund	11
Reconciliation of the Balance Sheet - Governmental Fund to the Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund – General Fund	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balance – Governmental Fund to the Statement of Activities	13
Combining Statement of Fiduciary Net Position	14
Schedule of Changes in Fiduciary Liabilities	15
<i>Notes to the Financial Statements</i>	16
<i>Required Supplemental Information:</i>	
Budgetary Comparison Schedule- General Fund	34
Schedule of the Proportionate Share of Net Pension Liability And Related Ratios	35
Schedule of the Required Contributions	36
Schedule of Changes in the Total OPEB Liability and Related Ratios	37
<i>Other Supplemental Information:</i>	
Schedule of Compensation, Benefits and Other Payments to Agency Head	38
Justice System Funding Schedules:	
Collecting/Disbursing Entity	39
Receiving Entity	42
<i>Reports Required by Government Auditing Standards:</i>	
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 <i>Government Auditing Standards</i>	43

**TERREBONNE PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Our discussion and analysis of the Terrebonne Parish Clerk of Court's (the Clerk) financial performance provides an overview of the financial activities as of and for the fiscal year end. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (Statement of Net Position and the Statement of Activities) provide information about the governmental activities as a whole and present a longer-term view of the finances. Fund Financial Statements (Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance, and Combining Statement of Fiduciary Net Position) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information is providing varying degrees of assurance. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Financial Report.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on the Clerk of Court as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net assets and changes in them. You can think of net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating.

Fund Financial Statements

The Fund Financial Statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws.

The Clerk uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending.

**TERREBONNE PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations immediately following the fund financial statements.

The Clerk is the trustee, or fiduciary, for funds reserved by the Court and Advanced Costs collected for court expenses. All of these fiduciary activities are reported in a separate Combined Statement of Fiduciary Net Position. We exclude these activities from the other financial statements because the Clerk cannot use these assets to finance its operations. The Clerk is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- The net position of our governmental activities increased by 10%.
- During the year, the Clerk had expenses of \$3.9 million that was \$644,560 less than the \$4.6 million generated in fees and other revenues for governmental activities.
- The governmental funds reported total ending fund balance of \$5.8 million of which 99% was classified as unassigned. This compares to the prior year ending fund balance of \$4.5 million showing an increase of \$297,964 or about 5%.

The Statement of Net Position and the Statement of Activities report only one type of activity - governmental activities. All of the basic governmental services are reported as this type. Fines and fees charged to the public finance most of these activities.

TERREBONNE PARISH CLERK OF COURT AS A WHOLE

Our analysis below focuses on the net position of the governmental-type activities.

	FY 2022	FY 2023	Increase (Decrease)
Current and Other Assets	\$ 5,539,321	\$ 5,837,286	\$ 297,965
Capital Assets	18,262	46,703	28,441
Total Assets	5,557,583	5,883,989	326,406
Deferred Outflows	1,767,739	2,376,816	609,077
Current Liabilities	269	270	1
Non-current Liabilities	8,684,217	10,153,958	1,469,741
Total Liabilities	8,684,486	10,154,228	1,469,742

TERREBONNE PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

Deferred Inflows	5,454,461	4,725,643	(728,818)
Invested in Capital Assets	18,262	46,703	28,441
Unrestricted	<u>(6,831,618)</u>	<u>(6,215,499)</u>	<u>616,119</u>
Total Net Position	<u><u>\$(6,813,356)</u></u>	<u><u>\$(6,168,796)</u></u>	<u><u>\$ 644,560</u></u>

The net position of our governmental activities increased by approximately 10%. Current assets increased by almost \$300,000 due to the increase in fees collected over expenses. Capital assets increased due to purchased assets. Deferred outflows and inflows of assets varied from the prior year as part of the changes noted from the pension plan components from the reports provided. The balance in net assets represents the accumulated results of all past years' operations.

Our analysis below focuses on the changes in net position of the governmental-type activities.

	<u>FY 2022</u>	<u>FY 2023</u>	<u>Increase (Decrease)</u>
Total program expenses	\$(3,372,603)	\$(3,919,718)	\$ (547,115)
Total program revenues	<u>4,642,027</u>	<u>4,564,278</u>	<u>(77,749)</u>
Net program income	1,269,424	644,560	(624,864)
General revenues	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	1,269,424	644,560	(624,864)
Net Position:			
Beginning of the year	<u>(8,082,780)</u>	<u>(6,813,356)</u>	<u>1,269,424</u>
End of the year	<u><u>\$(6,813,356)</u></u>	<u><u>\$(6,168,796)</u></u>	<u><u>\$ 644,560</u></u>

Most of the revenues recognized in governmental activities were in program revenues a slight increase of \$78,000 from last year. The total cost of all programs and services was \$3,919,718— an increase of 16% from the prior year.

NON-CURRENT LIABILITIES

Other Post Employment Benefit Liability (OPEB)

As of June 30, 2023, the Clerk reported a liability of \$5,571,250 for other post-employment benefits. The liability was measured as of January 1, 2022, determined by an actuarial valuation as of that date. See note 6 to the financial statements for additional information about Pension Plan Liability.

Pension Plan Liability

As of June 30, 2023, the Clerk reported a liability of \$4,582,438 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based

**TERREBONNE PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the proportion of the plan was 1.890690%. See note 5 to the financial statements for additional information about Pension Plan Liability.

FINANCIAL ANALYSIS OF THE CLERK OF COURT'S FUNDS

As we noted earlier, the Clerk uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Clerk is being accountable for the resources provided to it but may also give you more insight into the overall financial health.

As the end of the year, its governmental fund reported a fund balance of \$5,539,052. This reflects an increase of \$597,439 or approximately 12% from last year. This increase is primarily the result of an increase in recording fees and fees in criminal cases along with a decrease in total expenditures from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the fiscal year. Total budget variances for expenditures and revenues were in compliance with the Local Budget Law.

CAPITAL ASSETS

A summary follows:

	6/30/2023	6/30/2022
Furniture & Fixtures	\$ 170,623	\$170,623
Office Equipment	59,764	25,664
	<u>230,387</u>	<u>196,287</u>
Accumulated Depreciation	<u>(183,684)</u>	<u>(173,025)</u>
	<u>\$ 46,703</u>	<u>\$ 18,262</u>
 Depreciation	 <u>\$ 5,659</u>	 <u>\$ 5,061</u>

More detailed information about the capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Clerk considered many factors when budgeting for the next year, including increased or decreased rates and fees to be charged. Another one of those factors is the new laws and regulations.

**TERREBONNE PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Following is a condensed summary of next year's budget:

	FY 2024
Anticipated revenues	\$ 4,533,549
Expenditures:	
Current	4,477,042
Capital outlay	45,000
Anticipated expenditures	4,522,042
Excess of revenues	11,507
Fund Balance:	
Beginning of the year	6,105,794
End of the year	\$ 6,117,301

The following assumptions are used to compile next year's budget:

- The salary of the Clerk of Court is fixed by Statute and includes a certification increase of 7% of the base salary, compensation from the Supplemental Compensation Fund, an expense allowance, and compensation for duties performed in connection with elections. For the year ending June 30, 2024 that amount is budgeted as \$195,000.
- \$650,000 is included to cover the contribution by the office to the Employee Retirement Fund (22.25% of the employer portion and 8.25% of the employee portion).
- Capital outlay includes anticipated expenditures of \$45,000 for office equipment and furnishings.
- \$735,000 is included to cover the employer's portion of Group Insurance.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of our finances and to show the accountability for the money received. If you have questions about this report or need additional financial information, contact:

Honorable Theresa A. Robichaux
Terrebonne Parish Clerk of Court
P.O. Box 1569
Houma, LA 70361
985-868-5660

Financial Section



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Theresa A. Robichaux
Terrebonne Parish Clerk of Court
Houma, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Terrebonne Parish Clerk of Court, (the Clerk) a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund, as of and for the year ended June 30, 2023, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management's 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free of 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 ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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 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 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 and the Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

The Schedule of Fiduciary Liabilities, Schedule of Compensation, Benefits, and Other Payment to the Agency Head and the Justice System Funding Schedules as listed in the table of contents as other supplementary information is presented for the purposes of additional analysis and is not a required part of the basic financial statements. These schedules are the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule is fairly stated in all material respects in relation to the basic 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 November 30, 2023, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on the 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 internal control over financial reporting and compliance.

Stagni & Company

November 30, 2023
Thibodaux, Louisiana



STAGNI & COMPANY, LLC

TERREBONNE PARISH CLERK OF COURT

Statement of Net Position

June 30, 2023

ASSETS

Cash	\$ 5,764,208
Receivables	48,231
Prepaid Insurance	24,847
Capital assets, net of accumulated depreciation	<u>46,703</u>

Total assets 5,883,989

DEFERRED OUTFLOWS OF RESOURCES

2,376,816

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

Current liabilities

Accounts payable and accrued liabilities 270

Non-current liabilities:

Net OPEB liability 5,571,250

Net pension liability 4,582,438

Total liabilities 10,153,958

DEFERRED INFLOWS OF RESOURCES

4,275,643

NET POSITION:

Net Invested in Capital Assets 46,703

Unrestricted (deficit) (6,215,499)

Total net position \$ (6,168,796)

See notes to financial statements.

TERREBONNE PARISH CLERK OF COURT

Statement of Activities

For the Year Ended June 30, 2023

EXPENSES

Salaries and benefits	\$ 2,499,355
Office supplies and expense	422,115
Insurance	785,819
Other	206,770
Depreciation	<u>5,659</u>
Total program expenses	3,919,718

PROGRAM REVENUES

Charges for services	<u>4,564,278</u>
Total program revenues	<u>4,564,278</u>

Net Program (Income) Expense 644,560

GENERAL REVENUES

Loss on disposed assets	<u>-</u>
Total general revenues	<u>-</u>

Change in Net Position 644,560

NET POSITION

Beginning of year	<u>(6,813,356)</u>
End of year	<u>\$ (6,168,796)</u>

See notes to financial statements.

TERREBONNE PARISH CLERK OF COURT

Balance Sheet - Governmental Fund

June 30, 2023

ASSETS	General Fund	
Cash and cash equivalents	\$ 5,764,208	
Receivables	48,231	
Prepaid Insurance	24,847	
Total assets	<u>\$ 5,837,286</u>	
LIABILITIES AND FUND BALANCES		
Accounts payable and accrued expenses	\$ 270	
Total liabilities	<u>270</u>	
FUND BALANCE		
Nonspendable for Prepaid Insurance	24,847	
Unassigned	5,812,169	
Total fund balance	<u>5,837,016</u>	
Total liabilities and fund balances	<u>\$ 5,837,286</u>	
<i>Reconciliation to the Statement of Net Position:</i>		
Total fund balance - governmental fund (Fund Financial Statement)		\$ 5,837,016
Amounts reported for <i>governmental activities</i> in the statement of net position (Government-Wide Financial Statements) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Capital Assets	\$ 230,387	
Less Accumulated Depreciation	<u>(183,684)</u>	46,703
Deferred outflows and inflows are not financial resources or currently payable:		
Deferred outflows -pensions	1,835,740	
Deferred outflows-OPEB	<u>541,076</u>	2,376,816
Deferred inflows-pensions	(150,192)	
Deferred inflows-OPEB	<u>(4,125,451)</u>	(4,275,643)
Certain non-current liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Net pension liability		(4,582,438)
Net OPEB Obligation		<u>(5,571,250)</u>
Total net position of governmental activities (Government-Wide Financial Statements)		<u>\$ (6,168,796)</u>

See notes to financial statements.

TERREBONNE PARISH CLERK OF COURT
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2023

REVENUES	<u>General Fund</u>
Suits and successions	\$ 1,665,620
Recording fees	1,902,047
Fees in criminal cases	124,994
Certified copies	125,554
Mortgage certificates	19,894
Court attendance	16,740
Marriage licenses	9,202
Notarial fees	20,559
Issuance of birth certificates/cards	166,440
Esearch fees	304,500
Electronic bulk data	24,062
IV-D Program charges	71,074
Interest	1,677
Other	111,915
Total revenues	<u>4,564,278</u>
EXPENDITURES	
Current - Judiciary:	
Salaries and benefits	2,817,510
Office operations	422,115
Insurance	785,819
Other	206,770
Total current expenditures	<u>4,232,214</u>
Capital outlay	34,100
Total expenditures	<u>4,266,314</u>
 NET CHANGE IN FUND BALANCES	 297,964
FUND BALANCES	
Beginning of year	5,539,052
End of year	<u><u>\$ 5,837,016</u></u>

See notes to financial statements.

TERREBONNE PARISH CLERK OF COURT

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance-
Governmental Fund to the Statement of Activities
For the Year Ended June 30, 2023*

Net change in fund balance - governmental fund (Fund Financial Statements)		\$	297,964
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:			
Capital outlays are reported as expenditures in the governmental fund. Governmental activities report depreciation expense to allocate the cost of those capital assets over the estimated useful lives of the asset.			
Add - Capital outlay		\$	34,100
Deduct - Depreciation expense			<u>(5,659)</u>
			28,441
Repayment of Non-current liabilities are reported as an expenditure in governmental funds, but the payment reduces long-term obligations in the statement of net position. In the current year, these amounts consists of:			
Pension expense and deferrals			(69,770)
Other Post-Employment Benefit Cost and deferrals			<u>387,925</u>
			<u>318,155</u>
Change in net position of governmental activities (Government -Wide Financial Statements)		\$	<u><u>644,560</u></u>

See notes to financial statements.

TERREBONNE PARISH CLERK OF COURT

Combining Statement of Fiduciary Net Position

June 30, 2023

	Advance Deposit Fund	Registry of the Court Fund	Total
<hr/> ASSETS <hr/>			
Cash and cash equivalents	\$ 3,580,498	\$ 4,589,370	\$ 8,169,868
Investments	<u>1,120,000</u>	<u>-</u>	<u>1,120,000</u>
Total assets	<u><u>\$ 4,700,498</u></u>	<u><u>\$ 4,589,370</u></u>	<u><u>\$ 9,289,868</u></u>
<hr/> LIABILITIES <hr/>			
Due to State-Unclaimed Property	\$ -	\$ -	\$ -
Unsettled deposits	<u>4,700,498</u>	<u>4,589,370</u>	<u>9,289,868</u>
Total liabilities	<u><u>\$ 4,700,498</u></u>	<u><u>\$ 4,589,370</u></u>	<u><u>\$ 9,289,868</u></u>

See notes to the financial statements.

TERREBONNE PARISH CLERK OF COURT

Schedule of Changes in Fiduciary Liabilities

For the Year Ended June 30, 2023

	Advance Deposit Fund	Registry of the Court Fund	Total
Additions:			
Deposits	\$ 3,258,202	\$ 505,136	\$ 3,763,338
Interest	6,540	30,517	37,057
Total additions	<u>3,264,742</u>	<u>535,653</u>	<u>3,800,395</u>
Reductions:			
Payments	2,358,502	111,451	2,469,953
Refunds	921,974	788,324	1,710,298
Total reductions	<u>3,280,476</u>	<u>899,775</u>	<u>4,180,251</u>
Total Increase (Decrease) in Liabilities	(15,734)	(364,122)	(379,856)
Unsettled deposits:			
Beginning of year	<u>4,716,232</u>	<u>4,953,492</u>	<u>9,669,724</u>
End of year	<u>\$ 4,700,498</u>	<u>\$ 4,589,370</u>	<u>\$ 9,289,868</u>

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

INTRODUCTION

The Clerk of Court (LSA-RS 13:781) serves as the parish recorder of conveyances, mortgages, notary public, et cetera. As provided by Article V, Section 28 of the Louisiana Constitution of 1974, The Clerk of Court serves a four-year term of office. The current term expires June 30, 2024. The Clerk may appoint deputies with duties and powers provided by law, with the approval of the district judge.

The financial statements of the Terrebonne Parish Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used is discussed below.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

As the governing authority of the parish, the Terrebonne Parish Consolidated Government (TPCG) is the financial reporting entity for Terrebonne Parish. TPCG maintains and operates the parish courthouse in which the clerk of court's office is located and provides funds for equipment and furniture. Because the clerk of court is fiscally dependent on the TPCG, the clerk of court was determined to be a component unit of the TPCG, the financial reporting entity.

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

B. Basic Financial Statements

The basic financial statements include both government-wide (reporting the entity as a whole) and fund financial statements (reporting the entity's major funds). Both the government-wide and fund financial statements categorize primary activities as the governmental type.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Government-Wide Financial Statements (GWFS)

In the government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net position is reported in three parts—net invested in capital assets; restricted net assets; and unrestricted. The Clerk first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Clerk's functions. General government revenues also support the functions. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants, if any. The net costs by function are normally covered by general revenue (interest income, miscellaneous).

This government-wide focus is more on the sustainability as an entity and the change in its net position resulting from the current year's activities.

Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

Fund Financial Statements (FFS)

The financial transactions are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. Basic Financial Statements (Continued)

Governmental Funds

Governmental funds account for all or most of the 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 that may be used to finance future period programs or operations. The following are the governmental funds:

General Fund

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

Fiduciary Funds – Agency Funds

Fiduciary fund (Advanced Deposit and Registry of the Court Funds) reporting focuses on net assets and changes in net assets. These funds are held for the benefit of individuals, but not derived from the Clerk's own source revenue, and over which the Clerk has no direct financial involvement. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, these funds have no measurement focus, but use the modified accrual basis of accounting.

B. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual: The governmental-type activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Accounting (Continued)

Modified Accrual: The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

D. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, money market accounts and cash on hand. Cash equivalents include time deposits maturing within 90 days. Under state law, the Clerk may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. Investments

Investments are limited by Louisiana Revised Statute 25 33:2955 and the investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities of investments are 90 days or less, they are classified as cash and cash equivalents.

F. Capital Assets

Capital assets purchased or acquired with a cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other cost incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Capital Assets (Continued)

<u>Description</u>	<u>Estimated Lives</u>
Office Equipment	5 years
Furniture & Fixtures	10 years
Automobiles	5 years
Leased Equipment	5 years

G. Interfund Activities

The Clerk transfers interest earned on the investments of the Advance Deposit Fund to the Salary Fund to be utilized by the Salary Fund in its operations. In those cases where the physical transfer of assets has not taken place as of year-end, or where repayment is expected, these amounts are accounted for through the various due to and due from accounts.

H. Fees Transferred from Advance Deposit Agency Fund

These fees represent revenue earned from everyday operations such as filing suits, preparing notices, etc. for litigants. These fees are collected by a transfer of litigant's money deposited in the Advance Deposit Fund to the Salary Fund.

I. Budgetary Practices

Prior to the beginning of each fiscal year, the Chief Deputy Clerk prepares, and the Clerk approves a formal budget for the General Fund based upon estimated revenues and proposed expenditures for the coming year using the modified accrual basis of accounting.

The proposed budget is published in the official journal of the Parish of Terrebonne and is presented to the public for review and inspection, after which it is finalized and adopted by the elected Clerk of Court of Terrebonne Parish.

A certified copy of the budget is then filed with the Chief Executive or Administrative Officer of the Terrebonne Parish Consolidated Government. Any amendments to the budget are published in the official journal. Budgetary integration is employed as a management tool.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Budgetary Practices (continued)

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies recorded in order to reserve that portion of the applicable appropriation, is not employed by the Clerk.

J. Compensated Absences

The employees are allowed a fixed number of days for vacation and sick leave each year. This policy does not provide for the accumulation or vesting of leave. Accordingly, no accrual is recorded for employee leave benefits.

K. Fund Equity

Net Assets

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

Fund Balance

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

L. Use of Estimates

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

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. Due to Terrebonne Parish Consolidated Government

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of the term of office, which amount shall be limited to no more than that which was received by the clerk in accordance with R.S. 1784 (A) during said term in office. At June 30, 2023, there was no amount due the parish treasurer.

Note 2 DEPOSITS AND INVESTMENTS

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank or with a trust company for the account of the political subdivision.

The Clerk of Court has balances of deposits at year-end as follows:

	Balances	
	Reported	Bank
Cash and cash equivalent	\$13,934,076	\$14,485,439
Certificates of deposit	1,120,000	1,121,106
Totals	\$15,054,076	\$15,606,545

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned. The Clerk does not have a written policy for custodial credit risk. As of year-end, \$13,985,439 of the bank balance was exposed to custodial credit risk.

These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Clerk's name. At year-end, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the depositors.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 2 DEPOSITS (CONTINUED)

The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, 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 of court that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 RECEIVABLES

Receivable balances at year end were for charges on accounts for services in the General Fund. All balances are expected to be collected in the upcoming year.

Note 4 CAPITAL ASSETS

Capital assets and depreciation activity for the year follows:

Cost:	Furniture & Fixtures	Office Equipment	TOTALS
Beginning Balance	\$ 170,623	\$ 25,664	\$ 196,287
Additions	-	34,100	34,100
Deletions	-	-	-
Total Cost	170,623	59,764	230,387
Accumulated Depreciation			
Beginning Balance	170,370	7,655	178,025
Additions/Adjustments	253	5,406	5,659
Deletions	-	-	-
Total Accumulated Depreciation	170,623	13,061	183,684
Net Capital Assets	\$ -	\$ 46,703	\$ 46,703
Current Depreciation	\$ 253	\$ 5,406	\$ 5,659

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 5 PENSION PLAN

The Clerk adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. That Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

Plan Description and Provisions

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained from the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana, 70816, or by calling (225) 293-1162.

The following is a brief description of the plan benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

A member or former member is eligible for regular retirement benefits upon attaining 12 or more years of credited service, attaining the age of 55 or more and terminating employment. Regular retirement benefits, payable monthly for life, equal 3% of the member's average final compensation multiplied by the number of years of credited service, not to exceed 100% of the monthly average final compensation. Monthly average final compensation is based on the highest compensated 36 consecutive months, with a limit of increase of 10% in each of the last 3 years of measurement. For those members hired on or after July 1, 2006, compensation is based on the highest compensated 60 consecutive months with a limit of 10% increase in each of the last 6 years of measurement.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 5 PENSION PLAN (continued)

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 40% of their monthly average final compensation or 75% of their monthly regular retirement benefit computed as per RS. 11:1521(C).

Survivor Benefits

If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse.

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 DROP for up to 36 months and defer the receipt of benefits.

Cost of Living Adjustments

The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of \$40 per month.

The LA statutes allow the board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2022, the actual employer contribution rate was 22.25%.

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 but are not considered special funding situations. The amount of proportionate share of non-employer contributions for the Clerk for June 30, 2022 was \$228,864.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 5 PENSION PLAN (continued)

The Clerk is not required to but is allowed to pay the employee and employer portion of the required contribution. The Clerk's entire contribution for the years ending June 30, 2021, 2022, and 2023 were \$537,039, and \$631,499 respectively, which were equal to the required contributions for each year.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2023 the Clerk reported a liability of \$4,582,438 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the proportion of the plan was 1.890690%, an increase of .00622% from the prior year.

For the year ended June 30, 2023, the Clerk recognized pension expense of \$799,465 and the following deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between Expected and Actual Experience	\$ 43,449	\$ (41,654)
Investment Earnings	980,392	-
Changes in Assumptions	336,274	-
Change in Proportions	7,971	(108,538)
Contributions after the measurement period	467,654	-
	<u>\$ 1,835,740</u>	<u>\$(150,192)</u>

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 5 PENSION PLAN (continued)

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

Year ended June 30:	
2024	\$ 381,163
2025	300,914
2026	59,749
2027	476,068
TOTAL	\$1,217,894

Actuarial Assumptions

The total pension liabilities were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation date	June 30, 2022
Actuarial cost method	Entry Age Normal
Investment rate of return	6.55%
Projected salary increases	1-5 years of service - 6.20% 5 years or more – 5.0%
Inflation Rate	2.40%
Expected remaining service lives	5 years

Mortality rates were based on Pub-2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using the appropriate MP-2019 improvement scale.

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 are developed for each major asset class. The long term expected rate of return was 6.02% for the year ended June 30, 2022.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 5 PENSION PLAN (continued)

Best estimates of arithmetic real rates of return for each major class included in the System’s target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income – Domestic Bonds	25.0%	2.50%
Fixed income – International Bonds		3.50%
Domestic Equity	38.0%	7.50%
International Equity	22.0%	8.50%
Real Estate	15.0%	4.50%
Totals	100.0%	

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 PRSAC taking into consideration the recommendation of the Plan’s actuary.

Based on these assumptions, the Plan’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 period of projected benefit payments to determine the total pension liability.

Sensitivity to changes in the discount rate

The following presents the net pension liability of the participating employers calculated using the discount rates as shown above, as well as what the net pension liability would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 5.55%	Current Discount Rate 6.55%	1% Increase 7.55%
Net Pension Liability	\$6,540,808	\$ 4,582,438	\$ 2,932,492

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 6 OTHER POST-RETIREMENT BENEFITS

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

Benefits Provided. The Clerk provides medical, dental, vision, and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 100% of retiree and 75% of dependent pre-Medicare health, Medicare Supplement, vision, and dental insurance premiums. The plan also provides for payment of 100% of retiree life insurance premiums.

Employees covered by benefit terms. At January 1, 2022 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	38
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>56</u>
	<u>94</u>

Total OPEB Liability. The total OPEB liability of \$5,571,250 was measured as of June 30, 2023 and was determined by an actuarial valuation as of January 1, 2022.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 6 OTHER POST-RETIREMENT BENEFITS (continued)

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary increases	3.25%
Discount rate	3.86%
Healthcare cost trend rates	
Medical:	-0.03% for 2022, 6.25% for 2023, decreasing 0.25% per year to an ultimate rate of 5.0% for 2028 and later years.
Medicare Advantage:	-11.63% for 2022, 4.25% for 2023, 4.25% for 2023, decreasing 0.25% per year to an ultimate rate of 3.0% for 2028 and later years. Include 2% per year for aging.
Dental:	0.0% for 2022, 3.00% per year thereafter.
Vision:	-5.46% for 2022, 2.50% per year thereafter.

Retirees' Share of Benefit-Related Costs:

Medical:	0% for retirees and 25% for dependents.
Medicare Supplement:	0% for retirees and 25% for dependents.
Dental:	0% for retirees and 25% for dependents.
Vision:	0% for retirees and 25% for dependents.
Basic Life Insurance:	0%

- The discount rate was based on the 6/30/2023 Fidelity General Obligation AA 20-Year Yield.
- Mortality rates for active employees were based on the PubG.H-2010 Employee Mortality Table for males or females, as appropriate, with generational adjustments for mortality improvement based on Scale MP-2021.
- Mortality rates for retirees and surviving spouses were based on the PubG.H-2010 Healthy Retiree Mortality Table for males or females, as appropriate, with generational adjustments for mortality improvement based on Scale MP-2021.
- The actuarial assumptions used in the valuation were based on those used in the Louisiana Clerks of Court Retirement and Relief Fund valuation and actuarial experience.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2023

Note 6 OTHER POST-RETIREMENT BENEFITS (continued)

Changes in the Total OPEB Liability

Balance at 6/30/2022	\$6,177,159
Changes for the year:	
Service Cost	106,140
Interest	226,918
Differences between expected and actual experience	6,141
Changes in Assumptions/Inputs	(677,579)
Benefit payments	(338,380)
Change in Net OPEB Obligation	(267,529)
Ending Net OPEB Obligation	\$5,571,250

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1.0% Decrease (2.86%)	Current Discount Rate (3.86%)	1.0% Increase (4.86%)
Total OPEB liability	\$ 6,319,921	\$ 5,571,250	\$ 4,763,657

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease	Trend Rate	1.0% Increase
Total OPEB liability	\$ 5,055,542	\$5,571,250	\$ 6,216,869

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 6 OTHER POST-RETIREMENT BENEFITS (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2022, the Clerk recognized OPEB expense of \$168,374 and 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	\$ 5,374	\$ (619,609)
Changes of assumptions or other inputs	535,702	(3,505,842)
Total	\$ 541,076	\$ (4,125,451)

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:	
2024	\$(519,554)
2025	\$(519,554)
2026	\$(614,532)
2027	\$(614,532)
2028	\$(614,532)
Thereafter	\$(701,671)

Note 7 LITIGATION

There is no litigation pending that is required to be disclosed in accordance with Statement of Financial Accounting Standards No. 5.

TERREBONNE PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2023

Note 8 RISK MANAGEMENT

GENERAL LIABILITY INSURANCE

The Clerk of Court is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court purchases commercial insurance policies for any and all claims relating to the above types of risks.

The Clerk's payment of the deductible is the only liability associated with these insurance policies. There has been no significant reduction in insurance coverage in the prior year. The amount of settlements has not exceeded insurance coverage for each of the past three fiscal years.

HEALTH INSURANCE

The Clerk of Court provides health and life insurance to employees through the Louisiana Clerk of Court Association. Under this insurance program, the Clerk pays initial premiums based on the level of the employee's participation and has no further liabilities on any claims.

Required Supplemental Information

TERREBONNE PARISH CLERK OF COURT

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2023

<u>Revenues</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u>
		(Amended)		(Unfavorable)
Suits and successions transferred from the Advance Deposit Fund	\$ 1,300,000	\$ 1,759,496	\$ 1,665,620	\$ (93,876)
Recording fees	2,000,000	1,962,275	1,902,047	(60,228)
Fees in criminal cases	140,000	117,403	124,994	7,591
Certified copies	125,000	137,964	125,554	(12,410)
Mortgage certificates	15,000	21,299	19,894	(1,405)
Court attendance	15,000	16,836	16,740	(96)
Marriage licenses	8,000	9,989	9,202	(787)
Notarial fees	12,500	23,047	20,559	(2,488)
Other	800,000	715,941	679,668	(36,273)
Total revenues	<u>4,415,500</u>	<u>4,764,250</u>	<u>4,564,278</u>	<u>(199,972)</u>
 Expenditures				
Current-Judiciary:				
Salaries and benefits	2,695,000	2,775,011	2,817,510	(42,499)
Office supplies and expense	345,000	272,436	422,115	(149,679)
Insurance	899,000	829,233	785,819	43,414
Other	411,500	317,833	206,770	111,063
Total current expenditures	<u>4,350,500</u>	<u>4,194,513</u>	<u>4,232,214</u>	<u>(37,701)</u>
Capital outlay	<u>20,000</u>	<u>2,995</u>	<u>34,100</u>	<u>(31,105)</u>
Total expenditures	<u>4,370,500</u>	<u>4,197,508</u>	<u>4,266,314</u>	<u>(68,806)</u>
 Excess (deficiency) of revenues over expenditures	 45,000	 566,742	 297,964	 (268,778)
 Fund Balances				
Beginning of year	<u>5,500,030</u>	<u>5,539,052</u>	<u>5,539,052</u>	<u>-</u>
End of year	<u>\$ 5,545,030</u>	<u>\$ 6,105,794</u>	<u>\$ 5,837,016</u>	<u>\$ (268,778)</u>

TERREBONNE PARISH CLERK OF COURT

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
Louisiana Clerks' of Court Retirement and Relief Fund

For Fiscal Year Ending:	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Plan Measurement Date:	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Proportion of the net pension liability (asset)	2.306187%	2.160006%	2.112920%	2.115147%	2.053135%	2.001727%	1.941791%	1.884466%	1.890690%
Proportionate share of the net pension liability (asset)	\$ 2,987,312	\$ 3,240,077	\$ 3,908,846	\$ 3,200,078	\$ 3,414,980	\$ 3,635,120	\$ 4,671,687	\$ 2,506,789	\$ 4,582,438
Covered-employee payroll	\$ 1,980,880	\$ 1,980,880	\$ 1,968,891	\$ 1,968,075	\$ 1,978,205	\$ 1,935,019	\$ 1,912,725	\$ 1,895,944	\$ 1,935,573
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	150.81%	163.57%	198.53%	162.60%	172.63%	187.86%	244.24%	132.22%	236.75%
Plan fiduciary net position as a percentage of the total pension liability	65.00%	62.70%	74.17%	79.69%	79.07%	77.93%	72.09%	85.40%	74.09%

Note: Initial Year of GASB 68 Implementation, Schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.

Notes to Required Supplementary Information

Changes of Benefit Terms. no changes no changes

Changes of Assumptions:

Actuarial Cost Method	Entry Age Normal								
Investment rate of return	7.25%	7.00%	7.00%	7.00%	6.75%	6.75%	6.75%	6.55%	6.55%
Projected salary increase	5.75%	5.00%	5.00%	5.00%	5.00%	5.00%	6.20%	6.20%	6.20%
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.40%	2.40%
Long term expected real rate of return	7.6	7.6	7.6	7.60%	7.10%	6.38%	6.18%	6.02%	6.02%
Expected service lives	5 years								

TERREBONNE PARISH CLERK OF COURT

Schedule of Required Contributions

Louisiana Clerks' of Court Retirement and Relief Fund

For Fiscal Year Ending:	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Plan Measurement Date:	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Contractually required contributions	\$ 521,018	\$ 521,018	\$ 521,018	\$ 514,508	\$ 492,133	\$ 370,045	\$ 366,205	\$ 399,424	\$ 430,665
Contributions in relation to the contractually required contribution	\$ 521,018	\$ 521,018	\$ 521,018	\$ 514,508	\$ 492,133	\$ 369,758	\$ 365,805	\$ 399,424	\$ 430,665
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 287	\$ 400	\$ -	\$ -
Covered-employee payroll	\$ 1,980,880	\$ 1,980,880	\$ 1,968,891	\$ 1,968,075	\$ 1,978,205	\$ 1,935,019	\$ 1,912,725	\$ 1,895,944	\$ 1,935,573
Contribution as a percentage of covered employee payroll	26.30%	26.30%	26.46%	26.14%	24.88%	19.11%	19.12%	21.07%	22.25%

Note: Initial Year of GASB 68 Implementation, Schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.

Notes to Required Supplementary Information

Changes of Benefit Terms. no changes no changes

Changes of Assumptions:

	Entry Age Normal									
Actuarial Cost Method	Entry Age Normal									
Investment rate of return	7.00%	7.00%	7.00%	7.00%	6.75%	6.75%	6.75%	6.75%	6.55%	6.55%
Projected salary increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	6.20%	6.20%	6.20%
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.40%	2.40%
Long term expected real rate of return	7.6	7.6	7.6	7.60%	7.10%	6.38%	6.18%	6.02%	6.02%	6.02%
Expected service lives	5 years									

TERREBONNE PARISH CLERK OF COURT

Schedule of Changes in the Total OPEB Liability and Related Ratios

Last Ten Fiscal Years*

Total OPEB Liability	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Service cost	\$ 198,564	\$ 204,313	\$ 153,492	\$ 189,625	\$ 117,693	\$ 106,140
Interest	352,076	310,539	337,178	182,680	149,557	226,918
Differences between expected and actual experience	(31,155)	(422,931)	(677,786)	(11,784)	(101,417)	6,141
Changes in assumptions or other inputs	-	1,115,033	(2,899,687)	310,172	(1,520,130)	(677,579)
Benefit payments	(329,645)	(329,807)	(280,297)	(250,643)	(280,599)	(267,529)
Net change in Total OPEB Liability	189,840	877,147	(3,367,100)	420,050	(1,634,896)	(605,909)
Total OPEB Liability - beginning	9,692,118	9,881,958	10,759,105	7,392,005	7,812,055	6,177,159
Total OPEB Liability - ending	\$ 9,881,958	\$ 10,759,105	\$ 7,392,005	\$ 7,812,055	\$ 6,177,159	\$ 5,571,250

Covered employee payroll	\$ 1,862,553	\$ 1,923,086	\$ 1,981,447	\$ 1,972,419	\$ 1,991,342	\$ 2,156,725
OPEB Liability as a percentage of covered employee payroll	530.56%	559.47%	373.06%	396.06%	310.20%	258.32%

*Note: Initial Year of GASB 75 Implementation is 2018. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information

Changes of Benefit Terms include:

	none	none	none	none	none	none
--	------	------	------	------	------	------

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

Discount rate	3.62%	3.13%	3.62%	1.92%	3.69%	3.86%
Inflation	2.40%	2.40%	2.45%	2.40%	2.40%	2.40%
Salary Increases, including inflation	3.00%	3.00%	3.00%	3.25%	3.25%	3.25%
Mortality tables	RPH-2014, generational with Scale MP-2017	PubG.H-0010, generational with Scale MP-2018	PubG.H-0010, generational with Scale MP-2019	PubG.H-2010, generational with Projection Scale MP-2020	PubG.H-2010, generational with Projection Scale MP-2021	PubG.H-2010, generational with Projection Scale MP-2021

Other Supplementary Information

TERREBONNE PARISH CLERK OF COURT

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2023

Agency Head Name: Theresa Robichaux, Clerk of Court

Purpose	Amount
Salary	\$190,216
Benefits - insurance	\$8,867
Benefits - retirement	\$13,474
Deferred Compensation (Contributions made by the Agency)	\$0
Benefits - Other (HSA Contribution)	\$0
Car Allowance	\$0
Vehicle provided by government (amount reported on W-2)	\$0
Cell Phone	\$0
Dues	\$0
Vehicle rental	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$850
Conference travel	\$1,222
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Other (Including payments made by other parties on behalf of the Agency Head)	\$0

This form is used to satisfy the reporting requirement of R.S. 24:513(A)(3) on Supplemental Reporting

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
Entity Name	TERREBONNE PARISH CLERK OF COURT
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	1199
Date that reporting period ended (mm/dd/yyyy)	June 30, 2023

	First Six Month Period Ended 12/31/22	Second Six Month Period Ended 06/30/23
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	6,231,795	6,418,079
Add: Collections		
Civil Fees - Advanced Deposits	1,883,472	1,724,730
Interest Earnings on Collected Balances	1,753	4,787
Subtotal Collections	1,885,225	1,729,517

Less: Disbursements To Governments & Nonprofits: *(Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)*

Louisiana Secretary of State - Service Fees	22,800	14,850
La.State Treasurer - Judges Supplemental Compansation Fund	40,758	38,525
La.Supreme Court Judicial Administrator - Fees	2,375	1,875
La.Supreme Court Judicial Administrator - Judicial College Fund	705	681
Lafourche Bar Association - Library Fund	16	26
Terrebonne Parish Council - Jury	14,807	16,337
First Circuit Court of Appeal - Fees	984	3,280
Terrebonne Parish Sheriff - Fees	83,589	92,457
Acadia Parish Sheriff - Fees	31	185
Allen Parish Sheriff - Fees	55	-
Avoyelles Parish Sheriff - Fees	-	44

Ascension Parish Sheriff - Fees	437	518
Assumption Parish Sheriff - Fees	509	520
Beauregard Parish Sheriff - Fees	89	34
Bienville Parish Sheriff - Fees	74	-
Bossier Parish Sheriff - Fees	49	49
Caddo Parish Sheriff - Fees	548	807
Calcasieu Parish Sheriff - Fees	743	421
Caldwell Parish Sheriff - Fees	30	-
Catahoula Parish Sheriff - Fees	32	22
Claiborne Parish Sheriff - Fees	-	30
Concordia Parish Sheriff - Fees	-	79
DeSotoa Parish Sheriff - Fees	-	62
East Baton Rouge Parish Sheriff - Fees	33,733	27,168
Grant Parish Sheriff - Fees	51	-
Iberia Parish Sheriff - Fees	265	315
Iberville Parish Sheriff - Fees	4	35
Jackson Parish Sheriff - Fees	-	61
Jefferson Parish Sheriff - Fees	5,740	7,010
Lafayette Parish Sheriff - Fees	1,816	2,343
Jefferson Davis Parish Sheriff - Fees	66	30
Lafourche Parish Sheriff - Fees	10,304	11,271
Lasalle Parish Sheriff - Fees	-	32
Lincoln Parish Sheriff - Fees	97	128
Livingston Parish Sheriff - Fees	513	318
Natchitoches Parish Sheriff - Fees	62	-
Orleans Parish Sheriff - Fees	4,810	6,730
Ouachita Parish Sheriff - Fees	672	1,052
Plaquemnes Parish Sheriff - Fees	30	30
Richland Parish Sheriff - Fees	41	-
Rapides Parish Sheriff - Fees	144	211
Sabine Parish Sheriff - Fees	-	48

St. Bernard Parish Sheriff - Fees	101	166
St. Charles Parish Sheriff - Fees	364	845
St. James Parish Sheriff - Fees	50	43
St. John the Baptist Parish Sheriff - Fees	182	147
St. Landry Parish Sheriff - Fees	2	56
St. Martin Parish Sheriff - Fees	57	303
St. Mary Parish Sheriff - Fees	1,771	1,683
St. Tammany Parish Sheriff - Fees	122	-
Tangipahoa Parish Sheriff - Fees	493	542
Pointe Coupee Parish Sheriff - Fees	-	36
Vermilion Parish Sheriff - Fees	37	80
Webster Parish Sheriff - Fees	65	65
West Baton Rouge Sheriff - Fees	-	126
Winn Parish Sheriff - Fees	46	-
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency (<i>must include a separate line for each collection type, as applicable</i>) - Example: Criminal Fines - Other (<i>Additional rows may be added as necessary</i>)		
Terrebonne Parish Clerk - Civil Fees	826,846	839,202
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	595,649	326,326
Other Disbursements - Attorney and Ad Hoc Fees	40,810	22,184
Other Disbursements - Court Reporters	5,352	16,390
Other Disbursements - Other Fees (Publications & Shipping)	-	-
Payments to 3rd Party Collection/Processing Agencies	15	555
Subtotal Disbursements/Retainage	1,698,941	1,436,333
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	6,418,079	6,711,263

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
Entity Name	TERREBONNE PARISH CLERK OF COURT
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	1199
Date that reporting period ended (mm/dd/yyyy)	June 30, 2023

If legally separate court funds are required to be reported, a separate receiving schedule should be prepared for each fund. Examples include Judicial Expense Fund, Drug Court Fund, Veterans Treatment Court Fund, etc.

Cash Basis Presentation	First Six	Second Six
	Month Period	Month Period
	Ended 12/31/22	Ended 06/30/23

Receipts From: (Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)

Terrebonne Parish Sheriff Office - Criminal Fee	16,649	18,575
Office of Family Support - Criminal Fee	2,858	11,246
Terrebonne Parish Consolidated Government - Criminal Fee	33,622	52,945
Various Attorneys - Expungements	7,605	7,620
Subtotal Receipts	60,734	90,386
Ending Balance of Amounts Assessed but Not Received (only applies to those agencies that assess on behalf of themselves, such as courts)	-	-

*Reports Required by
Government Auditing Standards*



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

Honorable Theresa A. Robichaux
Terrebonne Parish Clerk of Court
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Terrebonne Parish Clerk of Court, a component unit of Terrebonne Parish Consolidated Government as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated November 30, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 misstatements on a timely basis. A *material weakness* is a deficiency or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
November 30, 2023



STAGNI & COMPANY, LLC

TERREBONNE PARISH CLERK OF COURT

**Statewide Agreed Upon
Procedures Report
With Schedule of Findings
and Management's Responses**

***As of and for the Year Ending
June 30, 2023***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

STATEWIDE AGREED-UPON PROCEDURES REPORT

Terrebonne Parish Clerk of Court

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period July 1, 2022 – June 30, 2023

To the Terrebonne 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, 2022 through June 30, 2023. The Terrebonne Parish Clerk of Court's (Clerk of Court) management is responsible for those C/C areas identified in the SAUPs.

The Clerk of Court 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, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

Written Policies and Procedures

1. 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:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***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.
 - c) ***Disbursements***, including processing, reviewing, and approving.

- d) **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).
- e) **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.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **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 documentation is maintained to demonstrate that all employees, including elected officials, were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **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.
- l) **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.

Results: *No findings were noted for these procedures tested.*

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.



STAGNI & COMPANY, LLC

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- d) Observe that the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: *These procedures are not applicable.*

Bank Reconciliations

- 3. 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 accounts 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:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) 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.

Results: *No findings were noted for these procedures tested.*

Collections (excluding electronic funds transfers)

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

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) 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.
 - c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) 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 also responsible for collecting cash, unless another employee verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations". Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) 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).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results: *No findings were noted for these procedures tested.*



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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
11. Using the entity's main operating account and the month selected in "Bank Reconciliations" procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy,

Results: *No findings were noted for these procedures tested.*



Credit Cards/Debit Cards/Fuel Cards/P-Cards

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.
13. 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:
 - a) 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) were reviewed and approved, in writing, by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 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 (e.g., 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.

Results: *No findings were noted for these procedures tested.*

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those



individuals participating) and other documentation required by written policy (procedure #1h).

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: *No findings were noted for these procedures tested.*

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: *No findings were noted for these procedures tested.*

Payroll and Personnel

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

18. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.



d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

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

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

Results: *No findings were noted for these procedures tested.*

Ethics

21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above: obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates that each employee/official completed one hour of ethics training during the fiscal period as required by R.S. 42:1170.
- b. Observe that the entity maintains documentation which demonstrates that each employee/official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

Results: *No findings were noted for these procedures tested.*

Debt Service

23. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

24. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: *These procedures are not applicable.*



Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
26. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: *No findings were noted for these procedures tested.*

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 under "Payroll and Personnel" above. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: *We performed the procedure and discussed the results with management.*



Prevention of Sexual Harassment

29. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, 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.
30. 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).
31. 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 it includes the applicable requirements of R.S. 42:344:
 - a. Number and percentage of public servants in the agency who have completed the training requirements;
 - b. Number of sexual harassment complaints received by the agency;
 - c. Number of complaints which resulted in a finding that sexual harassment occurred;
 - d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e. Amount of time it took to resolve each complaint.

Results: *No findings were noted for these procedures tested.*

We were engaged by the Clerk of Court 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 of Court 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.

Stagni & Company

Thibodaux, LA
November 30, 2023



STAGNI & COMPANY, LLC
