

**WINN PARISH CLERK OF COURT
WINNFIELD, LOUISIANA**

**ANNUAL FINANCIAL REPORT
JUNE 30, 2021**

Winn Parish Clerk of Court
Winnfield, Louisiana

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Winn Parish Clerk of Court
Winnfield, Louisiana

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

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447
www.tcbtcpa.com

INDEPENDENT AUDITORS' REPORT

Honorable Chesney Baxley
Winn Parish Clerk of Court
119 West Main, Room 103
Winnfield, Louisiana 71483

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, major funds and fiduciary fund information of the Winn Parish Clerk of Court, a component unit of the Winn Parish Police Jury, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk of Court's basic financial statements as listed in the Table of Contents.

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.

Auditors' Responsibility

Our responsibility is to express an opinion 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 and the *Louisiana Governmental Audit Guide*. 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 auditors' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund and fiduciary funds information of the Clerk of Court as of June 30, 2021, 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*

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

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 Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Justice System Funding Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Justice System Funding Schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2021, 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 that 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.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier
Certified Public Accountants
Natchitoches, Louisiana

October 27, 2021

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Winn Parish Clerk of Court
Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>
ASSETS:	
Current Assets-	
Cash & Cash Equivalents	\$1,138,975
Revenue Receivable	49,167
Prepaid Expense	<u>5,980</u>
Total Current Assets	\$1,194,122
Noncurrent Assets-	
Capital Assets, Net	<u>12,113</u>
Total Assets	<u>\$1,206,235</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Pension	\$ 336,715
OPEB	<u>93,161</u>
Total Deferred Outflows of Resources	<u>\$ 429,876</u>
LIABILITIES:	
Current Liabilities-	
Accounts Payable	\$ 13,635
Payroll & Related Liabilities	<u>19,281</u>
Total Current Liabilities	<u>\$ 32,916</u>
Noncurrent Liabilities-	
Other Post-Employment Benefits	\$ 184,958
Net Pension Liability	<u>601,125</u>
Total Noncurrent Liabilities	<u>\$ 786,083</u>
Total Liabilities	<u>\$ 818,999</u>
DEFERRED INFLOWS OF RESOURCES:	
Pension	<u>\$ 34,976</u>
NET POSITION:	
Net Investment in Capital Assets	\$ 12,113
Unrestricted Net Position	<u>770,023</u>
Total Net Position	<u>\$ 782,136</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Statement of Activities
June 30, 2021

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Fees and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
Judicial	\$ <u>592,032</u>	\$ <u>544,174</u>	\$ <u>24,600</u>	\$ <u>0</u>	\$ <u>(23,258)</u>
		General Revenues:			
				Interest	\$ 3,239
				Non-employer Pension Revenue	28,917
				Miscellaneous	<u>18,664</u>
				Total General Revenues	\$ <u>50,820</u>
				Change in Net Position	\$ 27,562
				Net Position June 30, 2020	<u>754,574</u>
				Net Position June 30, 2021	\$ <u>782,136</u>

See independent auditors' report and notes to the financial statements.

FUND FINANCIAL STATEMENTS

Winn Parish Clerk of Court
Balance Sheet-Governmental Fund
June 30, 2021

	<u>Major Funds</u>		<u>Total</u>
	<u>General Fund</u>	<u>Advance Deposit Fund</u>	
ASSETS:			
Cash & Cash Equivalents	\$190,175	\$948,800	\$1,138,975
Revenue Receivable	20,273	28,894	49,167
Prepaid Expense	5,980	0	5,980
Due from Other Funds	<u>3,259</u>	<u>0</u>	<u>3,259</u>
Total Assets	<u>\$219,687</u>	<u>\$977,694</u>	<u>\$1,197,381</u>
LIABILITIES:			
Accounts Payable	\$ 13,635	\$ 0	\$ 13,635
Payroll and Related Liabilities	19,281	0	19,281
Due to Other Funds	<u>0</u>	<u>3,259</u>	<u>3,259</u>
Total Liabilities	<u>\$ 32,916</u>	<u>\$ 3,259</u>	<u>\$ 36,175</u>
FUND BALANCE:			
Restricted for:			
Nonspendable-			
Prepaid Expense	\$ 5,980	\$ 0	\$ 5,980
Special Purposes	0	974,435	974,435
Unassigned	<u>180,791</u>	<u>0</u>	<u>180,791</u>
Total Fund Balance	<u>\$186,771</u>	<u>\$974,435</u>	<u>\$1,161,206</u>
Total Liabilities & Fund Balance	<u>\$219,687</u>	<u>\$977,694</u>	<u>\$1,197,381</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
June 30, 2021

Total Fund Balance for the Governmental Fund at June 30, 2021 \$1,161,206

Total Net Position reported for Governmental Activities
in the Statement of Net Position is different because:

The following used in Governmental Activities are not
financial resources and, therefore, are not reported
in the fund.

Furniture, Fixtures & Equipment	268,904
Less, Accumulated Depreciation	(256,791)
Deferred Outflows of Resources	429,876

The following are not due and payable in the
current period and, therefore, are not reported in
the Governmental Fund Balance Sheet.

Other Post Employment Benefits	(184,958)
Net Pension Liability	(601,125)
Deferred Inflows of Resources	<u>(34,976)</u>

Total Net Position of Governmental Activities at June 30, 2021 \$ 782,136

Winn Parish Clerk of Court
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
June 30, 2021

	<u>Major Funds</u>		<u>Total</u>
	<u>General Fund</u>	<u>Advance Deposit Fund</u>	
REVENUES:			
Licenses & Permits-			
Marriage Licenses	\$ 1,808	\$ 0	\$ 1,808
Charges for Services-			
Court Costs, Fees & Charges	65,869	224,368	290,237
Recording Fees	239,283	0	239,283
Photocopying Fees	12,847	0	12,847
Miscellaneous-			
Supplemental Compensation Fund	24,600	0	24,600
Other	18,664	0	18,664
Interest	743	2,496	3,239
Total Revenues	<u>\$ 363,814</u>	<u>\$226,864</u>	<u>\$ 590,678</u>
EXPENDITURES:			
Current-			
Judicial-			
Personnel Services	\$ 379,788	\$ 0	\$ 379,788
Operating Services	68,238	53,561	121,799
Operating Supplies	18,673	0	18,673
Miscellaneous	375	0	375
Capital Expenditures	556	0	556
Total Expenditures	<u>\$ 467,630</u>	<u>\$ 53,561</u>	<u>\$ 521,191</u>
Excess (Deficiency) of Revenues over Expenditures	\$(103,816)	\$173,303	\$ 69,487
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	\$ 96,751	\$ 0	\$ 96,751
Operating Transfers Out	<u>0</u>	<u>(96,751)</u>	<u>(96,751)</u>
Total Other Financing Sources (Uses)	<u>\$ 96,751</u>	<u>\$ (96,751)</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (7,065)	\$ 76,552	\$ 69,487
Fund Balance-Beginning of Year	<u>193,836</u>	<u>897,883</u>	<u>1,091,719</u>
Fund Balance-End of Year	<u>\$ 186,771</u>	<u>\$974,435</u>	<u>\$1,161,206</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
for the Year Ended June 30, 2021

Total Net Change in Fund Balance at June 30, 2021, per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 69,487
The Change in Net Position reported for Governmental Activities in the Statement of Activities is different because:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the Statement of Revenues, Expenditures and Changes in Fund Balance	28,917
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. These amounts are:	
Cost of Capital Assets	556
Depreciation Expense	(3,663)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance-	
Change in Other Post Employment Benefits	(13,291)
Change in Pension Expense	<u>(54,444)</u>
Total Changes in Net Position at June 30, 2021, per Statement of Activities	<u>\$ 27,562</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Registry of Court <u>Fund</u>
ASSETS:	
Cash & Cash Equivalents	\$ <u>364,194</u>
LIABILITIES:	
Due to Others	\$ <u>364,194</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Statement of Changes in Fiduciary Net Position
for the Year Ended June 30, 2021

	Registry of Court <u>Fund</u>
ADDITIONS:	
Suits and Successions	\$130,275
Interest Income	<u>530</u>
Total Additions	<u>\$130,805</u>
DEDUCTIONS:	
Settlements to Litigants	\$ <u>83,442</u>
Change in Liabilities	\$ 47,363
Liabilities-Beginning	<u>316,831</u>
Liabilities-Ending	<u>\$364,194</u>

See independent auditors' report and notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

Introduction:

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

1. Summary of Significant Accounting Policies:

A. BASIS OF PRESENTATION-

The accompanying financial statements of the Winn Parish Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. REPORTING ENTITY-

As the governing authority of the parish, for reporting purposes, the Winn Parish Police Jury is the financial reporting entity for Winn Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) other organizations for which the 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 Statement No. 14 established criteria for determining which component units should be considered part of the Winn Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. 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 Winn Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Winn Parish Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

Because the Winn Parish Police Jury provides office facilities for the Clerk of Court, the Clerk of Court was determined to be fiscally dependent on the Police Jury and accordingly is considered to be a component unit of the Winn Parish Police Jury, the financial reporting entity. The accompanying basic financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the Winn Parish Police Jury, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING-

The Winn Parish Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk of Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of the Clerk of Court are classified into two categories, governmental and fiduciary. An emphasis is placed on major funds, and the General Fund is considered to be a major fund.

Governmental Fund

Governmental funds account for the Clerk of Court's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the District Attorney include:

General Fund

The General Fund (Salary Fund), as provided by Louisiana Revised Statute 13:781, is the principal fund of the Winn Parish Clerk of Court and accounts for the operations of the Clerk of Court's office. The various fees and charges due to the Clerk of Court's office are accounted for in this fund.

Special Revenue Fund – Advance Deposit

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for the proceeds of advanced costs received by plaintiffs in ordinary suits. The advanced costs shall be disbursed to the clerk's salary fund and to others as their fees accrue.

Fiduciary Fund

The agency fund, Registry of Court Fund, account for assets held by the Clerk of Court 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 fund has no measurement focus, but use the accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Winn Parish Clerk of Court, except for the fiduciary funds which are reported separately.

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach 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.

The governmental fund uses 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 Winn Parish Clerk of Court considers all revenues available if collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for 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-

Fees for certified copies, recording legal documents, marriage licenses, and commissions for services are recorded in the year they are earned. Interest income on time deposits are recorded when the time deposits have matured and the income is available. All other revenues are recorded when received.

Expenditures-

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

E. BUDGETARY ACCOUNTING-

Formal budgetary accounting is employed as a management control. The Winn Parish Clerk of Court prepares and adopts a budget each year for its general fund and advance deposit fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The Clerk of Court amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year-end.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

F. CASH AND CASH EQUIVALENTS-

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the Clerk of Court may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. The Clerk of Court's policy is to include time deposits and certificates of deposit in cash equivalents.

G. INVESTMENTS-

Investments are limited by R. S. 33:2955 and the Winn Parish Clerk of Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. RECEIVABLES-

All receivables are reported at their gross value. The Clerk of Court expects to collect all balances due, and no allowance for bad debts is recorded.

I. CAPITAL ASSETS-

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Winn Parish Clerk of Court is charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 5 to 15 years for moveable property. Expenditures for maintenance, repairs and minor renewals are expensed as incurred. Major expenditures for renewals and betterments are capitalized. The Clerk of Court maintains a threshold level of \$500 or more for capitalizing assets.

J. COMPENSATED ABSENCES-

Full-time employees of the Winn Parish Clerk of Court earn ten days of sick leave annually. Vacation time is earned as follows: after six months - five days; after one year - ten days; after fifteen years - fifteen days; after twenty years - twenty days. Unused vacation and sick leave expires at December 31 and the Clerk of Court has no accumulated or vested benefits to accrue. Even though the fiscal year ends on June 30th, these amounts are not accrued as they are deemed immaterial.

K. PENSIONS-

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana Clerks' of Court Retirement and Relief Fund (System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

M. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

N. 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 resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other resources 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, the Clerk of Court applies unrestricted net resources first, unless a determination is made to use restricted net resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by the Clerk of Court at the incurrence of the expense.

In the fund 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:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

- c. Committed fund balance - amounts constrained to specific purposes 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 action to remove or change the constraint;
- d. Assigned fund balance - amounts a 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;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has a nonspendable fund balance of \$5,980 which represents prepaid expenses. The remaining fund balance of \$180,791 is classified as unassigned. If applicable, the Clerk of Court 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.

2. Cash and Cash Equivalents:

The cash and cash equivalents of the Clerk of Court are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Clerk of Court will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal 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 of Court that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Clerk of Court's name.

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. The Clerk of Court may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

At June 30, 2021, the Clerk of Court had cash and cash equivalents (book balances) totaling \$1,503,169 as follows:

Demand Deposits	\$ 16,527
Interest-bearing Demand Deposits	997,594
Time Deposits	<u>489,048</u>
Total	<u>\$1,503,169</u>

At June 30, 2021, the Clerk of Court has \$1,526,546 in deposits (collected bank balances). These deposits are secured from risk by \$910,000 of federal deposit insurance and \$616,546 of pledged securities.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

3. Revenue Receivable:

The following is a summary of receivables at June 30, 2021:

<u>Class of Receivable</u>	<u>General</u>	<u>Advance Deposit</u>
Charges for services	<u>\$20,273</u>	<u>\$28,894</u>

4. Interfund Transactions:

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds.

The following is a summary of receivables at June 30, 2021:

	<u>Operating Transfer In</u>	<u>Operating Transfer Out</u>
General Fund	\$96,751	\$ 0
Special Revenues Fund-Advance Deposit	<u>0</u>	<u>96,751</u>
Total	<u>\$96,751</u>	<u>\$96,751</u>

5. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2021, is as follows:

	<u>Balance 06-30-20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06-30-21</u>
Governmental Activities-				
Furniture, fixtures & equipment	\$ 268,348	\$ 556	\$0	\$ 268,904
Less, accumulated depreciation	<u>(253,128)</u>	<u>(3,663)</u>	<u>0</u>	<u>(256,791)</u>
Total Capital Assets, net	<u>\$ 15,220</u>	<u>\$(3,107)</u>	<u>\$0</u>	<u>\$ 12,113</u>

Depreciation expense of \$3,663 was charged to the judicial function.

6. Accounts Payable and Accruals:

The following is a summary of accounts payable at June 30, 2021:

<u>Class of Payable</u>	<u>General</u>
Payroll related accruals	\$19,281
Vendor	<u>13,635</u>
Total	<u>\$32,916</u>

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

7. Pension Plan:

Plan Description

The Clerk contributes to The Louisiana Clerks' of Court Retirement and Relief Fund (Fund) is a cost-sharing multiple employer defined benefit pension plan established in accordance with Louisiana Revised Statute 11:1501 to provide regular, disability, and survivor benefits for clerks of court, their deputies and other employees, and the beneficiaries of such clerks of court, their deputies, and other employees. Substantially all employees of the Winn Parish Clerk of Court are members of the Fund. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund, which can be obtained at www.la.org.

The following is a description of the plan and its 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 shall be eligible for regular retirement benefits upon attaining twelve or more years of credited service, attaining the age of fifty-five years, or age sixty if hired on or after January 1, 2011, and terminating employment. Regular retirement benefits, payable monthly for life, is equal to 3% of the member's monthly average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. The retirement benefit accrual rate is increased to 3 1/3% 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 compensated thirty-six consecutive months, with a limit increase of 10% in each of the last three years of measurement. For those members hired on or after July 1, 2006, monthly average final compensation is based on the highest compensated sixty consecutive months with a limit increase of 10% increase in each of the last five years of measurement. For those members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is thirty-six months plus the number of whole months elapsed since January 1, 2011, not to exceed sixty months.

Disability Benefits

Disability benefits are awarded to active members who are totally and permanently disabled as a result of injuries sustained in the line of duty or to active members with 10 or more years of credible service who are totally disabled due to any cause. A member who is officially certified as totally or permanently disabled by the State medical Disability Board will be paid monthly disability retirement benefits equal to the greater of 40% of their monthly average final compensation or 75% of their monthly regular retirement benefit computed as per R.S. 11:1521 (C).

Survivor Benefits

If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced 1/4 of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid 1/2 of the member's accrued retirement benefit in equal shares. Upon the death of any former member with less than 12 years of service, the designated beneficiary may receive his accumulated contributions. Upon the death of any former member with 12 or more years of service, automatic Option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to thirty-six months and defer the receipt of benefits. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions ceases; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan account. Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the DROP account equal to the payments to the account or a true annuity bases upon his account (subject to approval by the Board of Trustees).

In addition, the member receives the monthly benefits that were paid into the DROP fund during his period of participation. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the Fund. Interest is paid on DROP account balances for members who complete their DROP participation but do not terminate employment. Interest accruals cease upon termination of employment.

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

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

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 forty dollars per month. The Louisiana 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.

In order to grant any cost-of-living increase, the Fund must meet criteria as detailed in the Louisiana statutes related to funding status. In lieu of granting a cost-of-living increase as described above, Louisiana statutes allow the board to grant a cost-of-living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost-of-living amount which cannot exceed \$1.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2020, the actual employer contribution rate was 19%.

In accordance with state statute, the Fund also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue during the year and excluded from pension expense. Non-employer contribution revenue for the year ended June 30, 2021, was \$28,917

The Clerk of Court's contractually required composite contribution rate for the year ended June 30, 2021 was 21% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Clerk were \$58,790 for the year ended June 30, 2021.

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

For the years ending June 30, 2021 and 2020, the Clerk reported a liability of \$601,125 and \$419,821, respectively, for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Clerk of Court's proportion of the Net Pension Liability was based on a projection of the Clerk of Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the years ending June 30, 2021 and 2020, the Clerk of Court's proportion was 0.24985% and 0.23118%, which was an increase of 0.01867% from its proportion measured as of June 30, 2020.

For the years ending June 30, 2021 and 2020, the Clerk of Court recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$125,739 and \$95,013, respectively.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

At June 30, 2021, 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	\$ 7,511	\$ 7,436
Changes in assumption	53,315	0
Net difference between projected and actual earnings on pension plan investments	128,836	0
Changes in employer's proportion of beginning net pension liability	80,208	27,516
Differences between employer contributions and proportionate share of employer contributions	8,055	24
Subsequent Measurement Contributions	58,790	0
Total	\$336,715	\$34,976

The deferred outflows of resources related to pensions resulting from Winn Parish Clerk of Court contributions subsequent to the measurement date in the amount of \$58,790, will be recognized as a reduction of the Net Pension Liabilities in the year of June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:	
2022	\$ 48,326
2023	89,243
2024	63,464
2025	41,916
Total	\$242,949

Actuarial Assumptions

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

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2020, are as follows:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.75%, net of investment expense
Projected Salary Increases	5.00%
Inflation Rate	2.50%
Mortality Rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females) RP-2000 Healthy Annuitant Table (set forward 1 year for males) and projected to 2030 using scale AA for males and females
Expected Remaining Service Lives	2015-2020 – 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 2020 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 - June 30, 2019, unless otherwise specified. In cases where benefit structures were changes after the experience study period, assumptions were based on future experiences.

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

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term expected rate of return was 6.18%, for the year ended June 30, 2020. Best estimates of geometric real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2020, is summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income:		
Domestic Bonds	20.00%	2.50%
International Bonds		3.50%
Domestic Equity	33.00%	7.50%
International Equity	22.00%	8.50%
Real Estate	15.00%	4.50%
Hedge Funds	<u>10.00%</u>	6.59%
	<u>100.00%</u>	

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 the Board of Trustees and the Public Retirement System's Actuarial Committee (PR SAC) taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Clerk of Court's proportionate share of the Net Pension Liability using the discount rate of 6.75%, as well as what the Clerk of Court's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.75%) or one percentage-point higher (7.75%) than the current rate:

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer's proportionate share of net pension liability	\$838,861	\$601,125	\$400,743

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Louisiana Clerks' of Courts Retirement and Relief Fund Annual Financial Report at www.la.la.gov.

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$6,138, which is the legally required contribution due at June 30, 2021. This amount is recorded in accrued expenses.

8. Risk Management:

The Winn Parish Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Clerk of Court.

9. Expenditures of the Clerk of Court Paid by the Parish Police Jury:

Certain expenses of the Winn Parish Clerk of Court's office are paid by the Winn Parish Police Jury. In addition to furnishing the building where the Clerk of Court's office is located, the Police Jury pays all utility bills, some insurance, and furnishes some of the equipment in the Clerk of Court's office.

10. Other Post-Employment Benefits:

Plan description – The Winn Parish Clerk of Court (the Clerk) provides certain continuing health care and life insurance benefits for its retired employees. The Winn Parish Clerk of Court's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Clerk. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Clerk. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Employees are covered by the Louisiana Clerks' of Court Retirement and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: Attainment of age 55 and 25 years of service; or, attainment of age 60 and 20 years of service; employees hired on and after January 1, 2011 are not able to retire or enter DROP until age 60 without actuarial reduction in benefits.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 50% of the original amount at age 70.

Employees covered by benefit terms – At June 30, 2021, 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	0
Active employees	4
	7

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

10. Other Post-Employment Benefits (continued):

Total OPEB Liability

The Clerk's total OPEB liability of \$184,958 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

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

Inflation	2.0%
Salary increases	3.0%, including inflation
Discount rate	2.21% annually
	2.16% annually
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2021.

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$166,821
Changes for the year:	
Service cost	7,169
Interest	3,766
Differences between expected and actual experience	10,845
Changes of Assumptions	1,604
Benefit payments and net transfers	(5,247)
Net changes	18,137
Balance at June 30, 2021	\$184,958

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

10. Other Post-Employment Benefits (continued):

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Clerk, as well as what the Clerk’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1.0% Decrease (1.16%)	Current Discount Rate (2.21%)	1.0% Increase (3.16%)
Total OPEB liability	\$226,211	\$184,958	\$153,581

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

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$167,959	\$184,958	\$207,903

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

For the year ended June 30, 2021, the Clerk recognized OPEB expense of \$18,537. At June 30, 2021, the Clerk reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$63,589	\$0
Changes in assumptions	29,572	0
Total	\$93,161	\$0

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

<u>Years ending June 30:</u>	
2022	\$ 7,603
2023	7,603
2024	7,603
2025	7,603
2026	7,603
Thereafter	<u>55,146</u>
Total	<u>\$93,161</u>

Winn Parish Clerk of Court
Notes to Financial Statements
June 30, 2021

11. Deferred Compensation Plan:

All of the employees of the Winn Parish Clerk of Court are eligible to participate in the State of Louisiana deferred compensation plan. Employees may contribute up to 100% of their salary (not to exceed \$19,500 a year) to the plan on a pre-tax basis. The contributions are withheld from the employees' paycheck and the Clerk of Court matches 100% of the employee contribution up to \$100 per month, for each employee. The contributions are fully vested immediately and are remitted to a third-party administrator each pay period, where they are deposited to an account in the employee's name. The Clerk of Court does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2021, the Clerk of Court's matching funds totaled \$4,800.

12. Subsequent Events:

Management has evaluated events through October 27, 2021, the date which the financial statements were available for issue. There were no items identified to be reported.

13. Contingency:

On January 30, 2021, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Winn Parish Clerk of Court operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Winn Parish Clerk of Court anticipates this could negatively affect its operating results, the related financial impact and duration cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

Winn Parish Clerk of Court
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Licenses & Permits-				
Marriage Licenses	\$ 2,100	\$ 1,500	\$ 1,808	\$ 308
Charges for Services-				
Court Costs, Fees & Charges	70,000	55,600	65,869	10,269
Recording Fees	225,000	205,000	239,283	34,283
Photocopying Fees	22,000	12,000	12,847	847
Miscellaneous-				
Supplemental Compensation Fund	24,600	24,600	24,600	0
Other	13,000	11,100	18,664	7,564
Interest	4,500	1,950	743	(1,207)
Total Revenues	<u>\$361,200</u>	<u>\$ 311,750</u>	<u>\$ 363,814</u>	<u>\$ 52,064</u>
EXPENDITURES:				
Current-				
Judicial-				
Personnel Services	\$345,000	\$ 397,000	\$ 379,788	\$ 17,212
Operating Services	90,000	98,000	68,238	29,762
Operating Supplies	0	0	18,673	(18,673)
Miscellaneous	0	0	375	(375)
Capital Expenditures	0	1,000	556	444
Total Expenditures	<u>\$435,000</u>	<u>\$ 496,000</u>	<u>\$ 467,630</u>	<u>\$ 28,370</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (73,800)	\$(184,250)	\$(103,816)	\$ 80,434
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	0	0	96,751	96,751
Excess (Deficiency) of Revenues and Other Source over Expenditures and Other Uses	\$ (73,800)	\$(184,250)	\$ (7,065)	\$177,185
Fund Balance-Beginning of Year	<u>193,836</u>	<u>193,836</u>	<u>193,836</u>	0
Fund Balance-End of Year	<u>\$120,036</u>	<u>\$ 9,586</u>	<u>\$ 186,771</u>	<u>\$177,185</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Advance Deposit Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2021

	Original/ Final	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Charges for Services	\$ 213,000	\$224,368	\$11,368
Miscellaneous- Interest	2,000	2,496	496
Total Revenues	<u>\$ 215,000</u>	<u>\$226,864</u>	<u>\$11,864</u>
EXPENDITURES:			
Current- Operating Services	<u>\$ 65,000</u>	<u>\$ 53,561</u>	<u>\$11,439</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 150,000	\$173,303	\$23,303
Other Financing Sources(Uses) Operating Transfers Out	<u>(150,000)</u>	<u>(96,751)</u>	<u>53,249</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ 76,552	\$76,552
Fund Balance – Beginning of Year	<u>897,883</u>	<u>897,883</u>	<u>0</u>
Fund Balance – End of Year	<u>\$ 897,883</u>	<u>\$974,435</u>	<u>\$76,552</u>

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2021

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
2015	0.25563%	\$344,811	\$247,285	139.44%	79.37%
2016	0.27159%	\$407,398	\$219,002	186.02%	78.13%
2017	0.23994%	\$443,887	\$131,500	337.56%	74.17%
2018	0.14577%	\$220,533	\$185,400	118.95%	79.69%
2019	0.19968%	\$332,133	\$224,785	147.76%	79.07%
2020	0.23118%	\$419,821	\$300,926	139.51%	77.93%
2021	0.24986%	\$601,125	\$283,051	212.37%	72.09%

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

Winn Parish Clerk of Court
Schedule of Employer Contributions
For the Year Ended June 30, 2021

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$46,985	\$46,985	\$0	\$247,285	18.9%
2016	\$41,611	\$41,611	\$0	\$219,002	19.0%
2017	\$24,985	\$24,985	\$0	\$131,500	19.0%
2018	\$35,226	\$35,226	\$0	\$185,400	19.0%
2019	\$42,709	\$42,709	\$0	\$224,785	19.0%
2020	\$57,176	\$57,176	\$0	\$300,926	19.0%
2021	\$58,790	\$58,790	\$0	\$283,051	20.8%

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

Winn Parish Clerk of Court
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2021

Year	2021	2020	2019	2018
Service Cost	\$ 7,169	\$ 12,627	\$ 9,400	\$ 9,126
Interest	3,766	3,032	2,502	2,359
Changes of Benefits Terms	-	-	-	-
Differences Between Expected and Actual Experiences	10,845	42,601	12,636	7,430
Changes of Assumptions	1,604	33,211	-	-
Benefit Payments	(5,247)	(4,973)	(10,987)	(10,414)
Net Change In Total OPEB Liability	\$ 18,137	\$ 86,498	\$ 13,551	\$ 8,501
Beginning OPEB Liability	166,821	80,323	66,772	58,271
Ending OPEB Liability	\$ 184,958	\$ 166,821	\$ 80,323	\$ 66,772
Covered-Employee Payroll	\$ 236,724	\$ 229,829	\$ 213,828	\$ 207,600
Net OPEB Liability as a Percentage of Covered-Employee Payroll	78.13%	72.58%	37.56%	32.16%

Notes to Schedule:

Benefit Changes:

- There were no changes of benefit assumptions for the years ended June 30, 2018 - June 30, 2021.

Changes of Assumptions:

Discount Rate:

2021 – 2.16%

2020 – 2.21%

2019 – 3.50%

2018 – 3.50%

Mortality:

2020-2021 – RP-2014

2018-2019 – RP-2000

Trend:

2020-2021 – Variable

2018-2019 – 5.50%

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

See independent auditors' report and notes to the financial statements.

Winn Parish Clerk of Court
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended June 30, 2021

Agency Head Name: Chesney Baxley, Clerk of Court

<u>Purpose</u>	<u>Amount</u>
Salary	\$180,743
Benefits-Insurance	14,219
Benefits-Retirement	37,306
Deferred Compensation	1,200
Benefits-Other	2,573
Other	1,950

See independent auditors' report.

Winn Parish Clerk of Court
Justice System Funding Schedule – Collecting/Disbursing Entity
For the Year Ended June 30, 2021

Cash Basis Presentation	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 06/30/2021
Beginning Balance of Amounts Collected (i.e. cash on hand)	889,274	921,764
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	93,002	94,021
Bond Fees	-	100
Criminal Court Costs/Fees	24,698	27,173
Interest Earnings on Collected Balances	1,519	976
Subtotal Collections	119,219	122,270
Less: Disbursements To Governments & Nonprofits: (<i>Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.</i>)		
<i>Winn Parish Sheriff's Department - Civil Fees</i>	5,530	5,949
<i>8th Judicial District Court (Judicial Expense Fund) - Civil Fees</i>	1,480	1,570
<i>Louisiana State Treasurer (Judges Supplemental Fund)-Civil Fees</i>	3,844	4,074
<i>Louisiana Supreme Court - Civil Fees</i>	71	76
<i>Secretary of State - Civil Fees</i>	350	300
<i>Sheriff - Acadia Parish - Civil Fees</i>	-	59
<i>Sheriff - Allen Parish - Civil Fees</i>	44	-
<i>Sheriff - Avoyelles Parish - Civil Fees</i>	76	-
<i>Sheriff - Bienville Parish - Civil Fees</i>	97	-
<i>Sheriff - Bossier Parish - Civil Fees</i>	47	-
<i>Sheriff - Caddo Parish - Civil Fees</i>	116	120
<i>Sheriff - Caldwell Parish - Civil Fees</i>	62	131
<i>Sheriff - East Baton Rouge Parish - Civil Fees</i>	1,034	758
<i>Sheriff - East Feliciana Parish - Civil Fees</i>	46	-
<i>Sheriff - Franklin Parish - Civil Fees</i>	70	-
<i>Sheriff - Grant Parish - Civil Fees</i>	176	221
<i>Sheriff - Iberia Parish - Civil Fees</i>	35	-
<i>Sheriff -Jackson Parish - Civil Fees</i>	337	249
<i>Sheriff - Lafayette Parish - Civil Fees</i>	69	107
<i>Sheriff - Lafourche Parish - Civil Fees</i>	74	-
<i>Sheriff - LaSalle Parish - Civil Fees</i>	144	90
<i>Sheriff - Lincoln Parish - Civil Fees</i>	136	31
<i>Sheriff - Livingston Parish - Civil Fees</i>	89	-

Winn Parish Clerk of Court
Justice System Funding Schedule – Collecting/Disbursing Entity
For the Year Ended June 30, 2021

<i>Sheriff - Natchitoches Parish - Civil Fees</i>	413	697
<i>Sheriff - Ouachita Parish - Civil Fees</i>	279	208
<i>Sheriff - Rapides Parish - Civil Fees</i>	633	337
<i>Sheriff - Richland Parish - Civil Fees</i>	30	-
<i>Sheriff - St. John Baptist Parish - Civil Fees</i>	-	5
<i>Sheriff - St. Landry Parish - Civil Fees</i>	-	83
<i>Sheriff - St. Tammany Parish - Civil Fees</i>	-	166
<i>Sheriff - Vernon Parish - Civil Fees</i>	99	35
<i>Sheriff - Webster Parish - Civil Fees</i>	-	80
<i>Civil Sheriff - Orleans Parish - Civil Fees</i>	80	30
<i>State of Louisiana, Division of Administration - Civil Fees</i>	45	15
<i>8th Judicial District Attorney-Criminal Court Costs/Fees</i>	6,060	7,156
<i>8th Judicial District Judge-Criminal Court Costs/Fees</i>	4,642	5,363

Less: Amounts Retained by Collecting Agency

Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection		
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	52,504	69,823
Amounts "Self-Disbursed" to Collecting Agency (<i>must include a separate line for each collection type, as applicable</i>) - Example: Criminal Fines - Other (<i>Additional rows may be added as necessary</i>)	-	-

Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies

Civil Fee Refunds	6,488	12,208
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	1,529	1,820
Payments to 3rd Party Collection/Processing Agencies	-	-

Subtotal Disbursements/Retainage	86,729	111,761
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Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	921,764	932,273
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Ending Balance of "Partial Payments" Collected but not Disbursed (<i>only applies if collecting agency does not disburse partial payments until fully collected</i>) - <i>This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.</i>	-	-
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-		
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (<i>i.e. receivable balance</i>)	-	-
Total Waivers During the Fiscal Period (<i>i.e. non-cash reduction of receivable balances, such as time served or community service</i>)	-	-

OTHER REPORTS/SCHEDULES

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

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447
www.tcbtcpa.com

INDEPENDENT AUDITORS' 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 Chesney Baxley
Winn Parish Clerk of Court
119 West Main, Room 103
Winnfield, Louisiana 71483

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, major fund and fiduciary funds, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Winn Parish Clerk of Court's basic financial statements and have issued our report thereon dated October 27, 2021.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPAs

Thomas, Cunningham, Broadway & Todtenbier
Certified Public Accountants
Natchitoches, Louisiana

October 27, 2021

Winn Parish Clerk of Court
Schedule of Audit Results
Year Ended June 30, 2021

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the Winn Parish Clerk of Court as of and for the year ended June 30, 2021.
2. The audit did not disclose any material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None noted.

III. PRIOR YEAR AUDIT FINDINGS

None noted.