

ASSUMPTION PARISH CLERK OF COURT
Napoleonville, Louisiana

Annual Financial Report
For the Year Ended June 30, 2020

ASSUMPTION PARISH CLERK OF COURT
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For the Year Ended June 30, 2020

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**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Our discussion and analysis of the Assumption 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.

FINANCIAL HIGHLIGHTS

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

- The net position of our governmental activities decreased by approximately 10% from the prior year. The net position at the close of the year was \$2,6 million.
- Program expenses were \$1.2 million – an increase of 10% from the prior year. Program revenues decreased substantially by \$1.8 million, mainly due to the decrease in court costs collected for cases settled in the Advanced Deposit funds.
- The governmental funds reported total ending fund balance of \$3.9 million of which all is unassigned. This compares to the prior year ending fund balance of \$4.1 million showing a decrease of \$222,662 or 5%.

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 Assets) 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 *government-wide financial statements* present the financial picture from the economic measurement resources focus using the accrual basis of accounting. These statements include all assets (including capital assets) and deferred outflows of resources as well as all liabilities (including non-current liabilities) and deferred inflows

ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020

of resources. They are intended to provide a broad overview in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the assets and liabilities, with the difference between the two being reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how the net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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 law and by bond covenants. However, management establishes other funds to help it control and manage resources for particular purposes or to show it is meeting legal responsibilities.

All of the funds are considered governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. All 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. 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 operations and basic services provided to residents. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the near-term financing decisions. The reconciliation of differences between the governmental fund financial statements and the government-wide financial statements is explained in a section following each governmental fund financial statement.

The Clerk adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the financial position of a government. Net Assets exceeded liabilities by \$2,577,880 at the close of the most recent fiscal year.

The largest portion of total assets is cash and cash equivalents (\$3,915,722 or 99%). The unrestricted net position was \$2,539,937. The other portion of net position of \$37,943 reflects its investment in capital assets (e.g., office furniture, vehicles, and equipment), less accumulated depreciation. The Clerk uses these capital assets to provide services to residents; consequently, the assets are not available for future spending.

The following table reflects the current and prior year condensed Statement of Net Position:

	FY 2020	FY 2019	Increase (Decrease)
Cash and cash equivalents	\$ 3,915,722	\$ 4,133,834	\$ (218,112)
Capital Assets	37,943	26,484	\$ 11,459
Total Assets	3,953,665	4,160,318	(206,653)
Deferred outflows of resources	428,319	404,235	24,084
Current Liabilities	6,562	2,011	4,551
Non-current liabilities	1,573,890	1,619,084	(45,194)
Total Liabilities	1,580,452	1,621,095	(40,643)
Deferred inflows of resources	223,652	92,561	131,091
Net Invested in Capital Assets	37,943	26,484	11,459
Unrestricted	2,539,937	2,824,413	(284,476)
Total Net Position	\$ 2,577,880	\$ 2,850,897	\$ (273,017)

The net position decreased slightly from \$2,850,897 to \$2,577,880. Key elements of these activities are as follows:

- Current assets – mainly Cash and investments decreased slightly by \$218,000 or a little over 5%.
- Deferred outflows of resources increased by approximately \$24,000.
- Total liabilities decreased by \$40,000, mainly due to the changes in OPEB and Pension liabilities.

**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

The following table reflects the condensed Statement of Activities:

	FY 2020	FY 2019	Increase (Decrease)
Total program expenses	\$(1,214,990)	\$(1,104,445)	\$ (110,545)
Total program revenues	912,826	2,702,093	(1,789,267)
Net program income	(302,164)	1,597,648	(1,899,812)
General revenues	29,147	34,327	(5,180)
Change in Net Position	(273,017)	1,631,975	(1,904,992)
Net Position:			
Beginning of the year	2,850,897	1,218,922	1,631,975
End of the year	<u>\$ 2,577,880</u>	<u>\$ 2,850,897</u>	<u>\$ (273,017)</u>

The beginning net position of our governmental activities decreased by \$273,000. The revenues for the year in governmental activities were \$913,000 in program revenues a significant decrease from last year, mainly due to a large decrease in court costs collected for cases from the Civil fees from cases filed.

FINANCIAL ANALYSIS OF THE CLERK OF COURT'S FUNDS

The General Fund, reported an unassigned fund balance of \$ 3,909,160, which is a decrease of \$222,662 compared to last year. Unassigned fund balance represents 336% of the total general fund expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for revenues for the General Fund was revised during the fiscal year. All variances from budget were in accordance with the Local Government Budget Act.

CAPITAL ASSETS

Capital assets included furniture and fixtures, and office equipment recorded at historical cost of \$261,797. Accumulated depreciation of \$223,854 recorded from the cost of assets resulted in the net book balance of assets of \$37,943.

This year, there were \$27,762 additions to capital assets and no disposals. Depreciation expense of \$16,303 was recorded for the year. More detailed information about the capital assets is presented in Note 3 to the financial statements.

**ASSUMPTION PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

LONG TERM LIABILITIES

The Clerk reported long-term liabilities recorded for Other Post-Employment Benefits of \$516,941 and Net Pension Liability of \$1,056,949. More detailed information about the long-term debt is presented in Note 4 and Note 5 to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Clerk of Court 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.

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

Condensed Summary of Budgeted Finances	
	FY 2021
Anticipated revenues	\$1,000,000
Expenditures:	
Current	1,060,000
Capital outlay	200,000
Anticipated expenditures	1,260,000
Excess of revenues	(260,000)
Fund Balance:	
Beginning of the year	2,125,664
End of the year	\$ 1,865,664

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 Erin Hebert
Assumption Parish Clerk of Court
P.O. Drawer 249
Napoleonville, LA 70390
(985) 369-6653
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FINANCIAL SECTION



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Erin Hebert
Assumption Parish Clerk of Court
Napoleonville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Assumption Parish Clerk of Court, a component unit of Assumption Parish Police Jury, as of and for the year ended June 30, 2020, and the notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility 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 statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. 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 Statements*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund as of June 30, 2020 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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



Other Information

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits, and Other Payment to the Agency Head 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. This schedule is 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 a report dated December 17, 2020, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 that 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 internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
December 17, 2020



ASSUMPTION PARISH CLERK OF COURT

Statement of Net Position

June 30, 2020

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 3,837,037
Accounts receivable	78,685
Capital assets, net of accumulated depreciation	37,943
Total assets	<u>3,953,665</u>
DEFERRED OUTFLOWS OF RESOURCES	428,319
LIABILITIES	
Accounts payable and accrued expenses	6,562
Non-current liability - net OPEB liability	516,941
Non-current liability - Net Pension liability	1,056,949
Total liabilities	<u>1,580,452</u>
DEFERRED INFLOWS OF RESOURCES	223,652
NET POSITION	
Investment in Capital Assets	37,943
Unrestricted	2,539,937
Total net position	<u>\$ 2,577,880</u>

See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT

Statement of Activities

For the Year Ended June 30, 2020

EXPENSES	Governmental Activities
<i>Judicial:</i>	
Salaries	\$ 619,918
Retirement benefits	159,674
Group insurance	196,210
Deferred compensation	29,030
Payroll taxes	6,793
Clerk supplemental compensation	7,050
Seminars & training	5,162
Professional and technical services	14,924
Equipment maintenance	53,597
Office supplies and maintenance	66,561
Insurance	9,376
Marriage and birth certificate costs	14,364
Book binding and restoration	2,070
LCRAA Portal Fees	5,895
Other	8,063
Depreciation	16,303
<i>Total program expenses</i>	<u>1,214,990</u>
 PROGRAM REVENUES	
Charges for services	<u>912,826</u>
<i>Total program revenues</i>	<u>912,826</u>
 <i>Net Program (Income) Expense</i>	(302,164)
 GENERAL REVENUES	
Interest earned and other	29,147
Gain from sale of asset	-
<i>Total general revenues</i>	<u>29,147</u>
 <i>Change in Net Position</i>	(273,017)
 NET POSITION	
Beginning of year	<u>2,850,897</u>
End of year	<u>\$ 2,577,880</u>

See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT
Balance Sheet - Governmental Fund
June 30, 2020

ASSETS	General Fund
Cash and cash equivalents	\$ 3,837,037
Accounts receivable	<u>78,685</u>
<i>Total assets</i>	<u><u>\$ 3,915,722</u></u>
LIABILITIES AND FUND BALANCES	
<i>Liabilities :</i>	
Accounts payable and accrued expenses	\$ 6,562
<i>Total liabilities</i>	<u>6,562</u>
<i>Fund Balance :</i>	
Unassigned	<u>3,909,160</u>
<i>Total fund balance</i>	<u><u>3,909,160</u></u>
<i>Total liabilities and fund balances</i>	<u><u>\$ 3,915,722</u></u>

**Reconciliation of the Governmental Fund Balance Sheet
to the Government-wide Statement of Net Position**

Total fund balance - governmental fund (Fund Financial Statement) \$3,909,160

Amounts reported for *governmental activities* in the statement of net position are different because:

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

Add - Capital Assets	\$ 261,797	
Deduct - Accumulated Depreciation	<u>(223,854)</u>	
		37,943

Certain non-current liabilities are not due and payable in the current period and therefore are not reported in the funds.

Net OPEB Liability		(516,941)
Net Pension Liability		<u>(1,056,949)</u>

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds

Deferred outflows- pensions	368,832	
Deferred inflows-pensions	(3,609)	
Deferred inflows-OPEB	(220,043)	
Deferred outflows-OPEB	<u>59,487</u>	
		<u>204,667</u>

Total net position of governmental activities (Government-Wide Financial Statements)	<u><u>\$2,577,880</u></u>
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See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2020

REVENUES	General Fund
Recording fees	\$ 328,794
Xerox copies	4,259
Certified copies	1,938
Civil fees	447,907
Mortgage certificates	1,630
Criminal fees	34,904
Cancellations	3,915
Court attendance	4,180
Research fees	28,979
Marriage licenses	2,386
Birth certificates and cards	20,997
Passport fees	7,625
Other fees and charges	2,762
State supplemental pay	22,550
Interest earned	22,121
Other	7,026
<i>Total revenues</i>	<u>941,973</u>

EXPENDITURES	
Current - Judiciary:	
Salaries	619,918
Retirement benefits	159,674
Group insurance	134,396
Deferred compensation	29,030
Payroll taxes	6,793
Clerk supplemental compensation	7,050
Seminars & training	5,162
Professional and technical services	14,924
Equipment maintenance	53,597
Office supplies and maintenance	66,561
Insurance	9,376
Marriage and birth certificate costs	14,364
Book binding and restoration	2,070
LCRAA Portal Fees	5,895
Other	8,063
	<u>1,136,873</u>
Capital outlay	27,762
<i>Total expenditures</i>	<u>1,164,635</u>

Net change in fund balance (222,662)

FUND BALANCES	
Beginning of year	4,131,823
End of year	<u>\$ 3,909,160</u>

See notes to financial statements.

ASSUMPTION 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, 2020*

Net change in fund balance - governmental fund (Fund Financial Statements)		\$ (222,662)	
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Add - capital outlay		\$ 27,762	
Deduct - depreciation expense		<u>(16,303)</u>	11,459
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		(56,897)	
Other Post-Employment Benefit Cost		<u>(4,917)</u>	(61,814)
Change in net assets of governmental activities (Government -Wide Financial Statements)			<u>\$ (273,017)</u>
			\$ -

See notes to financial statements.

ASSUMPTION PARISH CLERK OF COURT
Combining Statement of Fiduciary Net Assets
Agency Funds
June 30, 2020

	Advance Deposit Fund	Registry of the Court Fund	Total
ASSETS			
Cash and cash equivalents	<u>\$ 1,293,469</u>	<u>\$ 924,039</u>	<u>\$ 2,217,508</u>
<i>Total assets</i>	<u><u>\$ 1,293,469</u></u>	<u><u>\$ 924,039</u></u>	<u><u>\$ 2,217,508</u></u>
LIABILITIES			
Held for others pending court action	\$ 1,293,469	\$ 924,039	\$ 2,217,508
<i>Total liabilities</i>	<u><u>\$ 1,293,469</u></u>	<u><u>\$ 924,039</u></u>	<u><u>\$ 2,217,508</u></u>

See notes to the financial statements.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

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 5, Section 28 of the Louisiana Constitution of 1974, the Clerk serves a four-year term of office. The current term expires June 30, 2020. The Clerk may appoint deputies with duties and powers provided by law, with the approval of the district judge.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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

The Clerk of Court is an independently elected official; however, the office is fiscally dependent on the Assumption Parish Police Jury. The Police Jury maintains and operates the Parish Courthouse in which the office is located and provides funds for equipment and furniture. Because the Clerk is fiscally dependent on the Police Jury, it was determined to be a component unit of the Assumption Parish Police Jury, the financial reporting entity.

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

B. Measurement Focus and Basis of Accounting

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.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements (GWFS)

In the government-wide Statement of Net Assets, 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 assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. It is the policy to first utilize restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the 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, etc.).

This government-wide focus is more on the sustainability as an entity and the change in its net assets 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).

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.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Measurement Focus and Basis of Accounting (Continued)

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

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

In the governmental funds revenues such as recordings, cancellations, court attendance, criminal costs, and other fees and charges are recorded in the year they are earned. All other revenues are recorded when received. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred.

Governmental Funds

Governmental funds account for all 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:

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Measurement Focus and Basis of Accounting (Continued)

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the primary operating fund and accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to clerk policy.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category are agency funds. The agency funds account for assets held by the clerk as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The following agency funds are utilized:

- The Advance Deposit Fund – provided for under LRS 13:842, is used to account for advance deposits in suits filed by litigants.
- The Registry of Court Fund – provided by LRS 13:475, is used to account for funds held by order of the court until judgment is rendered by the judiciary.

C. Budgets

Annually a budget is adopted for the General Fund. The budget is prepared on the modified accrual basis of accounting. All appropriations contained in the budget lapse at year end. Formal budget integration (within the accounting records) is employed as a management control device. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

D. Deposits and Investments

Cash includes amounts in demand deposits, money market accounts and time deposits. 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.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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:

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

G. Interfund Activities

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. Compensated Absences

Employees earn from one to three weeks of vacation leave each year depending on the length of service. Unused vacation leave is forfeited at the end of each fiscal year. In addition, employees earn 10 days of sick leave each year of which a maximum of 10 days may be carried forward to the next year. Because unused sick leave is forfeited upon termination, no accrual for unused sick leave is necessary.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Fund Equity / Net Position

Governmental Fund Balance – Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance 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.

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is 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.

The Clerk applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available.

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 his 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, 2020, there was no amount due the parish treasurer as no funds were received from the parish during the said term.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. 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.

K. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position includes a separate section for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time.

The governmental activities have deferred outflows and inflows that relate to the net pension liability and OPEB liability, which include the contributions after the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plans. They also include the net difference between projected and actual earnings on plan investments, which is deferred and amortized over a five-year period.

Note 2 DEPOSITS AND INVESTMENTS

Deposits - 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.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposit balances at year-end consist of the following:

	Balances	
	Reported	Bank
Checking accounts	\$4,993,364	\$5,607,396
Savings accounts	386,053	386,053
Totals	\$5,379,417	\$5,993,449

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. As of year-end \$5,493,449 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 cash equivalents in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the depositors. 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.

Cash and cash equivalents also includes \$675,127 in the Louisiana Asset management Pool, Inc. (LAMP), a local government investment pool. In accordance with GASB Codification Section 150, 165, the investment in LAMP is not categorized in the three risk categories provided by GASB because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 2 DEPOSITS AND INVESTMENTS (CONTINUED)

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA RS 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the US Treasury, the US government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

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

Note 3 CAPITAL ASSETS

Capital assets and depreciation activity for the year follows:

	Beginning Balance	Additions	Deletions	TOTALS
Depreciable Assets:				
Furniture & Equipment	\$ 136,411	\$ -	\$ -	\$ 136,411
Office Equipment	97,624	27,762	-	125,386
Total Cost of Depreciable Assets	234,035	27,762	-	261,797
Accumulated Depreciation				
Furniture & Equipment	131,188	2,433	-	133,621
Office Equipment	76,363	13,870	-	90,233
Total Accumulated Depreciation	207,551	16,303	-	223,854
Net Capital Assets	\$ 26,484			\$ 37,943

There was \$27,762 in additions and no assets disposed of from Capital Assets. Depreciation expense charged in governmental activities was \$16,303.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 PENSION PLAN

Plan Description and Provisions

Substantially all employees of the Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief fund (System), a multiple-employer (cost-sharing), defined benefit pension plan, controlled and administered by a separate board of trustees. Contributions of participating clerks are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

All regular employees earning a minimum of \$500 per month and who are under the age of 60 at the time of original employment are eligible to participate in the system. The System also provides death and disability benefits. Benefits are established by state statute. 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 one hundred percent 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. Act 273 of the 2010 regular session applied the sixty consecutive months to all members. This Act has a transition period for those members who retire on or after January 1, 2011 and before December 31, 2012. Additionally, Act 273 of the 2010 regular session increased a member's retirement to age 60 with an accrual rate of 3% for all members hired on or after January 1, 2011.

Disability Benefits

Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid 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 R.S. 11:1521.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 PENSION PLAN (continued)

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

Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Clerk of Court is required to contribute at an actuarially determined rate of 19.00% of annual covered payroll for the year ending June 30, 2019 and 2020. The contribution requirements of plan members and the Clerk of Court are established as amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 PENSION PLAN (continued)

Effective July 1, 1999, the Louisiana Senate passed Bill #556 allowing the Clerks of Court to elect to pay both the employee and employer contributions into this retirement system. The Assumption Parish Clerk of Court has elected to do so for the year ending June 30, 2019 and 2020. The Clerk also contributes for its plan members in addition to its actuarially determined contributions bringing the total contribution to 27.25% of annual covered payroll. Contributions to the system also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. 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 Clerk's total contribution for the years ending June 30, 2020 totaled \$159,674 \$113,004 were equal to the required employer contributions and \$46,669 was the employee contribution covered by the Clerk.

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

The Clerk reported a liability of \$1,056,949 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, 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, 2019, the proportion of the plan was 0.582023%, and increase of 0.07716%.

For the year ended June 30, 2019, pension expense of \$233,905 was recognized and the following deferred outflows and inflows of resources related to pensions from the following sources:

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 PENSION PLAN (continued)

Source	Deferred outflows of resources	Deferred inflows of resources
Changes in assumptions	\$ 67,564	\$ -
Differences between expected and actual experience	29,677	-
Net difference between projected and actual earnings on pension plan investments	81,885	-
Changes in proportion and differences between contributions and proportionate share of contributions	76,702	(3,609)
Contributions subsequent to the measurement date	113,004	-
	\$ 368,832	\$ (3,609)

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020 actuarial report. 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:	
2021	\$96,064
2022	\$48,202
2023	\$75,552
2024	\$32,401
TOTAL	\$252,219

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 PENSION PLAN (continued)

Actuarial Assumptions

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

Valuation date	June 30, 2019
Actuarial cost method	Entry Age Normal
Investment rate of return	6.75%, net of investment expense
Projected salary increases	5.00%
Inflation Rate	2.50%
Expected remaining service lives	5 years

Mortality rates were based on the RP-2000 Employee Table (set back 4 years for males and 3 year for females), RP-2000 Disabled Lives Mortality Tables (set back 5 years for males and 3 years for females), and the RP-2000 Healthy Annuitant Table (set forward 1 year for males).

Cost of Living Adjustments include the present value of the future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected real rates of return on pension plan investments was determined using a building block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected rate of return was 6.38% as of June 30, 2019.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 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, 2019 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income-Domestic Bonds	20.00%	2.50%
Fixed Income-International Bonds	20.00%	3.50%
Domestic Equity	33.00%	7.50%
International Equity	27.00%	8.50%
Real Estate	10.00%	4.50%
Hedge Funds	10.00%	6.59%
Totals	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. 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:

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 4 **PENSION PLAN (continued)**

	1% <u>Decrease</u> 5.75%	Current <u>Discount Rate</u> 6.75%	1% <u>Increase</u> 7.75%
Net Pension Liability	\$1,570,451	\$ 1,056,949	\$ 621,321

Pension plan fiduciary net position:

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans and can be found at: laclerkofcourt.org/retirement.htm.

Support of Non-employer contributing entities:

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Clerk recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2019, revenue as a result of support received from non-employer contributing entities of \$63,998 was recorded for its participation in LCCRF.

Payables to the pension plans:

At June 30, 2020, there were no amounts due to the retirement system for employer and employee contributions.

Note 5 **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. 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.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 5 OTHER POST-RETIREMENT BENEFITS (continued)

Benefits Provided. The Clerk provides medical, dental, vision, and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 50% of retiree pre-Medicare health, Medicare Supplement, vision, and dental insurance premiums. The retirees are required to pay for 100% of the premiums for their dependents. The plan also provides for payment of 50% of retiree life insurance premiums.

Employees covered by benefit terms. At January 1, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>13</u>
	<u>16</u>

Total OPEB Liability. The total OPEB liability of \$516,941 was measured as of June 30, 2020, and was determined by an actuarial valuation as of January 1, 2020.

Actuarial Assumptions and other inputs. The total OPEB liability in the June 30, 2018 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	2.45%
Healthcare cost trend rates	
Medical:	6.5% for 2021, decreasing 0.25% per year to an ultimate rate of 5.0% for 2027 and later years.
Medicare Supplement:	5.0% for 2021, decreasing 0.25% per year to an ultimate rate of 3.0% for 2029 and later years. Include 2% per year for aging.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2020

Note 5 OTHER POST-RETIREMENT BENEFITS (continued)

Dental:	3.0% annual trend
Vision:	3.0% annual trend

Retirees' Share of Benefit-Related Costs:

Medical:	50% for retirees and 100% for dependents.
Medicare Supplement:	50% for retirees and 100% for dependents.
Dental:	50% for retirees and 100% for dependents.
Vision:	50% for retirees and 100% for dependents.
Basic Life Insurance:	50%

The discount rate was based on the 6/30/2020 Fidelity General Obligation AA 20-Year Yield. Mortality rates for active employees were based on the PubG.H-2010 Employee Mortality Table, Generational with Projection Scale MP-2018 for males or females, as appropriate. Mortality rates for retirees and surviving spouses were based on the PubG.H-2010 Healthy Annuitant Mortality Table, Generational with Projection Scale MP-2018 for males or females, as appropriate. The actuarial assumptions used in the June 30, 2018 valuation were based on those used in the Louisiana Clerks of Court Retirement and Relief Fund valuation and actuarial experience.

Changes in the Total OPEB Liability (Asset)

Balance at 6/30/2017	\$669,414
Changes for the year:	
Service Cost	17,800
Interest	21,209
Differences between expected and actual experience	(99,658)
Change in Benefit terms	0
Changes in Assumptions/Inputs	(72,619)
Benefit payments	(19,205)
Change in Net OPEB Obligation	(152,473)
Ending Net OPEB Obligation	\$516,941

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements

For the Year Ended June 30, 2020

Note 5 OTHER POST-RETIREMENT BENEFITS (continued)

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 (1.45%)	Current Discount Rate (2.45%)	1.0% Increase (3.45%)
Total OPEB liability	\$ 614,569	\$516,941	\$450,447

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	\$490,948	\$561,941	\$581,113

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2020, the Clerk recognized OPEB expense of \$24,120 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	\$ 0	\$ 153,475
Changes of assumptions or other inputs	59,487	66,568
Total	\$ 59,487	\$ 220,043

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 5 OTHER POST-RETIREMENT BENEFITS (continued)

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:	
2021	(\$14,890)
2022	(\$14,890)
2023	(\$14,890)
2024	(\$14,890)
2025	(\$14,890)
Thereafter	(\$86,108)

Note 6 DEFERRED COMPENSATION

The Clerk of Court employees participate in the State of Louisiana Deferred Compensation Plan. This Plan was established pursuant to IRC Section 457 and Louisiana R.S. 42:1301-1308. The Plan provides state, parish, and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction. Participants defer federal or state income tax on their contributions. In addition, interest or earnings on the participant's account accumulate tax-deferred.

The participants may choose the amount to contribute with the maximums defined by the Internal Revenue Code and the investment option(s). The Clerk of Court agreed to match each participant's contribution up to a maximum of 10% for the current fiscal year. During the year, deferred compensation paid was \$29,030.

Note 7 EXPENSES PAID BY POLICE JURY

LRS 13:784 provides that upon request of the Clerk, the Assumption Parish Police Jury shall provide all necessary office furniture, equipment, and records and books. During the current fiscal year, the Clerk has not requested that the police jury purchase any of the expenses noted. The Assumption Parish Police Jury does however provide office space located in the Parish Courthouse and pays for utilities and maintenance for the Clerk's office. The value of these expenditures paid cannot be reasonably estimated and have not been included in the accompanying financial statements.

ASSUMPTION PARISH CLERK OF COURT

Notes to Financial Statements
For the Year Ended June 30, 2020

Note 8 RISK MANAGEMENT

The Clerk of Court is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and automobile liability. 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.

Note 9 SUBSEQUENT EVENTS

Pandemic – In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that had and may have a significant impact on the operating activities of the Clerk's office. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the economy overall, all of which are uncertain.

***REQUIRED SUPPLEMENTAL
INFORMATION***

ASSUMPTION PARISH CLERK OF COURT
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues				
Self-Generated Fees	\$ 2,500,000	\$ 980,000	\$ 941,973	\$ (38,027)
Total revenues	2,500,000	980,000	941,973	(38,027)
Expenditures				
Current-Judiciary:				
Personal services & Related Benefits	975,000	975,000	956,861	18,139
Materials and Supplies	200,000	200,000	66,561	133,439
Travel and other charges	10,000	10,000	5,162	4,838
Operation Services	200,000	200,000	108,289	91,711
Total current expenditures	1,385,000	1,385,000	1,136,873	248,127
Capital outlay	25,000	25,000	27,762	(2,762)
Total expenditures	1,410,000	1,410,000	1,164,635	245,365
Net change in fund balance	1,090,000	(430,000)	(222,662)	207,338
Fund Balances				
Beginning of year	3,674,568	2,555,664	4,131,823	1,576,159
End of year	<u>\$ 4,764,568</u>	<u>\$ 2,125,664</u>	<u>\$ 3,909,161</u>	<u>\$ 1,783,497</u>

**ASSUMPTION PARISH CLERK OF COURT
Louisiana Clerks' of Court Retirement & Relief Fund
Last Ten Fiscal Years***

For fiscal year ended	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Measurement Date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY:

Proportion of the net pension liability	0.519232%	0.503924%	0.491658%	0.504865%	0.570955%	0.582023%
Proportionate share of the net pension liability	\$ 700,372	\$ 755,902	\$ 909,555	\$ 763,827	\$ 967,640	\$ 1,056,949
Covered employee payroll	\$ 506,191	\$ 429,200	\$ 448,757	\$ 515,740	\$ 530,117	\$ 561,552
Proportionate share of the net pension liability as a % of its covered employee payroll	138.36%	176.12%	202.68%	148.10%	182.53%	188.22%
Plan fiduciary net position as a % of the total pension liability	79.37%	78.13%	74.17%	79.69%	79.07%	77.93%

SCHEDULE OF CONTRIBUTIONS:

Contractually required contribution	\$ 122,015	\$ 85,264	\$ 86,743	\$ 86,581	\$ 100,743	\$ 107,595
Contributions paid	122,015	85,598	86,798	86,537	100,722	107,525
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (334)</u>	<u>\$ (55)</u>	<u>\$ 44</u>	<u>\$ 21</u>	<u>\$ 70</u>
Covered employee payroll	\$ 506,191	\$ 429,200	\$ 448,757	\$ 515,740	\$ 530,117	\$ 561,552
Contribution as a percentage of covered employee payroll	24.10%	19.94%	19.34%	16.78%	19.00%	19.15%

* 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 include: no changes no changes no changes no changes no changes

Changes of Assumptions

Investment Rate of Return	7.25%	7.00%	7.00%	7.00%	6.75%	6.75%
Projected Salary Increases	5.75%	5.00%	5.00%	5.00%	5.00%	5.00%
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Long term expected real rate of return	7.60%	7.60%	7.60%	7.60%	7.10%	6.38%
Expected service lives	5 years	5 years	5 years	5 years	5 years	5 years

ASSUMPTION 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
Service cost	\$ 21,673	\$ 21,387	\$ 17,800
Interest	26,930	23,630	21,209
Changes of benefit terms	-	(100,011)	-
Differences between expected and actual experience	(9,873)	(71,409)	(99,658)
Changes in assumptions or other inputs	-	76,484	(72,619)
Benefit payments	(26,335)	(28,482)	(19,205)
Net change in Total OPEB Liability	12,395	(78,401)	(152,473)
Total OPEB Liability - beginning	735,420	747,815	669,414
Total OPEB Liability - ending	<u>\$ 747,815</u>	<u>\$ 669,414</u>	<u>\$ 516,941</u>

Covered employee payroll	\$ 530,117	\$ 573,997	\$ 619,918
OPEB Liability as a percentage of covered employee payroll	141.07%	116.62%	83.39%

*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

Effective January 1, 2019, medical plan contributions were changed to 50% for retirees with no change for dependents. In additions, life insurance benefits were changed from Plan C to Plan A.

Changes of Benefit Terms include:

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%	2.45%
Inflation	2.40%	2.40%	2.40%
Salary Increases, including inflation	3.00%	3.00%	3.25%
Mortality Rates	RPH-2014 Employee and Healthy Annuity, Generational with MP-2018	PubG.H-2010 Employee and Helathy Annuitant, Generational with MP-2018	PubG.H-2010 Employee and Helathy Annuitant, Generational with MP-2019

Other Supplementary Information

ASSUMPTION PARISH CLERK OF COURT

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2020

Agency Head Name: **Darlene Landry, Clerk of Court**
Term ended June 30, 2020

Purpose	Amount
Salary	\$110,154
Salary - Supplemental	\$24,600
Salary - Statutory Allowance	\$13,475
Salary - Election Expense	\$2,100
Benefits - insurance	\$11,206
Benefits - retirement	\$9,088
Benefits - Deferred Compensation	\$6,600
Benefits - Medicare tax	\$0
Car Allowance	\$21,838
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements - auto maintenance	\$0
Travel	\$0
Registration fees (non-CLE)	\$0
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$0
Cell Phone	\$0
Other	\$0

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

***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 Erin Hebert
Assumption Parish Clerk of Court
Napoleonville, 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 Assumption Parish Clerk of Court, a component unit of Assumption Parish Police Jury as of and for the year ended June 30, 2020, 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 December 17, 2020.

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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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
December 17, 2020



ASSUMPTION PARISH CLERK OF COURT
STATUS OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2020

Reference Number	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)
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Section I - Internal Control and Compliance Material to the Financial Statements:

Section II - Internal Control and Compliance Material to Federal Awards:

2019-001	2019	BANK RECONCILIATIONS	Resolved
2019-002	2019	PAYROLL LIABILITIES	Resolved

Section III - Management Letter: