

Bienville Parish Clerk of Court
Arcadia, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Then Ended
June 30, 2020
With Supplemental Information Schedules

Bienville Parish Clerk of Court
Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended June 30, 2020
With Supplemental Information Schedules

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Bienville Parish Clerk of Court
Management's Discussion and Analysis
June 30, 2020

As Management of the Bienville Parish Clerk of Court (Clerk), we offer readers of the Clerk's financial statements this narrative overview and analysis of the financial activities of the Clerk for the year ended June 30, 2020. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis (MD&A) document introduces the Clerk's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Clerk's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) 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 Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in their independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurances. 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 Financial Section.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Clerk's finances, in a manner similar to a private-sector business.

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

The *Statement of Activities* presents information showing how the government's 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 (for example, earned, but unused, sick leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Clerk can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Bienville Parish Clerk of Court
Management's Discussion and Analysis
June 30, 2020

long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Clerk adopts an annual appropriated budget for the general fund and the special revenue funds. A budgetary comparison statement is provided for the major funds to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Clerk's programs, fiduciary (agency) funds are not reflected in the government-wide financial statements.

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.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Clerk's performance.

The combining schedule for fiduciary funds is presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, liabilities of the Clerk exceeded assets by \$1,016,374. Assets of the Clerk exceed net position due to the Net OPEB and Net Pension liabilities. These assets are not available for future spending.

An additional portion of the Clerk's Net Position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted Net Position is affected by two factors: 1) resources expended, over time, by the Clerk to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets being included in the Statement of Net Position.

The following is a condensed statement of the Clerk's governmental-type activities net position as of June 30, 2020:

	<u>2020</u>	<u>2019</u>
Assets		
Current & Other Assets	\$749,712	\$438,211
Capital Assets (net)	<u>7,118</u>	<u>4,317</u>
Total Assets	756,830	442,528
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	<u>272,134</u>	<u>247,900</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$1,028,964</u>	<u>\$690,428</u>
Liabilities		
Other Liabilities	\$33,880	\$15,999
Net pension liability	826,273	744,879
Net OPEB obligation	<u>526,863</u>	<u>780,251</u>
Total Liabilities	<u>1,387,016</u>	<u>1,541,129</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	<u>321,810</u>	<u>165,673</u>

Bienville Parish Clerk of Court
Management's Discussion and Analysis
June 30, 2020

Net Position		
Invested in capital assets, net	7,118	4,317
Unrestricted	<u>(686,980)</u>	<u>(1,020,691)</u>
Total Net Position	<u>(\$679,862)</u>	<u>(\$1,016,374)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OR RESOURCES, AND NET POSITION	<u>\$1,028,964</u>	<u>\$690,428</u>

The following is a summary of the governmental-type statement of activities:

	<u>2020</u>	<u>2019</u>
Revenue		
Program Revenue	\$741,216	\$787,185
General Revenue & Transfers	<u>360,938</u>	<u>7,295</u>
Total Revenue	<u>1,102,154</u>	<u>794,480</u>
Expenses		
Program Expenses - Judicial	<u>765,642</u>	<u>752,740</u>
Total Expenses	<u>765,642</u>	<u>752,740</u>
Increase (Decrease) in Net Position	336,512	41,740
Net Position, Beginning	<u>(1,016,374)</u>	<u>(1,058,114)</u>
Net Position, Ending	<u>(\$679,862)</u>	<u>(\$1,016,374)</u>

Financial Analysis of Governmental Funds

The Clerk uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2020, the Clerk's combined governmental fund balances of \$715,832, showed an increase of \$293,620 over June 30, 2019. The General fund's portion of the unreserved, undesignated fund balance of \$441,045 shows an increase by \$257,414 from the prior year amount.

General Fund Budgetary Analysis

Differences between revenues of the original budget and the final budget were due to an increase in court costs, fees, and charges, clerks supplemental compensation, fees for recording, fees for certified copies, miscellaneous revenues and use of money and property. Differences between expenditures of the original budget and the final budget were due primarily to increases in personal services and related benefits and materials and supplies.

Capital Assets and Debt Administration

Capital Assets. The Clerk's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$7,118 (net of accumulated depreciation). This investment includes furniture and equipment. There were increases of \$4,946 for the year for computers.

Long-term debt. The Clerk contributes to a single-employer defined benefit healthcare plan ("the Retiree health plan"). The plan provides lifetime healthcare insurance for eligible retirees through the clerk's group health insurance plan. Net OPEB obligation associated with the Retiree health plan at June 30, 2020 is \$526,863. Net pension obligation associated with the Pension Plan at June 30, 2020 is \$826,273.

Bienville Parish Clerk of Court
Management's Discussion and Analysis
June 30, 2020

Request for Information

This financial report is designed to provide a general overview of the Clerk's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bienville Parish Clerk of Court, 100 Couthouse Drive, Room 100, Arcadia, Louisiana 71001.

WADE & PERRY
Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Auditor's Report

Bienville Parish Clerk of Court
Arcadia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of Bienville Parish Clerk of Court ("Clerk"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Clerk's 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 opinions on these 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 Standards*, 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about 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 evaluating 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Clerk, as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 4, the budgetary comparison information on pages 30 through 31, the schedule of funding progress for the retiree healthcare plan on page 32, the schedule of Clerk's proportionate share of the net pension liability on page 33, and the schedule of employer contributions on page 34, 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 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 statements that collectively comprise the Clerk's basic financial statements. The supplemental information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedule of changes in unsettled deposits is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 35 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information 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 28, 2020, on our consideration of the Clerk's 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 the testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.



Ruston, Louisiana
December 28, 2020

Bienville Parish Clerk of Court
Statement of Financial Position
As of June 30, 2020

ASSETS	
Cash and cash equivalents	\$720,886
Investments	2,147
Receivables	25,703
Due from other funds	976
Capital assets (net of accumulated depreciation)	7,118
Total Assets	<u>756,830</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension and OPEB related	272,134
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$1,028,964</u></u>
LIABILITIES	
Accounts payable	\$19,417
Withholdings payable	14,463
Net pension liability	826,273
Net OPEB obligation	526,863
Total current liabilities	<u>1,387,016</u>
DEFERRED INFLOWS OF RESOURCES	
Pension and OPEB related	321,810
NET POSITION:	
Invested in capital assets, net of related debt	7,118
Unrestricted	(686,980)
Total Net Position	<u>(679,862)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$1,028,964</u></u>

See accompanying auditor's report and notes to the financial statements.

Bienville Parish Clerk of Court
Statement of Activities
For the Year Ended June 30, 2020

JUDICIAL:

Personal services	\$638,442
Operating services	83,372
Materials and supplies	22,721
Travel	2,491
Intergovernmental	16,472
Depreciation	2,144
Total Expenses	<u>765,642</u>

PROGRAM REVENUES

License and permits	1,030
Clerk's supplemental compensation	24,600
State grant	0
Court costs, fees, and charges	354,915
Fees for recording legal documents	269,509
Fees for certified copies of documents	41,133
Miscellaneous revenues	50,029
Total program revenues	<u>741,216</u>
Net Program Expense	<u>(24,426)</u>

GENERAL REVENUES

Operating transfers in	354,000
Investment earnings	6,938
Total General Revenues	<u>360,938</u>

Change in Net Position	336,512
Net Position - Beginning	<u>(1,016,374)</u>
Net Position - Ending	<u>(\$679,862)</u>

The accompanying notes are an integral part of this statement.

Bienville Parish Clerk of Court
 Balance Sheet, Governmental Funds
 June 30, 2020

	General Fund	Other Governmental Fund Witness Fee Fund	Total
ASSETS			
Cash and cash investments	\$446,099	\$274,787	\$720,886
Investments	2,147		2,147
Receivables - fees, charges, and commissions	25,703		25,703
Due from other funds	976		976
TOTAL ASSETS	\$474,925	\$274,787	\$749,712
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$19,417		\$19,417
Withholdings payable	14,463		14,463
Total liabilities	33,880	0	33,880
Fund equity - fund balances:			
Restricted - Other general government		\$274,787	274,787
Unassigned	441,045		441,045
Total fund balances	441,045	274,787	715,832
TOTAL LIABILITIES AND FUND BALANCES	\$474,925	\$274,787	\$749,712

The accompanying notes are an integral part of this statement.

Bienville Parish Clerk of Court
Reconciliation of the Balance Sheet
to the Statement of Net Position
For the Year Ended June 30, 2020

Total fund balances at June 30, 2020 - Governmental funds (Statement C)		\$715,832
Deferred outflows of resources		272,134
Cost of capital assets at June 30, 2020	32,277	
Less Accumulated depreciation as of June 30, 2020	<u>(25,159)</u>	7,118
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Net pension liability		(826,273)
Net OPEB		(526,863)
Deferred inflows of resources		<u>(321,810)</u>
Net Position at June 30, 2020 (Statement A)		<u>(\$679,862)</u>

The accompanying notes are an integral part of this statement.

Bienville Parish Clerk of Court
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2018

	General Fund	Other Governmental Funds Witness Fee Fund	Total
REVENUES			
Licenses and permits - marriage	\$1,030		\$1,030
Intergovernmental - state grants - Clerk's supplemental compensation	24,600		24,600
State grant			0
Fees, charges, and commissions for services:			
Court costs, fees, and charges	313,509	41,406	354,915
Fees for recording legal documents	269,509		269,509
Fees for certified copies of documents	41,133		41,133
Use of money and property - interest earnings	6,938		6,938
Miscellaneous revenues			0
Total Revenues	<u>656,719</u>	<u>41,406</u>	<u>698,125</u>
EXPENDITURES			
General government - judicial:			
Personal services	623,303	5,200	628,503
Operating services	83,372		83,372
Materials and supplies	22,721		22,721
Travel and other charges	2,491		2,491
Capital outlay	4,946		4,946
Intergovernmental	16,472		16,472
Total Expenditures	<u>753,305</u>	<u>5,200</u>	<u>758,505</u>
Excess (Deficiency) of Revenues over Expenditures	(96,586)	36,206	(60,380)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	354,000		354,000
Total Other Financing Sources (Uses)	<u>354,000</u>	<u>0</u>	<u>354,000</u>
Net Change in Fund Balances	257,414	36,206	293,620
Fund Balances – beginning	183,631	238,581	422,212
Prior period adjustment	0	0	0
Fund Balances – ending	<u>\$441,045</u>	<u>\$274,787</u>	<u>\$715,832</u>

The accompanying notes are an integral part of this statement.

Bienville Parish Clerk of Court
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2020

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

Net Change in Fund Balances, Total governmental funds (Statement E)	\$293,865
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$4,946) exceeds depreciation (\$2,144) in the current period.	2,802
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities	54,340
Non-employer contributions to cost-sharing pension plan	50,029
Pension expense	<u>(64,524)</u>
Change in Net Position of Governmental Activities, (Statement B)	<u>\$336,512</u>

The accompanying notes are an integral part of this statement.

Bienville Parish Clerk of Court
Statement of Fiduciary Net Assets, Agency Funds
June 30, 2020

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Child Support</u>	<u>Total</u>
ASSETS				
Cash and cash investments	\$524,927	\$718,824	\$782	\$1,244,533
Investments	8,552	2,251	1,221	12,024
Receivables				0
TOTAL ASSETS	<u>\$533,479</u>	<u>\$721,075</u>	<u>\$2,003</u>	<u>\$1,256,557</u>
LIABILITIES				
Accounts payable			\$245	\$245
Due to General Fund			976	976
Unsettled deposits held for others	<u>\$533,479</u>	<u>\$721,075</u>	<u>782</u>	<u>1,255,336</u>
TOTAL LIABILITIES	<u>\$533,479</u>	<u>\$721,075</u>	<u>\$2,003</u>	<u>\$1,256,557</u>

Bienville Parish Clerk of Court
Notes to the Financial Statements
As of and for the Year Ended June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section V of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

The accompanying financial statements of the Clerk have been prepared in conformity with U.S. 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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Bienville Parish Police Jury is the financial reporting entity for Bienville Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Bienville Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data or the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides partial funding for equipment, furniture and supplies of the clerk of court's office, the clerk of court was determined to be a component unit of the Bienville Parish Police Jury, 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Bienville Parish financial reporting entity.

Bienville Parish Clerk of Court
Notes to the Financial Statements
As of and for the Year Ended June 30, 2020

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The clerk of court's basic financial statements include both government-wide (reporting the clerk of court as a whole) and fund financial statements (reporting the clerk's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the clerk are classified as governmental.

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the clerk, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets as the fund financial statement level.

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

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, loses, 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the clerk's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the clerk's general revenues.

Allocation of Indirect Expenses - The clerk reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that building serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the clerk are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the clerk. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is represents in a separate column.

Bienville Parish Clerk of Court
Notes to the Financial Statements
As of and for the Year Ended June 30, 2020

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate “fund types”. Governmental funds are used to account a governments’s general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The clerk of court’s current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

Governmental Fund Type

General Fund- The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the clerk of court and is used to account of the operations of the clerk’s office. The various fees and charges due to the clerk’s office are accounted for in this fund. General operating expenditures are paid from this fund.

Special Revenue Funds - The Court Reporter and Witness Fee Funds are used by the clerk’s office to account for the proceeds to specific revenue sources which are restricted to expenditures for specified purposes.

Fiduciary Fund Type - Agency Funds

The Advance Deposit, Registry of Court, Child Support and Judicial Expense agency funds are used to account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIC 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 measurement made regardless of the measurement focus applies.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statements of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The clerk considers all revenues available if they are collected within 60 days after the fiscal year end.

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are recorded in the year in which they are earned.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the clerk of court.

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

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. CASH AND CASH EQUIVALENTS

Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the Clerk has cash and cash equivalents (book balances) totaling \$1,965,419.

Demand deposits	\$984,172
Time deposits	<u>981,247</u>
Total	<u>\$1,965,419</u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the fiscal agent bank has failed to pay deposited funds upon

Bienville Parish Clerk of Court
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demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Clerk's name.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times are secured as follows:

Bank balances	\$1,995,051
Federal deposit insurance	\$1,293,898
Pledged securities (uncollateralized)	1,215,992
Total	\$2,509,890

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the clerk, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 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.

F. INVESTMENTS

Investments held at June 30, 2020 consist of \$12,951, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2020 is not categorized in the three risk categories provided by GASB Codification Section 150.125 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 government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

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.

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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.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$300 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immediate amount when declared as no longer needed for public purposes by the clerk, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20-40 years
Furniture and fixtures	5-10 years
Vehicles	5-15 years
Equipment	5-20 years

H. ANNUAL AND SICK LEAVE

All employees of the clerk of court's office earn two weeks of non-cumulative vacation leave each year. Sick leave is granted on a case-by case basis, at the discretion of the clerk.

I. RISK MANAGEMENT

The clerk is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the clerk maintains commercial insurance policies covering its vehicles, professional liability and surety bond coverage. In addition to the above policies, the clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past 3 years which exceeded to policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2020.

J. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not represent financial position in conformity with U.S. generally accepted accounting principles. Neither is such date comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

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K. PENSION PLANS

The Clerk's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 3. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

L. OPEB PLAN

The Clerk's defined benefit postemployment health care plan provides OPEB to eligible retired employees and their beneficiaries. The plan provides OPEB for permanent full-time employees of the Clerk. The Clerk's OPEB plan is a simple 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 in 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.

M. EQUITY CLASSIFICATIONS

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

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

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

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Nonspendable - amounts that are not in spendable form (such as prepaids) or are required to be maintained intact.

Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Assigned - amounts the government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$475,170. If applicable, the Clerk would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

N. ESTIMATES

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

2. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment follows:

Balance, June 30, 2019	\$27,332
Additions	4,946
Deletions	<u>0</u>
Balance, June 30, 2020	32,278
Less accumulated depreciation	<u>(25,160)</u>
Net capital assets	<u>\$7,118</u>

3. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER

The Louisiana Clerks' of Court retirement Fund (fund) is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:1501 to provide retirement, disability and survivor benefits to clerks of court, their deputies and other employees, and the beneficiaries of such clerks of court, their deputies, and other employees.

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Substantially all employees of the Bienville Parish Clerk of Court are members of the Louisiana Clerk of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Summary of Significant Accounting Policies.

The Louisiana Clerks' of Court Retirement and Relief Fund prepared its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Louisiana Clerks' of Court Retirement and Relief Fund employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2019.

Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the Fund's collective net position liability. The Fund's plan fiduciary net position was determined using the accrual basis of accounting. The Fund's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

Pension Amount Netting

The deferred outflows and deferred inflows of resources attributable to differences between projected and actual earnings on pension plan investments recorded in different years are netted to report only a deferred outflow or a deferred inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows are not presented on a net basis.

Plan Description

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 one 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 a 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 Louisiana Clerks' of Court Retirement and Relief Fund of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2019. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.la.gov.

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Plan Benefits

A member or former member shall be eligible for regular retirement benefits upon attaining 12 or more years of credited service, attaining the age of 55 years (age 65 if hired on or after January 1, 2011) or more and terminating employment. Regular retirement benefits, payable monthly for life, equal 3% of the members average final compensation multiplied by the number of years of credited service, not to exceed 100% of the monthly average compensation. The retirement benefit accrual rate is increased to 3 and 1/3 percent for all service credit accrued after June 30, 1999 (for members hired prior to January 1, 2011). For those members hired before July 1, 2006, and who retire prior to January 1, 2011, monthly average final compensation is based on the highest 36 consecutive months, with a limit of 10% increase in each of the last three years of measurement. For those members hired 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 five years of measurement. For those members hired before July 1, 2006, and who retire after December 31, 2010, the period of final average compensation is 36 months plus the number of whole months elapsed since January 1, 2011, not to exceed 60 months.

According to the state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 20, 2018, the actual employer contribution rate was 19%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance any unfunded accrued liability. In accordance with state statute, the Fund 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.

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

At June 30, 2020, the Clerk reported a liability of \$826,273 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 Clerks' proportion of the net position liability was based on a projection of the Clerks' long-term share of contributions to the pension plan relative to the projected contributions of all participating clerks' actuarially determined. At June 30, 2020, the Clerks' proportion was .454998% percent, which was a decrease of .00717% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the Clerk recognized pension expense of \$64,524. At June 30, 2020, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$23,200	
Changes in assumptions	52,818	
Net difference between projected and actual earnings on pension plan	64,014	
Changes in employer's portion on beginning NPL	8,204	49,430
Differences between employer and proportionate share of contributions	17	70
Contributions subsequent to the measurement date	81,936	
Total	\$230,189	\$49,500

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\$81,936 reported as deferred outflows of resources related to pensions resulting from the Clerk's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30:</u>	
2020	\$36,084
2021	5,630
2022	32,145
2023	<u>24,893</u>
Total	<u>\$98,752</u>

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement:

Valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Investment rate of return	6.75%, net of investment expense
Projected salary increases	5.0%
Inflation rate	2.5%
Mortality rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) RP-2000 Healthy Annuitant Table for healthy annuitants (set forward 1 year for males) RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)
Expected remaining service lives	2015 - 5 years, 2016 - 5 years, 2017 - 5 years, 2018 - 5 years, 2019 - 5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used are based on the assumptions used in the 2019 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study performed over the period July 1, 2009 through June 30, 2014 unless otherwise specified.

The discounted 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 Fund's actuary. Based on those assumptions, the Fund's fiduciary net position to be available to make all projected future benefit payments of current plan members.

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Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method.

Sensitivity of the Clerks' proportionate share of the net pension liability to changes in the discount rate.

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net position liability would be if it were calculated using a discount rate that is one percentage lower, or one percentage point higher than the current rate as of June 30, 2019.

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Clerks' proportionate share of the net pension liability	\$1,227,704	\$826,273	\$485,719

4. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Clerk's defined benefit postemployment healthcare plan provides OPEB to eligible retired employees and their beneficiaries. The plan provides OPEB for permanent full-time employees of the Clerk. The Clerk's OPEB 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 50% of retiree and 50% of dependent pre-Medicare health option 1, Medicare Supplement, vision, and dental insurance premiums. The plan also provides for payment of 50% of retiree and 0% for dependent pre-Medicare health option 2 and 50% of retiree life insurance premiums.

Employees covered by benefit terms - At January 1, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>7</u>
Total employees	<u>13</u>

Total OPEB Liability

The Clerk's total OPEB liability of \$526,863 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, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

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Inflation	2.40%
Salary increases, including inflation	3.25%
Discount rate	2.45%
<u>Healthcare cost trend rates:</u>	
Medical	6.5% for 2021, decreasing 0.25% per year to an ultimate rate of 5.0% for 2027 and later years
Medicare Advantage	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
Dental	3.0% annual trend
Vision	3.0% annual trend
<u>Retirees' Share of Benefit-Related Costs:</u>	
Medical	50% for retirees and 100% for dependents
Medicare Advantage	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 employee were based on the PubG.H-2010 Employee mortality table, Generational with Projection Scale MP-2019 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 Healthy Annuitant mortality table, Generational with Projection Scale MP-2019 for males and females, as appropriate.

The actuarial assumptions used in the June 30, 2020 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

Balance at June 30, 2019	\$780,251
Changes for the year:	
Service cost	11,463
Interest	24,680
Differences between expected and actual	(114,198)
Changes in assumptions/inputs	(120,496)
Change in benefit terms	(48,412)
Benefit payments and net transfers	<u>(6,425)</u>
Net changes	<u>(253,388)</u>
Balance at June 30, 2020	<u>\$526,863</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the Clerk, as well as what the Clerk's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%) than the current discount rate:

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	1% Decrease <u>(1.45%)</u>	Current Discount Rate <u>(2.45%)</u>	1% Increase <u>(3.45%)</u>
Total OPEB liability	\$612,894	\$526,863	\$461,731

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

	1% Decrease <u>\$506,248</u>	Trend Rate <u>\$526,863</u>	1% Increase <u>\$573,891</u>
Total OPEB liability			

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 (\$48,161). At June 30, 2020, the Clerk reported deferred outflows of resources and deferred inflows of resources related OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$0	\$166,875
Changes in assumptions or other inputs	\$41,945	\$105,434
Total	<u>\$41,945</u>	<u>\$272,309</u>

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

<u>Year ending June 30:</u>	
2021	(\$35,892)
2022	(35,892)
2023	(35,892)
2024	(34,680)
2025	(29,337)
Thereafter	(58,674)

5. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances deposits due others follows:

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Child Support Fund</u>	<u>Total</u>
Balance at June 30, 2019	\$660,562	\$851,241	\$881	\$1,512,684
Additions	247,657	224,384	12,507	484,548
Deductions	<u>(374,740)</u>	<u>(354,550)</u>	<u>(12,606)</u>	<u>(741,896)</u>
Balance at June 30, 2020	<u>\$533,479</u>	<u>\$721,075</u>	<u>\$782</u>	<u>\$1,255,336</u>

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6. LITIGATION AND CLAIMS

The Bienville Parish Clerk of Court is not involved in any litigation at June 30, 2020, nor is he aware of any unasserted claims.

7. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 28, 2020. This date represents the date the financial statements were available to be issued.

The Covid-19 outbreak in the United States and our state has caused business disruption through mandated and voluntary closings of businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and whether those closings will precipitate a wider economic recession. As a result, the related financial impact on the Clerk's office and the duration cannot be estimated at this time.

REQUIRED SUPPLEMENTAL INFORMATION

Bienville Parish Clerk of Court
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual (Budgetary Basis)	Favorable (Unfavorable) Variance
	Original	Final		
REVENUES				
License and permits	\$15,100	\$8,808	\$1,030	(\$7,778)
Intergovernmental revenues - state grants				
Clerk's supplemental compensation	24,600	24,600	24,600	0
State grant		8,369		(8,369)
Fees, charges, and commissions for services:				
Court costs, fees, and charges	345,260	251,510	313,509	61,999
Fees for recording legal documents	315,000	219,600	269,509	49,909
Fees for certified copies of documents	88,500	51,140	41,133	(10,007)
Miscellaneous	2,000	2,000		(2,000)
Use of money and property	4,500	6,300	6,938	638
Total Revenues	<u>794,960</u>	<u>572,327</u>	<u>656,719</u>	<u>84,392</u>
EXPENDITURES				
General government - judicial				
Personal services and related benefits	577,916	570,541	623,303	(52,762)
Operating services	79,800	90,050	83,372	6,678
Materials and supplies	9,200	9,880	22,721	(12,841)
Travel and other charges	16,555	15,555	2,491	13,064
Capital outlay	100	3,900	4,946	(1,046)
Intergovernmental	8,750	8,450	16,472	(8,022)
Total Expenditures	<u>692,321</u>	<u>698,376</u>	<u>753,305</u>	<u>(54,929)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	102,639	(126,049)	(96,586)	29,463
OTHER FINANCING SOURCES (USES)				
Operating transfers in			354,000	354,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>354,000</u>	<u>354,000</u>
Net Change in Fund Balances	102,639	(126,049)	257,414	383,463
Fund Balance (Deficit) at Beginning of Year	<u>228,000</u>	<u>182,000</u>	<u>183,631</u>	<u>1,631</u>
Fund Balance (Deficit) at End of Year	<u>\$330,639</u>	<u>\$55,951</u>	<u>\$441,045</u>	<u>\$385,094</u>

See accompanying note to budgetary comparison schedule.

Bienville Clerk of Court
Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2020

The proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Clerk's office during the month of June for comments from taxpayers. The budget is then legally adopted by the Clerk and amended during the year, as necessary. The budget is established and controlled by the Clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the budget comparison schedule include the original adopted budget amounts and all subsequent amendments.

Bienville Parish Clerk of Court
 Schedule of Changes in Net OPEB Liability and Related Ratios
 For the Year Ended June 30, 2020

Schedule of Funding Progress

Total OPEB Liability	<u>2019</u>	<u>2020</u>
Service cost	\$7,982	\$11,463
Interest	25,222	24,680
Changes in benefits terms	0	(48,412)
Differences between expected and actual	(94,975)	(114,198)
Changes in assumptions	62,917	(120,496)
Benefit payments and net transfers	<u>(37,485)</u>	<u>(6,425)</u>
Net changes	(36,339)	(253,388)
Total OPEB liability at beginning	816,590	780,251
Total OPEB liability at end	<u>\$780,251</u>	<u>\$526,863</u>
Covered employee payroll	\$428,806	\$412,955
Net OPEB liability as a percentage of covered employee payroll	181.96%	127.58%

Note:

Benefit changes. Prior to 2020, retirees were required to contribute 50% of Option 1 and 100% of Option 2 for dependents. Effective January 1, 2020, retirees are required to pay 100% of dependent coverage.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

2018 - 3.62%

2019 - 3.13%

2020 - 2.45%

Mortality rates

2018 RPH-2014 Employee and Healthy Annuity, Generational with MP-2018

2019 PubG.H-2010 Employee and Healthy Annuity, Generational with MP-2018

2020 PubG.H-2010 Employee and Healthy Annuity, Generational with MP-2019

Bienville Parish Clerk of Court
 Schedule of Employer's Share of Net Pension Liability
 June 30, 2020

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.533435%	\$719,530	\$478,698	150.31%	87.34%
June 30, 2016	0.529911%	\$794,883	\$453,272	175.37%	99.23%
June 30, 2017	0.496606%	\$918,708	\$441,500	208.09%	82.10%
June 30, 2018	0.489393%	\$740,419	\$415,801	178.07%	88.49%
June 30, 2020	0.447832%	\$744,879	\$442,410	168.37%	79.10%
June 30, 2021	0.454998%	\$826,273	\$431,241	191.60%	77.90%

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Bienville Parish Clerk of Court
 Schedule of Employer Contributions
 June 30, 2020

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	\$90,953	\$90,953	\$0	\$478,698	19.00%
June 30, 2016	\$86,122	\$86,122	\$0	\$453,272	19.00%
June 30, 2017	\$83,885	\$83,885	\$0	\$441,500	19.00%
June 30, 2018	\$79,002	\$79,002	\$0	\$415,801	19.00%
June 30, 2020	\$84,058	\$84,058	\$0	\$442,410	19.00%
June 30, 2021	\$81,936	\$81,936	\$0	\$431,241	19.00%

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

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

Schedule 5

Agency Head Name: Jim Martin

Purpose	Amount
Salary	\$110,154
Expense Allowance	13,475
Supplemental compensation	24,600
Election expense	2,100
Benefits-insurance	5,951
Benefits-retirement	28,164
Benefits-Medicare	2,171
Cellphone	2,067
Membership dues - clerk's association	2,199

Bienville Parish Clerk of Court
Arcadia, Louisiana
Supplemental Information Schedules
As of and For the Year Ended June 30, 2020

Fiduciary Fund Type - Agency Funds

Advance Deposit Fund

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

Registry of Court Fund

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until judgement has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

Child Support Fund

The Child Support Fund accounts for the collection and distribution of child support obligations and the assessment and remittance of a five per cent fee on the child support payments.

Bienville Parish Clerk of Court
Arcadia, Louisiana
Fiduciary Fund Type - Agency Funds
Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2020

	Advance Deposit Fund	Registry of Court Fund	Child Support Fund	TOTAL
Unsettled deposits at beginning of year	\$660,562	\$851,241	\$881	\$1,512,684
ADDITIONS				
Deposits - suits and successions	247,583	220,948		468,531
Interest earned	74	3,436		3,510
Other additions			12,507	12,507
Total additions	<u>247,657</u>	<u>224,384</u>	<u>12,507</u>	<u>484,548</u>
Total	908,219	1,075,625	13,388	1,997,232
REDUCTIONS				
Clerk's costs to General Fund	125,752			125,752
Deposits settled to:				
Sheriff's fees	27,151		2,555	29,706
Other reductions	61,837	160,550	10,051	232,438
Transfers to General Fund	<u>160,000</u>	<u>194,000</u>		<u>354,000</u>
Total reductions	<u>374,740</u>	<u>354,550</u>	<u>12,606</u>	<u>741,896</u>
Unsettled deposits at end of year	<u>\$533,479</u>	<u>\$721,075</u>	<u>\$782</u>	<u>\$1,255,336</u>

WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Report on Compliance and Other Matters and on Internal Control
over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Commissioners
Bienville Clerk of Court
Arcadia, Louisiana

We have audited, 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, the financial statements of the governmental activities of Bienville Clerk of Court ("Clerk") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated December 28, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clerk's 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 Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be significant deficiencies. 2020-001

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2020-002.

Clerk's Response to Findings

Clerk's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Clerk's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result 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.

Wade & Perry

Ruston, Louisiana
December 28, 2020

Bienville Clerk of Court
Schedule of Findings and Quesitoned Costs
For the Year Ended June 30, 2020

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the general purpose financial statements of the Bienville Parish Clerk of Court.
2. One instance of noncompliance material to the financial statements was disclosed during the audit.
3. One significant deficiency relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control.

B. Financial Statements Findings2019-001. Lack of segregation of duties

Condition: The segregation of duties is inadequate to provide effective internal control. This is a repeat finding.

Criteria: Adequate segregation of duties is essential to a proper internal control structure.

Cause: The condition is due to economic limitations

Effect: Not determined.

Recommendation: No action is recommended.

Response: Management is ultimately responsible for the finances of this office. He has segregated duties in the office as much as the size of the office will allow. His determination to provide effective internal control has been verified in that he had adequately maintained accuracy of all finances.

2019-002. Failing to comply with local budget act pursuant to R.S. 39:1310

Condition: For the year ended June 30, 2020, the General fund actual expenditures and other uses exceeded budgeted expenditures and other uses by \$54,929, or 8%.

Criteria: According to LRS 39:1310, failing to amend the budget when necessary is a violation of the local government budget act.

Cause: Management underbudgeted personal services and related benefits.

Effect: Noncompliance with local budget law.

Recommendation: Management should monitor budget and actual figures and amend as necessary.

Bienville Clerk of Court
Summary of Prior Year Findings
For the Year Ended June 30, 2020

- 2019-001. Inadequate segregation of duties
Status: Unresolved - see 2020-001
- 2019-002. Failing to file financial statements pursuant to R.S. 24:513
Status: Unresolved - Resolved
- 2019-003. Failing to comply with local government budget act R.S. 39:1310
Status: Unresolved - see 2020-002
- 2019-004. Violation of Article VII, Section 14
Status: Resolved

BIENVILLE PARISH CLERK OF COURT
100 Courthouse Drive, Room 1100
Arcadia, LA 71001

CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2020

The Bienville Parish Clerk of Court hereby submits the following corrective action plan as referenced in the Findings and Questioned Costs:

2019-002. The Clerk agrees with the recommendations and will monitor budget versus actual and amend as necessary.