



**RAPIDES PARISH CLERK OF COURT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020**



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INDEPENDENT AUDITORS' REPORT

To the Honorable Ms. Robin Hooter
Rapides Parish Clerk of Court
Alexandria, LA

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, major funds, and the aggregate remaining fund information of the Rapides Parish Clerk of Court (Clerk of Court), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Clerk's primary government 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 error or fraud.

AUDITOR'S 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; the standards applicable to financial audits contained in *Government Auditing Standards* and issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements of the Clerk's primary government are free of 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 financial statement presentation of the financial statements.

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

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

Rapides Parish Clerk of Court

December 14, 2020

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OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Rapides Parish Clerk of Court, as of June 30, 2020, and the respective changes in financial 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 the information listed below to supplement the basic financial statements.

- Management's Discussion and Analysis
- Statement of Revenues, Expenditures, and Changes in Fund Balances (Budget and Actual)
- Schedule of Changes in Net OPEB Liability
- Schedule of Net Pension Liability Data
- Schedule of Employer Contributions

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

OTHER SUPPLEMENTAL INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of Court's basic financial statements. The Schedule of Agency Head Reimbursements is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, other supplemental 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 our report dated December 14, 2020, on our consideration of the Clerk of Court'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 of Court's internal control over financial reporting and compliance.



Rozier, McKay, & Willis
Certified Public Accountants

December 14, 2020
Alexandria, Louisiana

Rapides Parish Clerk of Court

Management's Discussion and Analysis June 30, 2020

This section of the Rapides Parish Clerk of Court's annual financial report presents our discussion and analysis of the Clerk's financial performance during the fiscal year ended June 30, 2020.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Clerk's financial position and results of operations from differing perspectives which are described as follows:

GOVERNMENT –WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information about the Clerk as a whole using accounting methods similar to those used by private-sector companies. All revenues and expenses are reported regardless of when cash is received or paid.

The government-wide financial statements are comprised of governmental activities, which account for expenses incurred in connection with providing basic services as the ex-officio notary public, the recorder of conveyances, mortgages, and filing of civil and criminal cases, among other duties. The governmental activities are financed by license and permit fees, and other fees for services provided.

FUND FINANCIAL STATEMENTS

Fund financial statements provide detailed information regarding the Clerk's most significant activities and are not intended to provide information for the Clerk as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Clerk has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Clerk's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Agency Funds** – The agency funds; the Advance Deposit Fund, the Registry of Court Fund, and the CASA Fund, account for assets held by the Clerk as an agent for litigants. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

FINANCIAL ANALYSIS OF THE CLERK AS A WHOLE

NET POSITION

A condensed version of the government-wide Statement of Net Position is presented as follows:

Rapides Parish Clerk of Court

Management's Discussion and Analysis June 30, 2020

	<u>June 30, 2020</u> <u>Governmental</u> <u>Activities</u>	<u>June 30, 2019</u> <u>Governmental</u> <u>Activities</u>
Assets:		
Current and Other Assets	\$ 5,832,484	\$ 5,502,592
Capital Assets	396,337	418,209
Total Assets	<u>6,228,821</u>	<u>5,920,801</u>
Deferred Outflows	<u>1,657,383</u>	<u>974,955</u>
Liabilities:		
Current Liabilities	358,599	351,885
Long-term Liabilities	7,606,501	7,938,763
Total Liabilities	<u>7,965,100</u>	<u>8,290,648</u>
Deferred Inflows	<u>1,121,481</u>	<u>165,568</u>
Net Position:		
Invested in Capital Assets (Net)	396,337	418,209
Unrestricted	(1,596,714)	(1,978,669)
Total Net Position - Ending	<u>\$ (1,200,377)</u>	<u>\$ (1,560,460)</u>

As the presentation appearing above demonstrates, a deficit is reported for the net position. The deficit is attributable to including reporting liabilities associated with the expected future cost of providing benefits to retirees. Management believes that sufficient resources will be available to meet these obligations as they become due.

CHANGES IN NET POSITION

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

	<u>June 30, 2020</u> <u>Governmental</u> <u>Activities</u>	<u>June 30, 2019</u> <u>Governmental</u> <u>Activities</u>
Program Revenue:		
Charges for Services	\$ 4,214,170	\$ 4,700,565
Operating Grants and Contributions	----	----
Capital Grants and Contributions	----	----
General Revenue:		
Other	102,858	38,268
Total Revenue	<u>4,317,028</u>	<u>4,738,833</u>

Rapides Parish Clerk of Court

Management's Discussion and Analysis June 30, 2020

Program Expenses:		
Judicial	4,350,460	4,228,196
Total Expenses	<u>4,350,460</u>	<u>4,228,196</u>
Change in Net Position	<u>(33,432)</u>	<u>510,637</u>
<u>Net Position – Beginning</u>		
As Originally Stated	(1,560,460)	(2,071,097)
Prior Period Adjustment	393,515	----
As Restated	<u>(1,166,945)</u>	<u>(2,071,097)</u>
Net Position – Ending	<u>\$ (1,200,377)</u>	<u>\$ (1,560,460)</u>

Governmental activities decreased the Clerk's net position by \$33,432. This decrease is attributable to a decline in activities and related fees as a result of the pandemic.

FINANCIAL ANALYSIS OF THE CLERK'S FUNDS

The Clerk's general fund, which is available for spending at the Clerk's discretion, reported a fund balance of \$5,473,885 which represents an increase of \$323,178 in comparison to the previous balance. Differences between fund balances and net position reported for governmental activities are attributable to including capital assets in the determination of net position, and changes in OPEB and Net Pension Liabilities, which are not considered in fund accounting.

GENERAL FUND BUDGET HIGHLIGHTS

The Clerk's salary fund is required to adopt a budget and the budget is amended as necessary. The original budget was amended to address matters that were not anticipated when the budget was prepared. Budget variances for revenues and expenditures were within the acceptable range.

CAPITAL ASSET ADMINISTRATION

Capital asset activity was limited to minor upgrades of equipment and depreciation of capital assets.

DEBT ADMINISTRATION

At year end, the Rapides Parish Clerk of Court had no long-term debt outstanding.

Rapides Parish Clerk of Court

Statement of Net Position

June 30, 2020

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 5,790,907
Receivables (net)	41,577
Capital Assets	
Depreciable, net of accumulated depreciation	<u>396,337</u>
Total assets	<u>6,228,821</u>
<u>DEFERRED OUTFLOWS</u>	
Pension Funding Deferrals	1,226,649
Other Post Employment Benefits	<u>430,734</u>
Total Deferred Outflows	<u>1,657,383</u>
<u>LIABILITIES</u>	
Accounts Payable	20,177
Other Accrued Liabilities	3,795
Delayed Revenues	334,627
Long-term liabilities	
Compensated Absences	272,991
Net OPEB Obligation	3,353,660
Net Pension Liability	<u>3,979,850</u>
Total liabilities	<u>7,965,100</u>
<u>DEFERRED INFLOWS</u>	
Pension Funding Deferrals	23,952
Other Post Employment Benefits	<u>1,097,529</u>
Total Deferred Inflows	<u>1,121,481</u>
<u>NET POSITION</u>	
Invested in capital assets, net of related debt	396,337
Unrestricted	<u>(1,596,714)</u>
Total net position (deficit)	<u>\$ (1,200,377)</u>

The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

Statement of Activities
Year Ended June 30, 2020

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Total</u>
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<u>Governmental Activities:</u>					
Judicial	\$ 4,350,460	4,214,170	\$ -	\$ -	\$ <u>(136,290)</u>
			<u>General Revenues:</u>		
			Interest		57,102
			Miscellaneous		<u>45,756</u>
			Total General Revenues		<u>102,858</u>
			Change in Net Position		<u>(33,432)</u>
			<u>Net Position Beginning:</u>		
			As Originally Reported		(1,560,460)
			Prior Period Adjustment		<u>393,515</u>
			As Restated		<u>(1,166,945)</u>
			Net Position Ending		<u>\$ (1,200,377)</u>

The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

Balance Sheet Governmental Funds - June 30, 2020

	<u>General (Salary) Fund</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 5,790,907
Receivables (net)	<u>41,577</u>
Total assets	<u>\$ 5,832,484</u>
<u>Liabilities and fund equity</u>	
<u>Liabilities:</u>	
Accounts Payable	\$ 20,177
Other Accrued Liabilities	3,795
Delayed Revenues	<u>334,627</u>
Total liabilities	<u>358,599</u>
<u>Fund equity:</u>	
Unassigned	<u>5,473,885</u>
Total fund equity	<u>5,473,885</u>
Total liabilities and fund equity	<u>\$ 5,832,484</u>

The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Assets of Governmental Activities on the Statement of Net Position

Year Ended June 30, 2020

Total Fund Balances - Governmental Funds \$ 5,473,885

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

Capital assets used in governmental activities are not financial resources and
therefore are not reported in the funds. 396,337

Long term liabilities and pension related deferred outflows and deferred
inflows are not due and payable in the current period and therefore they
are not reported in the Governmental Fund Balance Sheet (7,070,599)

Net Position of Governmental Activities \$ (1,200,377)

The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds - Year Ended June 30, 2020

	<u>General (Salary) Fund</u>
<u>Revenues:</u>	
Charges for Services	
Recording Fees	\$ 2,165,099
Legal Filing Fees	1,464,449
Child Support Filing Fees	90,763
Other	299,857
Licenses and permits	
Marriage License & Vital Records	173,882
Election Revenues	20,120
Interest Income	57,102
Miscellaneous Revenues	45,756
Total revenues	<u>4,317,028</u>
<u>Expenditures:</u>	
Current	
Judicial	
Personnel Services & Related Benefits	3,267,536
Office/ Administrative	609,576
Operating Services	93,689
Capital Expenditures	23,049
Total expenditures	<u>3,993,850</u>
Excess (deficiency) of revenues over expenditures	323,178
Fund balance - beginning of year	<u>5,150,707</u>
Fund balance - end of year	<u>\$ 5,473,885</u>

The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

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

Year Ended June 30, 2020

Net change in fund balances of Governmental Funds \$ 323,178

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

Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over
estimated useful lives and reported as depreciation expense. This is the
amount by which capital outlays exceeded depreciation in the current
period.

Capital expenditures reported by Governmental Funds	23,049	
Depreciation expense reported on a government-wide basis	<u>(44,921)</u>	(21,872)

Vacation pay earned during the year does not require the use of current resources. Accordingly, it is not reported by the governmental funds.	(91,220)
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Activity related to postemployment benefits reported in the statement of activities that do not require the use of current financial resources and therefore are not reported by governmental funds.	<u>(243,518)</u>
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Change in net position of governmental activities	<u>\$ (33,432)</u>
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The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

Combining Statement of Fiduciary Assets and Liabilities Fiduciary Funds - Year Ended June 30, 2020

	<u>Advance Deposit Fund</u>	<u>Registry of the Court Fund</u>	<u>CASA Fund</u>	<u>Total</u>
<u>Assets</u>				
Cash & Cash Equivalents	\$ 1,487,997	\$ 1,175,180	\$ 13,300	\$ 2,676,477
Other Assets	<u>14,519</u>	<u>-</u>	<u>-</u>	<u>14,519</u>
				-
Total Assets	<u>1,502,516</u>	<u>1,175,180</u>	<u>13,300</u>	<u>2,690,996</u>
<u>Liabilities</u>				
				-
Unsettled Deposits	<u>1,502,516</u>	<u>1,175,180</u>	<u>13,300</u>	<u>2,690,996</u>
Total Liabilities	<u>\$ 1,502,516</u>	<u>\$ 1,175,180</u>	<u>\$ 13,300</u>	<u>\$ 2,690,996</u>

The accompanying notes are an integral part of the financial statements.

Rapides Parish Clerk of Court

Notes to Financial Statements
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Rapides Parish Clerk of Court (the Clerk), as provided by Article V, Section 28 of the Louisiana Constitution of 1974, 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.

The Clerk's accounting policies conform to generally accepted accounting principles for governmental units. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Some of the Clerk's more significant accounting policies are described as follows:

FINANCIAL REPORTING ENTITY

The Clerk of Court is an independently elected official; however, the Clerk is fiscally dependent on the Rapides Parish Police Jury. The police jury maintains and operates the parish courthouse in which the Clerk's office is located. For this reason, the Clerk was determined to be a component unit of the Rapides Parish Police Jury, the financial reporting entity.

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

BASIC FINANCIAL STATEMENTS

The basic financial statements include both government-wide and fund financial statements. Fund financial statements categorize activities as either governmental activities or fiduciary, which are described as follows:

- Governmental activities involve government services that are normally supported by charges for services and intergovernmental revenues.
- Fiduciary activities account for assets held by the Clerk as an agent for litigants; pending court action.

The government-wide and fund financial statements present the Clerk's financial position and results of operations from differing perspectives which are described as follows:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the Clerk as a whole. Government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk of Court's governmental activities. Direct expenses are those that are specially associated with a program or function and therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

FUND FINANCIAL STATEMENTS

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Clerk's major fund is described as follows:

MAJOR GOVERNMENTAL FUNDS

Salary Fund – The Salary Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and is used to account 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. General operating expenditures are paid from this fund.

FIDUCIARY FUNDS

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the Clerk of Court. The funds accounted for in the category include the Advance Deposit Fund, the Registry of the Court, and the CASA Fund. These funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Fiduciary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of account and the current financial resources measure focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end or if it is due under a cost reimbursement arrangement. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, claims and judgments are recorded as expenses when payment is made. Furthermore, when the current financial resources measure focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as other financing sources and repayment of long-term debt is reported as an expenditure.

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

BUDGETARY CONTROL

Formal budgetary accounting is employed as a management control. The Rapides Parish Clerk of Court prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures, and the estimated increase or decreases 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.

CASH AND CASH EQUIVALENTS

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposits is typically mitigated by purchasing instruments that mature in one year or less.

RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include fees and charges paid by the recipients for goods or services offered by the programs.

CAPITAL ASSETS

Capital assets, which include property and equipment utilized in the operation of the Clerk's office. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 3 to 30 years. Useful lives are selected depending on the expected durability of the particular asset.

COMPENSATED ABSENCES

Employees earn annual leave and are allowed to accumulate up to 420 vested hours that are payable upon termination.

NOTE 2 - CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, deposits 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 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.

Deposits in financial institutions totaled \$8,627,802 (collected book balance). These deposits are secured from risk by \$1,250,000 in Federal Deposit Insurance, pledged securities with a market value of \$8,588,170, and an irrevocable standby letter of credit from the Federal Home Loan Bank of Dallas in the amount of \$1,100,000. The pledged securities are held by a custodial bank in the name of the

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

pledging institution (fiscal agent). However, State Law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 - RECEIVABLES

Receivables at June 30, 2020 consisted of the following:

	General Fund	Agency Funds
Fees For Services	\$ 30,314	\$ ----
Title IV Fees Due From the State of Louisiana	10,395	----
Other	868	14,519
Total	<u>\$ 41,577</u>	<u>\$ 14,519</u>

An allowance for doubtful receivables is not required because all receivables are considered collectible.

NOTE 4 – CAPITAL ASSETS

Capital Asset balances and activity for the year ended June 30, 2020 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Furniture, Fixtures and Equipment	\$ 1,666,739	\$ 23,049	\$ ----	\$ 1,689,788
Accumulated Depreciation	(1,248,530)	(44,921)	----	(1,293,451)
Net Capital Assets	<u>\$ 418,209</u>	<u>\$ (21,872)</u>	<u>\$ ----</u>	<u>\$ 396,337</u>

Depreciation is charged entirely to judicial expense.

NOTE 5 – ACCOUNTS PAYABLE

Accounts payable consist entirely of amounts payable to vendors for operating expenses.

NOTE 6 – DELAYED REVENUES

The State has provided funds for certain services to children. Funds provided by the State have exceeded amounts required to provide the services. The excess amount on hand has been reported as delayed revenues and will not be reported as income until qualified expenditures are incurred.

NOTE 7 - PENSION PLAN

The Rapides Parish Clerk of Court employees are eligible to be members of a statewide retirement system. This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The Louisiana Clerks' of Court Retirement and Relief Fund (System) issues a publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at www.laclerksofcourt.org. Pertinent information relative to the plan follows:

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

PLAN DESCRIPTION

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 55 (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 member's average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. The retirement benefit accrual rate is increased to 3^{1/3} % for all service credit accrued after June 30, 1999 (For all members hired prior to January 1, 2011). For members hired before July 1, 2006 and who retire prior to January 1, 2011, monthly average final compensation is based on the highest 36 consecutive months, with a limit increase of 10% in each of the last three years of measurement. For members hired after July 1, 2006, monthly average final compensation is based on the highest compensated 60 consecutive months, or successive joined months if service was interrupted, with a limit increase of 10% in each of the last five years of measurement. For members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is 36 months plus the number of whole months elapsed since January 1, 2011, not to exceed 60 months.

DISABILITY BENEFITS

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

SURVIVOR BENEFITS

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. In lieu of a deferred survivor benefits, the surviving spouse may elect benefits payable immediately with benefits reduced ¼ of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid ½ of the member's accrued retirement benefit in equal shares. Upon the death of any former member with 12 or more years of service, automatic Option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

DEFERRED RETIREMENT OPTION PLAN

In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to 36 months and defer the receipt of benefits. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

creditable service remain as they existed on the effective date of commencement of participation in the plan.

The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the DROP account.

Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the Fund. 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 the DROP account balances for member 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 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.

The average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least 36 months. In no even can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to computer the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary, or if none, to his estate.

COST OF LIVING ADJUSTMENTS

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

In lieu of granting a cost of living increase as described above, LA statues 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.

Funding Policy. According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2019, 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, but are not considered special funding situations.

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

FINANCIAL SUMMARY

The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand-alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at www.laclerksofcourt.org. The plans net pension liability was determined at June 30, 2019 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 822,803,946
Plan Fiduciary Net Position	641,204,758
Net Pension Liability	<u>181,599,188</u>
Clerk's Proportionate Share (Percentage)	2.191557%
Clerk's Proportionate Share (Amount)	<u>\$ 3,979,850</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Clerk's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2019 are provided as follows:

Beginning Net Pension Liability	\$ 3,467,206
Employer Contributions	(405,138)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	812,601
Employee Contributions	<u>(240,979)</u>
Changes in Deferred Outflows of Resources	271,160
Changes in Deferred Inflows of Resources	<u>75,000</u>
Ending Net Pension Liability	<u>\$ 3,979,850</u>

There were no changes between June 30, 2020 and the Plan's measurement date that are expected to have a significant effect on the Clerk's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences Between Expected and Actual Experience	\$ 111,747	\$ ----	\$ 111,747
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	308,330	----	308,330
Changes of Assumptions	254,405	----	254,405
Changes in Proportion	139,076	23,952	115,124
Employer Contributions Made After the Measurement Date	413,091	----	413,091
Total Deferrals	1,226,649	23,952	1,202,697
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	(413,091)	----	(413,091)
Deferrals Subject to Amortization	<u>\$ 813,558</u>	<u>\$ 23,952</u>	<u>\$ 789,606</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
June 30, 2020	\$ 292,265
June 30, 2021	122,406
June 30, 2022	234,228
June 30, 2023	<u>140,707</u>
Total	<u>\$ 789,606</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

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	5.00%
Inflation Rate	2.50 %

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

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	2019 - 5 years 2018 - 5 years 2017 - 5 years 2016 - 5 years 2015 - 5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System 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 not deemed 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 for the period July 1, 2009 through June 30, 2014, 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 two other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2009 through June 30, 2014. 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 System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

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

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

for each major asset class included in the Fund's target asset allocation as of June 30, 2019 is summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income:		
Domestic Bond	20.00%	2.50%
International		3.50%
Domestic Equity:	33.00%	7.50%
International Equity	27.00%	8.50%
Real Estate	10.00%	4.50%
Hedge Funds	10.00%	6.59%
	<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 PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System'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 to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	1% Decrease 5.75% Discount Rate	Current Discount Rate 6.75%	1% Increase 7.75 % Discount Rate
Net Pension Liability	\$ 5,913,395	\$ 3,979,850	\$ 2,339,529

NOTE 8- OTHER POSTEMPLOYMENT BENEFITS

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 single employer defined benefit OPEB plan administered by the Clerk. Benefits are provided through the Louisiana Clerks of Court Insurance Trust ("LCCIT"), a multiple-employer healthcare plan administered by the Louisiana Clerks of Court Association. Louisiana Revised Statute §13:783 grants the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The premium rates are established and may be amended by the LCCIT board of trustees, with the Clerk determining the contribution requirements of the retirees.

BENEFITS PROVIDED.

The Clerk provides medical, dental, vision, and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 100% of retiree and 0% of dependent pre-

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

Medicare health, Medicare Advantage, vision, and dental insurance premiums. The plan also provides for payment of 100% of retiree life insurance premiums.

EMPLOYEES COVERED BY BENEFIT TERMS

On January 1, 2020, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	12
Inactive employees entitled to but not yet receiving benefit	0
Active Employees	43
<u>Total</u>	<u>55</u>

TOTAL OPEB LIABILITY

The Clerk's total OPEB liability of \$3,353,660 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:

Measurement Date	June 30, 2020
Valuation Date	January 1, 2020
Inflation	2.40%
Salary Increases, Including Inflation	3.25%
Discount Rate	2.45%
Health Care Cost Trend Rates	
Medical	6.5% for 2021, decreasing 0.25% per year to an ultimate rate of 5.0% for 2027 and later years.
Medicare Advantage	5.0% for 2021, decreasing 0.25% per year to an ultimate rate of 3.0% for 2029 and later years. Includes 2% per year for aging.
Dental	3.0% annual trend
Vision	3.0% annual trend
Retirees' Share of Benefit Related Cost	0% for retirees and 100% for dependents.

The discount rate was based on the 6/30/2020 Fidelity General Obligation AA 20-Year Yield.

- Mortality rates for active employees were based on the PubG.H-2010 Employee mortality table, Generational with Projection Scale MP-2019 for males or females, as appropriate.
- Mortality rates for retired employees were based on the PubG.H-2010 Healthy Retiree mortality table, Generational with Projection Scale MP-2019 for males or females, as appropriate.

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

The actuarial assumptions used in the valuation were based on the those used in the Louisiana Clerks of Court Retirement and Relief Fund valuation and actuarial experience. Changes in Total OPEB Liability are presented as follows:

	Total OPEB Liability
Balance at 6/30/2019	\$ 4,289,786
Changes for the year:	
Service Cost	92,563
Interest	135,764
Differences between expected and actual experience	50,092
Changes in Assumptions/Inputs	(1,124,841)
Benefit payments	(\$89,704)
Net Changes	<u>(\$936,126)</u>
Balance at 6/30/2020	<u>\$ 3,353,660</u>

The following adjustments were made since the prior report.

- **Premium and Contribution Changes:** We updated the premiums and retiree contributions to reflect the 2020 rates.
- **Participation Assumptions:** We updated the assumed future participation of retirees and dependents based on recent experience.
- **Trend Assumptions:** Medical trend assumptions were updated to be more consistent with current industry expectations.
- **Mortality Improvement Rates:** Mortality improvement was updated from Scale MP-2018 to MP-2019.
- **Discount Rate:** The discount rate was decreased from 3.13% to 2.45%. See the next section for more details
- **Benefit Changes:** There have not been any changes to benefit since the prior year. The impact of each change on the Total OPEB Liability is summarized in the table below.

<u>Impact of Change on Total OPEB Liability</u>	
Premium and Retiree Contribution Updates	\$ (1,465,236)
Participation Assumptions	(161)
Trend Rates	9,589
Discount Rate	358,423
Mortality Improvements	<u>(27,456)</u>
Net Changes	<u>\$ (1,124,841)</u>

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 (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current discount rate:

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

	1% Decrease (1.45%)	Discount Rate (2.45%)	1% Increase (3.45%)
Total OPEB Liability	\$ 3,998,173	\$ 3,353,660	\$ 2,832,099

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 or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Discount Rate	1% Increase
Total OPEB Liability	\$ 2,974,146	\$ 3,353,660	\$ 3,946,600

OPEB EXPENSE AND DEFERRALS

For the year ended June 30, 2020, the Clerk recognized an OPEB expense of \$186,314. On June 30, 2020, 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	\$ 49,529	\$ 59,214
Changes of Assumptions and Other Inputs	381,205	1,038,315
Total	<u>\$ 430,734</u>	<u>\$ 1,097,529</u>

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

<u>Year Ended June 30:</u>	
2021	\$ (42,013)
2022	(42,013)
2023	(42,013)
2024	(42,013)
2025	(42,013)
Thereafter	(456,731)

NOTE 9 – COMPENSATED ABSENCES

The obligation to provide vacation leave to employees is referred to as accrued leave. Resources provided by the general fund are used to liquidate the accrued leave balances. Accrued leave balances and activity are presented as follows:

Beginning Balance	\$ 181,771
Net Increase (Decrease)	<u>91,220</u>
Ending Balance	<u>\$ 272,991</u>

Rapides Parish Clerk of Court

Notes to Financial Statements

June 30, 2020

The Clerk's Salary Fund is utilized for liquidating compensated absences.

NOTE 10 – PRIOR PERIOD ADJUSTMENT

Amounts previously reported as deferred outflows of resources excluded contributions to the cost sharing retirement system made subsequent to the measurement date for determining net pension liability. The current change in net position was not impacted by the prior period adjustment and the impact on changes in net position for the previous year were not material to the financial statements.

Rapides Parish Clerk of Court

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual

Year Ended June 30, 2020

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Amended		
Revenues:				
Charges for Services				
Recording Fees	\$ 2,252,069	\$ 1,981,185	\$ 2,165,099	\$ 183,914
Legal Filing Fees	1,514,935	1,380,158	1,464,449	84,291
Child Support Filing Fees	-	-	90,763	90,763
Other	683,737	711,295	299,857	(411,438)
Licenses and permits	-	-	-	-
Marriage License & Vital Records	349,475	171,792	173,882	2,090
Election Revenues	14,600	20,120	20,120	-
Interest Income	-	-	57,102	57,102
Miscellaneous Revenues	-	-	45,756	45,756
Total revenues	<u>4,814,816</u>	<u>4,264,550</u>	<u>4,317,028</u>	<u>52,478</u>
Expenses:				
Current				
Judicial				
Personnel Services & Related Benefit	3,294,012	3,311,216	3,267,536	43,680
Office/ Administrative	665,826	556,034	609,576	(53,542)
Operating Services	79,715	99,740	93,689	6,051
Capital Expenditures	104,235	10,108	23,049	(12,941)
Total Expenses	<u>4,143,788</u>	<u>3,977,098</u>	<u>3,993,850</u>	<u>(16,752)</u>
Excess (deficiency) of revenues over expenditures	<u>671,028</u>	<u>287,452</u>	<u>323,178</u>	<u>35,726</u>
Fund balance - beginning of year	<u>5,150,707</u>	<u>5,150,707</u>	<u>5,150,707</u>	<u>-</u>
Fund balance - end of year	<u>\$ 5,821,735</u>	<u>\$ 5,438,159</u>	<u>\$ 5,473,885</u>	<u>\$ 35,726</u>

Rapides Parish Clerk of Court

Schedule of Changes in Net OPEB Liability Retiree Healthcare Plan

	For the Year Ended June 30, 2018	For the Year Ended June 30, 2019	For the Year Ended June 30, 2020
<u>Total OPEB Liability</u>			
Beginning Balance	\$ 3,608,835	\$ 3,759,291	\$ 4,289,786
Service Cost	103,396	106,584	92,563
Interest	132,750	119,467	135,764
Changes in Assumptions	-	476,506	(1,124,841)
Differences Between Expected and Actual Experience	4,524	(74,017)	50,092
Benefit Payments	<u>(90,214)</u>	<u>(98,045)</u>	<u>(89,704)</u>
Ending Balance	<u>3,759,291</u>	<u>4,289,786</u>	<u>3,353,660</u>
<u>Fiduciary Net Position</u>			
Beginning Balance	-	-	-
Employer Contributions	90,214	98,045	89,704
Benefit Payments	<u>(90,214)</u>	<u>(98,045)</u>	<u>(89,704)</u>
Ending Balance	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB Liability	<u>\$ 3,759,291</u>	<u>\$ 4,289,786</u>	<u>\$ 3,353,660</u>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%
Covered Payroll	\$ 1,979,083	\$ 1,948,707	\$ 2,174,165
Net OPEB Liability as a Percentage of Covered Payroll	189.95%	220.13%	154.25%

This schedule is intended to fulfill requirements to present information for a period of 10 years. However, until a full 10 year trend has been compiled, information is presented only for the years for which the required information is available.

There are no assets accumulated in a trust that meets criteria established by Governmental Accounting Standards to pay related benefits. In addition, there are no known factors that can be expected to significantly effect the amounts reported.

Rapides Parish Clerk of Court

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension	Pension Plans
	Percent	Amount		Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
Clerk's Retirement and Relief Fund					
June 30, 2014	2.19%	2,959,187	1,838,972	160.92%	79.37%
June 30, 2015	2.14%	3,210,634	1,783,626	180.01%	78.12%
June 30, 2016	2.05%	3,809,073	1,877,754	202.85%	74.17%
June 30, 2017	2.07%	3,144,585	1,979,083	158.89%	79.69%
June 30, 2018	2.08%	3,467,206	1,948,707	177.92%	79.07%
June 30, 2019	2.19%	3,979,850	2,174,165	183.05%	77.92%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Rapides Parish Clerk of Court

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Louisiana Clerks' of Court Retirement and Relief Fund					
June 30, 2014	519,632	519,632	-	1,838,972	28.26%
June 30, 2015	504,221	504,221	-	1,783,626	28.27%
June 30, 2016	496,975	496,975	-	1,877,754	26.47%
June 30, 2017	516,796	516,796	-	1,979,083	26.11%
June 30, 2018	564,383	564,383	-	1,948,707	28.96%
June 30, 2019	564,383	596,466	(32,083)	2,174,165	27.43%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Rapides Parish Clerk of Court

Schedule of Agency Head Compensation Year Ended June 30, 2020

	Robin Hooter
Salary/Wages	
Compensation	114,646
Supplemental Pay	24,600
Benefits	
Health Insurance	8,370
Retirement	44,145
Auto Allowance	10,386
Expense Allowance	14,727
Payroll Taxes	2,349
Certification Pay	8,025
Election Pay	2,400
Auto Insurance	1,393
Registration	845
Hotel	1,896



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

The Honorable Robin Hooter
Rapides Parish Clerk of Court
Alexandria, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Rapides Parish Clerk of Court, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Rapides Parish Clerk of Court's basic financial statements and have issued our report thereon dated December 14, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Rapides Parish 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 Rapides Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Rapides Parish 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Rapides Parish 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

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accordingly, we do not express such an opinion. The results of our tests did not disclose any 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.



Rozier, McKay, & Willis
Certified Public Accountants

Alexandria, Louisiana
December 14, 2020

RAPIDES PARISH CLERK OF COURT

Schedule of Findings
For the Year Ended June 30, 2020

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditor's Report on the primary government financial statements for the Rapides Parish Clerk of Court as of June 30, 2020 and for the year then ended expressed an unqualified opinion.
- The results of the audit disclosed no material weaknesses.
- The result of the audit did not disclose any instances of noncompliance required to be reported in accordance with general accepted governmental auditing standards.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

None

Rapides Parish Clerk of Court

Management's Corrective Action Plan
June 30, 2020

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
No findings were reported.	Response – N/A
SECTION II MANAGEMENT LETTER	
N/A- No Management Letter issued.	Response – N/A

Rapides Parish Clerk of Court

Summary of Prior Year Findings
June 30, 2020

SECTION I	
INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
No findings were reported.	Response – N/A
SECTION II	
MANAGEMENT LETTER	
N/A- No Management Letter issued.	Response – N/A