

**BIENVILLE PARISH SHERIFF**  
**Arcadia, Louisiana**

**Annual Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**June 30, 2017**  
**With Supplemental Information Schedules**

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

Annual Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended June 30, 2017  
With Supplemental Information Schedules

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## **Independent Auditor's Report**

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities and major fund of the Bienville Parish Sheriff, a component unit of the Bienville Parish Police Jury, as of June 30, 2017, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bienville Parish Sheriff'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 Bienville Parish Sheriff's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
Independent Auditor's Report,  
June 30, 2017

*Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Bienville Parish Sheriff as of June 30, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 10, the budgetary comparison information on pages 40 through 41, and the schedule of funding progress for the retiree healthcare plan on page 42, the schedule of the Sheriff's proportionate share of the net pension liability on pages 43 through 44, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

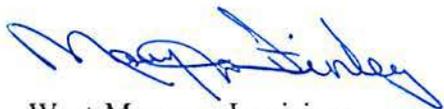
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bienville Parish Sheriff's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are 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. The schedule of compensation, benefits, and other payments to agency head on page 47 and the Sheriff's sworn statement presented on page 46 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
Independent Auditor's Report,  
June 30, 2017

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued a report dated December 28, 2017, on my consideration of the Bienville Parish Sheriff's internal control over financial reporting and on my 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 my 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 Bienville Parish Sheriff's internal control over financial reporting and compliance.



West Monroe, Louisiana  
December 28, 2017

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

**Management's Discussion and Analysis**  
June 30, 2017

As management of the Bienville Parish Sheriff, I offer readers of the Bienville Parish Sheriff's financial statements this narrative overview and analysis of the financial activities of the Bienville Parish Sheriff for the fiscal year ended June 30, 2017. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Sheriff's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Bienville Parish Sheriff adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

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

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

**Other Information** in addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Bienville Parish Sheriff's performance.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Bienville Parish Sheriff exceeded liabilities by \$13,176,826. Approximately 6% of the Bienville Parish Sheriff's net position reflects its investment in capital assets (equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources.

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

## STATEMENT OF NET POSITION

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$16,569,088	\$17,648,046
Receivables	243,951	193,127
Prepaid assets	143,130	95,238
Capital assets (net of accumulated depreciation)	<u>818,361</u>	<u>449,324</u>
TOTAL ASSETS	<u>17,774,530</u>	<u>18,385,735</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related	<u>2,466,985</u>	<u>1,383,609</u>
TOTAL ASSETS	<u>20,241,515</u>	<u>19,769,344</u>
<b>LIABILITIES</b>		
Accounts payable	39,003	42,587
Salaries payable	69,998	56,073
Withholdings payable	13,022	341,965
Net pension liability	3,844,949	2,778,188
Net OPEB obligation	<u>2,997,851</u>	<u>2,771,226</u>
TOTAL LIABILITIES	<u>6,964,823</u>	<u>5,990,039</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	99,866	239,014
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	818,361	449,324
Unrestricted	<u>12,358,465</u>	<u>13,090,965</u>
TOTAL NET POSITION	<u>\$13,176,826</u>	<u>\$13,540,289</u>

## STATEMENT OF ACTIVITIES

	<u>2017</u>	<u>2016</u>
Public Safety:		
Personal services	\$6,835,988	\$5,905,797
Operating services	633,563	561,971
Materials and supplies	371,503	326,262
Travel	72,096	67,387
Depreciation expense	416,108	367,984
Total Program Expenses	<u>8,329,258</u>	<u>7,229,401</u>
Program revenues:		
License and permits	30	30
Commissions on fines and bonds	100,467	70,303
Commissions on judicial sales and seizures	49,467	33,923
Civil and criminal fees	200,971	143,795
Commissions on licenses and taxes	25,998	18,246
Court attendance	7,242	5,746
Transportation of prisoners	40,632	29,414
Feeding and keeping prisoners	218,198	170,227
Operating grant	236,699	225,551
Tax notices, etc.	<u>103,573</u>	<u>29,687</u>
Total program revenues	<u>983,277</u>	<u>726,922</u>
Net Program Expenses	<u>(7,345,981)</u>	<u>(6,502,479)</u>
General revenues:		
Taxes:		
Ad valorem	6,251,348	6,394,409
State revenue sharing	57,925	55,651

Grants and contributions not restricted to specific programs:		
Federal sources	\$1,348	\$14,474
State sources	207,242	126,889
Local sources	161,148	190,349
Interest earned	25,449	25,916
Miscellaneous	<u>278,058</u>	<u>238,855</u>
Change in Net Position	(363,463)	544,064
<b>NET POSITION</b>		
Beginning of year	<u>13,540,289</u>	<u>12,996,225</u>
End of year	<u>\$13,176,826</u>	<u>\$13,540,289</u>

### Financial Analysis of the Government's Funds

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

As of June 30, 2017, combined governmental fund balances of \$16,834,146, showed a decrease of \$661,638 over June 30, 2016. \$16,760,211 of this fund balance is unassigned while the remaining \$73,935 is designated for inmates.

### General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget amounts were due primarily to an increase in state supplemental pay, other state grants, local grants, commissions on fines and bonds, commissions on judicial sales and seizures, civil and criminal fees, commissions on licenses and taxes, transportation of prisoners, feeding and keeping prisoners, tax notices, use of money and property and other revenue and decreases in ad valorem taxes and court attendance. Differences between expenditures of the original budget and the final budget amounts were due to decreases in materials and supplies and travel and other charges and an increase in personal services, operating services and capital outlay.

### Capital Asset and Debt Administration

**Capital assets.** The Bienville Parish Sheriff's investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$818,361 (net of accumulated depreciation). This investment includes furniture, vehicles, and equipment. The increase in capital assets for the year was \$785,145, the majority of which was attributable to purchase of vehicles. There were no deletions in capital assets for the year.

**Long-term debt.** The Bienville Parish Sheriff contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees through the sheriff's group health insurance plan. Net OPEB obligation associated with the Retiree Health Plan at June 30, 2017 is \$2,997,851. Net Pension obligation associated with the Pension Plan at June 30, 2017 is \$3,844,949.

### Requests for Information

This financial report is designed to provide a general overview of the Bienville Parish Sheriff's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bienville Parish Sheriff, P.O. Box 328, Arcadia, LA 71001.

**BASIC FINANCIAL STATEMENTS**

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

STATEMENT OF NET POSITION  
June 30, 2017

<b>ASSETS</b>	
Cash and cash equivalents	\$16,569,088
Receivables	243,951
Prepaid assets	143,130
Capital assets (net of accumulated depreciation)	<u>818,361</u>
TOTAL ASSETS	<u>17,774,530</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related	<u>2,466,985</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$20,241,515</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$39,003
Salaries payable	69,998
Withholdings payable	13,022
Long term liabilities:	
Net Pension liability	3,844,949
Net OPEB obligation	<u>2,997,851</u>
TOTAL LIABILITIES	<u>6,964,823</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	<u>99,866</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	818,361
Unrestricted	<u>12,358,465</u>
TOTAL NET POSITION	<u>13,176,826</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$20,241,515</u></u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
STATEMENT OF ACTIVITIES  
June 30, 2017

Public Safety:	
Personal services	\$6,835,988
Operating services	633,563
Materials and supplies	371,503
Travel	72,096
Depreciation expense	416,108
Total Program Expenses	<u>8,329,258</u>
Program revenues:	
License and permits	30
Commissions on fines and bonds	100,467
Commissions on judicial sales and seizures	49,467
Civil and criminal fees	200,971
Commissions on licenses and taxes	25,998
Court attendance	7,242
Transportation of prisoners	40,632
Feeding and keeping prisoners	218,198
Operating grant	236,699
Tax notices, etc.	103,573
Total program revenues	<u>983,277</u>
Net Program Expenses	(7,345,981)
General revenues:	
Taxes:	
Ad valorem	6,251,348
State revenue sharing	57,925
Grants and contributions not restricted to specific programs:	
Federal sources	1,348
State sources	207,242
Local sources	161,148
Interest earned	25,449
Miscellaneous	278,058
Change in Net Position	(363,463)
<b>NET POSITION</b>	
Beginning of year	<u>13,540,289</u>
End of year	<u><u>\$13,176,826</u></u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
GOVERNMENTAL FUND

Balance Sheet, June 30, 2017

**ASSETS**

Cash and cash equivalents	\$16,569,088
Receivables	243,951
Prepaid expenditures	<u>143,130</u>
TOTAL ASSETS	<u><u>\$16,956,169</u></u>

**LIABILITIES AND FUND EQUITY**

## Liabilities:

Accounts payable	\$39,003
Salaries payable	69,998
Withholdings payable	<u>13,022</u>
Total Liabilities	<u>122,023</u>

## Fund Equity:

Fund balance:	
Restricted - public safety	73,935
Unassigned	<u>16,760,211</u>
Total Fund Equity	<u>16,834,146</u>

TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$16,956,169</u></u>
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The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

Reconciliation of Governmental Funds  
Balance Sheet to the Statement of Net Position

For the Year Ended June30, 2017

Total Fund Balances at June 30, 2017 - Governmental Funds - (Statement C)		\$16,834,146
Deferred outflows - pension related		2,466,985
Cost of capital assets at June 30, 2017	\$3,953,290	
Less: Accumulated depreciation	<u>(3,134,929)</u>	818,361
Long term liabilities at June 30, 2017:		
Net OPEB obligation	2,997,851	
Net pension liability	<u>3,844,949</u>	(6,842,800)
Deferred inflows of resources		<u>(99,866)</u>
Net Position at June 30, 2017 (Statement A)		<u>\$13,176,826</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
For the Year Ended June 30, 2017

**REVENUES**

Taxes - ad valorem	\$6,251,348
Licenses and permits	30
Intergovernmental revenues:	
Federal grants	1,348
State grants:	
State supplemental pay	236,699
Other	207,242
Local grants	161,148
Fees, charges, and commissions for services:	
Commissions on state revenue sharing	57,925
Commissions on fines and bonds	100,467
Commissions on judicial sales and seizures	49,467
Civil and criminal fees	200,971
Commissions on licenses and taxes	25,998
Court attendance	7,242
Transportation of prisoners	40,632
Feeding and keeping of prisoners	218,198
Tax notices, etc.	103,573
Use of money and property	25,449
Other	42,732
Total revenues	<u>7,730,469</u>

**EXPENDITURES**

Public safety:	
Current:	
Personal services and related benefits	6,529,800
Operating services	633,563
Materials and supplies	371,503
Travel and other charges	72,096
Capital outlay	785,145
Total expenditures	<u>8,392,107</u>

**EXCESS OF REVENUES OVER EXPENDITURES** (661,638)

**FUND BALANCE AT BEGINNING OF YEAR** 17,495,784

**FUND BALANCE AT END OF YEAR** \$16,834,146

(Concluded)

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

Reconciliation of Governmental Funds  
Statement of Revenue, Expenditures, and Changes  
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2017

Total net change in fund balances - governmental funds (Statement D)	(S661,638)
Amounts reported for governmental activities in the Statement of Activities are different	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the period.	369,037
Payments of long-term debt, including contributions to OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.	(226,625)
Non-employer contributions to cost-sharing pension plan.	235,326
Pension expense	<u>(79,563)</u>
Change in net position of governmental activities (Statement B)	<u><u>(S363,463)</u></u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2017

	<u>TAX COLLECTOR</u>	<u>CIVIL</u>	<u>CRIMINAL</u>	<u>INMATE</u>	<u>FLOWER</u>	<u>SCHOLAR- SHIP</u>	<u>TOTAL</u>
<b>ASSETS</b>							
Cash and cash equivalents	<u>\$1,022,230</u>	<u>\$692</u>	<u>\$229,178</u>	<u>\$37,068</u>	<u>\$3,633</u>	<u>\$1,501</u>	<u>\$1,294,302</u>
<b>LIABILITIES</b>							
Due to taxing bodies and others	<u>\$1,022,230</u>	<u>\$692</u>	<u>\$229,178</u>	<u>\$37,068</u>	<u>\$3,633</u>	<u>\$1,501</u>	<u>\$1,294,302</u>

## BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2017

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

The sheriff has the responsibility for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. Additionally, the sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

The accompanying financial statements of the Bienville Parish Sheriff have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

#### A. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Bienville Parish Police

BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

Notes to the Financial Statements (Continued)

Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

Because the police jury maintains and operates the parish courthouse in which the sheriff's office is located and provides partial funding for equipment, furniture and supplies of the sheriff's office, the sheriff was determined to be a component unit of the Bienville Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Bienville Parish financial reporting entity.

**B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

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

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

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position are reported in three

## BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

### Notes to the Financial Statements (Continued)

parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position.

The government-wide financial statements are 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*.

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

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

### C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

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

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

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

governmental and fiduciary funds. The governmental and fiduciary fund types used by the sheriff are described as follows:

#### **Governmental Fund Type**

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

#### **Fiduciary Fund Type - Agency Funds**

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### **D. BASIS OF ACCOUNTING**

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

#### **1. Accrual:**

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

#### **2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach 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.

## BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

### Notes to the Financial Statements (Continued)

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

#### **Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

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

Substantially all other revenues are recognized when received by the sheriff.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

#### **Expenditures**

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

#### **E. CASH AND CASH EQUIVALENTS**

Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the sheriff has cash and equivalents (book balances) totaling \$17,863,390 as follows:

BIENVILLE PARISH SHERIFF  
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 Notes to the Financial Statements (Continued)

Demand deposits	\$4,081,044
Petty cash	2,500
Time deposits	<u>13,779,846</u>
Total	<u>\$17,863,390</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. 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. Cash and cash equivalents (bank balances) at June 30, 2017, are secured as follows:

Bank balances	<u>\$18,451,445</u>
Federal deposit insurance	\$1,507,920
Pledged securities (uncollateralized)	<u>19,462,706</u>
Total	<u>\$20,970,626</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the sheriff that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the sheriff's name.

**F. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$500 or more for capitalizing capital assets.

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

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

**G. VACATION AND SICK LEAVE**

After one year of service, all employees are granted 14 days of vacation leave each year. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. The sheriff has not adopted a formal policy regarding sick leave. Sick leave is given at the discretion of the sheriff. At June 30, 2017, there is no liability for accumulated vacation or sick leave.

**H. RISK MANAGEMENT**

The sheriff is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the sheriff maintains commercial insurance policies covering his automobiles and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2017.

**I. PENSION PLANS**

The Bienville Parish Sheriff's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

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 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

**2. RECEIVABLES**

The General Fund receivables of \$243,951, at June 30, 2017, are as follows:

<u>Class of receivables</u>	
Federal grants	\$879
State grants	51,161
Local grants	133,866
Fees, charges, and commissions for services	21,860
Feeding and transporting prisoners	21,490
Due from employees for weapons	14,695
Total	<u>\$243,951</u>

**3. CHANGES IN CAPITAL ASSETS**

A summary of changes in office furnishings and equipment follows:

Adjusted balance at June 30, 2016	\$3,168,145
Additions	785,145
Deletions	<u>NONE</u>
Balance at June 30, 2017	3,953,290
Less accumulated depreciation	<u>(3,134,929)</u>
Net Capital Assets	<u>\$818,361</u>

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

The Sheriffs' Pension and Relief Fund (Fund) is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to employees of the sheriff's offices throughout the State of Louisiana, employees of the Louisiana Sheriffs' Association and the Sheriff's Pension and Relief Fund's office. The sheriff's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB 68. These standards require the Sheriff's office to record its proportional share of each of the pension plans Net Pension Liability.

*Summary of Significant Accounting Policies.*

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

The Sheriffs' Pension and Relief Fund's employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2016.

*Plan Description.*

The Sheriffs' Pension and Relief Fund was established for the purpose of providing retirement benefits for employees of sheriffs' offices throughout the State of Louisiana, employees of Louisiana Sheriffs' Association and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 6554 Florida Blvd., Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

*Plan Benefits*

Retirement Benefits

For members who become eligible for membership on or before December 31, 2011: Members with twelve years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to 3.33 percent of their final-average salary

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Arcadia, Louisiana  
Notes to the Financial Statements (Continued)

for each year of credited service. The retirement benefit cannot exceed 100 per cent of their final-average salary. Active, contributing members with at least ten years of creditable service may retire at age sixty. The accrued normal retirement benefit is reduced actuarially for each month or fraction thereof that retirement begins prior to the member's earliest normal retirement date assuming continuous service.

For a member whose first employment making him eligible for membership in the system began on or after January 1, 2012: Members with twelve years of creditable service may retire at age sixty-two; members with twenty years of service may retire at age sixty; members with thirty years of creditable service may retire at age fifty-five. The benefit accrual rate for such members with less than thirty years of service is three percent; for members with thirty or more years of service; the accrual rate is 3.33 percent. The retirement allowance is equal to the benefit accrual rate times the member's average final compensation multiplied by his years of creditable service, not to exceed (after reduction for optional payment form) 100% of average final compensation. Members with twenty or more years of service may retire with a reduced retirement at age fifty.

For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the thirty-six month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began after June 30, 2006 and before July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty month period shall not exceed 125% of the preceding twelve-month period.

For a member whose first employment making him eligible for membership in the system began on or after July 1, 2013, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve-month period within the sixty month period shall not exceed 115% of the preceding twelve-month period.

### Disability Benefits

A member is eligible to receive disability benefits if he has at least ten years of creditable service when a non-service related disability is incurred; there are no service requirements for a service related disability. Disability benefits shall be the lesser of 1) a sum equal to the greatest of 45% of final average compensation or the members' accrued retirement benefit at the time of termination of employment due to disability or 2) the retirement benefit which would be payable assuming continued service to the earliest normal retirement age. Members who become partially disabled receive 75% of the amount payable for total disability.

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Notes to the Financial Statements (Continued)

Survivor Benefits

Survivor benefits for death solely as a result of injuries received in the line of duty are based on the following. For a spouse alone, a sum equal to 50% of the members' final average compensation with a minimum of \$150 per month. If a spouse is entitled to benefits and has a child or children under eighteen years of age (or over said age if physically or mentally incapacitated and dependent upon the member at the time of his death), an additional sum of 15% of the member's final average compensation is paid to each child with total benefits paid to spouse and children to exceed 100%. If a member dies with no surviving spouse, surviving children under age eighteen will receive monthly benefits of 15% of the member's final average compensation up to a maximum of 60% of final average compensation if there are more than four children. If a member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option 2 benefit. The additional benefit payable to children shall be the same as those available for members who die in the line of duty. In lieu of receiving option 2 benefit, the surviving spouse may receive a refund of the member's accumulated contributions. All benefits payable to surviving children shall be extended through age twenty-two, if the child is a full time student in good standing enrolled at a board approved or accredited school, college, or university.

Deferred Benefits:

The Fund does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches the appropriate age for retirement.

Back Deferred Retirement Option Plan (Back-DROP)

In lieu of receiving a service retirement allowance, any member of the Fund who has more than sufficient service for a regular service retirement may elect to receive a "Back-DROP" benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. For those individuals with thirty or more years, the Back-DROP period is the lesser of four years or service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement the member's maximum monthly retirement benefit is based upon his service, final average compensation and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In addition, the member's Back-DROP account will be credited with employee contributions received by the retirement fund during the Back-DROP period. Participants have the option to opt out of this program and take a distribution, if eligible or to rollover the assets to another qualified plan.

Plan members are required by state statute to contribute 10.25 percent of their annual covered salary and the Bienville Parish Sheriff is required to contribute at an actuarially determined rate. The current rate

BIENVILLE PARISH SHERIFF  
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 Notes to the Financial Statements (Continued)

is 13.75 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Bienville Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bienville Parish Sheriff's contributions to the System for the years ended June 30, 2017, 2016, and 2015 were \$634,636, \$568,882, and \$589,198, respectively, equal to the required contributions for each year.

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

At June 30, 2017, the Sheriff reported a liability of \$3,844,949 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Sheriffs' proportion of the net pension liability was based on a projection of the Sheriffs' long-term share of contributions to the pension plan relative to the projected contributions of all participating sheriffs', actuarially determined. At June 30, 2016, the Sheriffs' proportion was .6058 percent, which was a decrease of .0175 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2016, the Sheriff recognized pension expense of \$79,563. At June 30, 2016, the Sheriff 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
Beginning balance	\$1,274,762	\$130,167
Change in system deferred outflows and inflows of resources	1,126,742	(249,530)
Changes in proportionate share		218,759
Differences between Sheriff contributions and proportionate share of contributions		470
Contributions for the measurement period	(568,882)	
Sheriff contributions subsequent to the measurement date	634,363	
Total	\$2,466,985	\$99,866

\$634,363 reported as deferred outflows of resources related to pensions resulting from the Bienville Parish Sheriffs' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of

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 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

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

Year ended June 30:	
2017	\$230,576
2018	230,576
2019	511,069
2020	284,365
2021	(5,222)
2022	(5,222)
Total	1,246,142

**Actuarial assumptions.** The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2016
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.6%, net of investment expense
Discount Rate	7.5%
Projected salary increases	5.5% (2.875% inflation, 2.625% merit)
Mortality rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table
Expected remaining service lives	7 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 deemed not to be substantively automatic.

The mortality rate assumptions were set after reviewing an experience study performed 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.

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 Notes to the Financial Statements (Continued)

The discounted rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund’s actuary. Based on those assumptions, the Fund’s fiduciary net position 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.

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

*Sensitivity of the Sheriffs’ proportionate share of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the participating employers calculated using the discount rate of 7.5%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Sheriffs’ proportionate share of the net pension liability	\$6,523,348	\$3,844,949	\$1,634,248

**5. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description.* The Bienville Parish Sheriffs Office’s medical/dental and life insurance benefits are provided to employees upon actual retirement.

The employer pays 100% of the medical coverage for the retiree (not dependents). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 15 years of service or 30 years of service at any age. Effective for employees entering the system on and after January 1, 2012, the eligibility is age 62 and 12 years of service, age 60 and 20 years of service or age 55 and 30 years of service.

Life insurance coverage is continued to retirees by election. The employer pays 100% of the cost of retiree life insurance. However, the rates are based on the blended active/retired rate and there is thus an implied subsidy. Since GASB Codification Section P50 requires the use of “unblended” rates, we have used the 94GAR mortality table described above to “unblend” the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the

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original amount at age 70. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

**Contribution Rates.** Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Fund Policy.** Until 2009, the Bienville Parish Sheriff's Office recognized the cost of providing post-employment medical and life benefits (Bienville Parish Sheriff's Office portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the Bienville Parish Sheriff's Office portion of health care and life insurance funding cost for retired employees totaled \$150,484 and \$139,337, respectively.

Effective with the Fiscal Year beginning July 1, 2009, Bienville Parish Sheriff's Office implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

**Annual Required Contributions.** The Bienville Parish Sheriffs Annual Required Contributions (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post employment benefits. The actuarially computed ARC is \$426,521.

**Net Post-employment Benefit Obligation (Asset).** The table below shows the Bienville Parish Sheriff's Net Other Post-employment Benefit (OPEB) Obligation for the fiscal year ending June 30, 2017:

Annual required contribution	\$426,521
Interest on net OPEB obligation	110,849
Adjustment to annual required contribution	(160,261)
Annual OPEB cost (expense)	<u>377,109</u>
Contributions made	<u>(150,484)</u>
Increase in net OPEB obligation	226,625
Net OPEB obligation at beginning of year	<u>2,771,226</u>
Net OPEB obligation at end of year	<u>\$2,997,851</u>

The following table shows Bienville Parish Sheriff's Office annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for the last year and this year:

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Notes to the Financial Statements (Continued)

<u>Post Employment Benefit</u>	<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
Medical/Dental/Life	June 30, 2016	\$377,109	39.90%	\$2,997,851
Medical/Dental/Life	June 30, 2017	\$364,723	38.20%	\$2,771,226

**Funded Status and Funding Progress.** In 2017 and 2016, Bienville Parish Sheriff’s Office made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2015 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year ended June 30, 2017, was \$4,803,421, which is defined as that portion, as determined by a particular actuarial cost method (the Bienville Parish Sheriff’s Office uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial Accrued Liability (AAL)	\$4,803,421
Actuarial Value of Plan Assets	
Unfunded Act. Accrued Liability (UAAL)	<u>4,803,421</u>
Funded Ratio (Act. Val. Assets/AAL)	0%
Covered Payroll (active plan members)	<u>\$4,470,077</u>
UAAL as a percentage of covered payroll	107.46%

**Actuarial Methods and Assumptions.** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far in to the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by Bienville Parish Sheriff’s Office and its employee plan members) at the time of the valuation and on the pattern of sharing costs between Bienville Parish Sheriff’s Office and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between Bienville Parish Sheriff’s Office and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method.** The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation

BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

Notes to the Financial Statements (Continued)

date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

**Actuarial Value of Plan Assets.** There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement Codification Section P50 will be used.

**Turnover Rate.** An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 15.5%.

**Post employment Benefit Plan Eligibility Requirements.** We have assumed that employees retire four years after the earliest eligibility to retire as described in the section above entitled "plan description". Medical benefits are provided to employees upon actual retirement.

**Investment Return Assumption (Discount Rate).** GASB Statement Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in the valuation.

**Health Care Cost Trend Rate.** The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

**Mortality Rate.** The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

**Method of Determining Value of Benefits.** The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical benefits for the retiree only (not dependents). The medical rates provided are "blended" rates for active and retired before Medicare eligibility. We have therefore estimated the "unblended" rates as required by GASB Codification Section P50 for valuation purposes to be 130% of the blended rates prior to Medicare eligibility.

**Inflation Rate.** Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

**Projected Salary Increases.** The assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

Notes to the Financial Statements (Continued)

**Post-retirement Benefit Increases.** The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

**6. CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Tax Collector Fund	Civil Fund	Criminal Fund	Inmate Fund	Flower Fund	Scholar- ship Fund	Total
Balance, July 1, 2016	\$132,914	\$2,801	\$671,517	\$58,154	\$2,952	\$2,501	\$870,839
Additions	39,171,393	121,817	1,831,331	51,638	3,112	NONE	41,179,291
Deletions	<u>(38,282,077)</u>	<u>(123,926)</u>	<u>(2,273,670)</u>	<u>(72,724)</u>	<u>(2,431)</u>	<u>(1,000)</u>	<u>(40,755,828)</u>
Balance, June 30, 2017	<u>\$1,022,230</u>	<u>\$692</u>	<u>\$229,178</u>	<u>\$37,068</u>	<u>\$3,633</u>	<u>\$1,501</u>	<u>\$1,294,302</u>

**7. TAX COLLECTOR ENDING CASH BALANCE**

At June 30, 2017, the tax collector has cash and equivalents (book balances) totaling \$1,022,230 as follows:

Insurance licenses	\$11,913
Protest taxes	996,810
Redemptions	1,585
Interest on tax account	10,625
Interest on protest taxes	<u>1,297</u>
Total	<u>\$1,022,230</u>

**8. AD VALOREM TAXES COLLECTED**

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2017, by taxing body as follows:

Louisiana Forestry Service	\$30,087
Louisiana Tax Commission	53,607
Bienville Parish Assessor	701,087
Bienville Parish Police Jury	4,103,917
Bienville Parish School Board	20,067,493
Bienville Parish Sheriff	6,249,449
Bienville Parish Library	1,286,739
No. 4-5 Fire Protection District	922,474
Fire Protection District #6	450,190

BIENVILLE PARISH SHERIFF  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Fire Protection District #7	\$451,566
NBP Fire Protection District	572,858
Hospital Service District #1	109,298
Hospital Service District #2	1,083,258
Recreation District #1	265,102
Shiloh Water District	8,073
Shady Grove Recreation District	127,571
Bienville Council on Aging	<u>311,937</u>
Total	<u>\$36,794,706</u>

**9. TAX UNCOLLECTED AND UNSETTLED**

At June 30, 2017, the tax collector has collected all assessed taxes for the year ended June 30, 2016.

**10. OCCUPATIONAL LICENSES COLLECTED**

At June 30, 2017, the tax collector has collected and disbursed the following:

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
Bienville Parish Police Jury	<u>\$76,136</u>	<u>\$11,420</u>	<u>\$64,716</u>

**11. LITIGATION AND CLAIMS**

At June 30, 2017, the Bienville Parish Sheriff is involved in several lawsuits. In the opinion of the sheriff's legal counsel, the outcome will not materially affect the financial statements.

**12. EXPENDITURES OF THE SHERIFF'S OFFICE  
 PAID BY THE PARISH POLICE JURY**

The Bienville Parish Sheriff's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Bienville Parish Police Jury.

**13. DESIGNATED FUND BALANCE**

As shown on Statement C, \$73,935, is designated for jail inmates. Revenues are derived from commissions on telephone usage, which is paid by the telephone company. The commissions are designated for inmate benefit and are used for providing those items for inmates which could not otherwise be provided by the sheriff.

The following schedule provides changes in the designated fund balance amounts for the year ended June 30, 2017:

Balance at July 1, 2016	\$107,668
Additions	71,789
Reductions	<u>(105,522)</u>
Balance at June 30, 2017	<u>\$73,935</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**PART II**

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended June 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Taxes - ad valorem	\$6,603,000	\$6,251,348	\$6,251,348	
Licenses and permits	50	30	30	
Intergovernmental revenues:				
Federal grants - federal revenue			1,348	\$1,348
State grants:				
State supplemental pay	215,000	236,450	236,699	249
Other state grants	170,275	197,342	207,242	9,900
Local grant	159,000	161,148	161,148	
Fees, charges, and commissions for services:				
Commissions on state revenue sharing	56,000	57,925	57,925	
Commissions on fines and bonds	60,000	99,742	100,467	725
Commissions on judicial sales and seizures	30,000	51,499	49,467	(2,032)
Civil and criminal fees	143,600	202,328	200,971	(1,357)
Commissions on licenses and taxes	20,500	25,998	25,998	
Court attendance	10,000	7,650	7,242	(408)
Transportation of prisoners	35,000	38,356	40,632	2,276
Feeding and keeping of prisoners	190,000	217,094	218,198	1,104
Tax notices, etc	48,700	103,563	103,573	10
Use of money and property	20,000	25,452	25,449	(3)
Other revenue	9,500	29,407	42,732	13,325
Total revenues	<u>7,770,625</u>	<u>7,705,332</u>	<u>7,730,469</u>	<u>25,137</u>
<b>EXPENDITURES</b>				
Public safety:				
Current:				
Personal services and benefits	6,002,287	6,495,981	6,529,800	(33,819)
Operating services	453,495	630,015	633,563	(3,548)
Materials and supplies	389,250	368,900	371,503	(2,603)
Travel and other charges	85,600	75,755	72,096	3,659
Capital outlay	759,000	773,345	785,145	(11,800)
Total expenditures	<u>7,689,632</u>	<u>8,343,996</u>	<u>8,392,107</u>	<u>(48,111)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	80,993	(638,664)	(661,638)	(22,974)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>4,854,320</u>	<u>4,854,320</u>	<u>17,495,784</u>	<u>12,641,464</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$4,935,313</u>	<u>\$4,215,656</u>	<u>\$16,834,146</u>	<u>\$12,618,490</u>

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE  
For the Year Ended June 30, 2017

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

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

**Bienville Parish Sheriff  
Retiree Healthcare Plan  
June 30, 2017**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2009	\$0	\$5,886,106	\$5,886,106	0.00%	\$2,352,738	250.18%
June 30, 2012	\$0	\$3,603,961	\$3,603,961	0.00%	\$2,966,830	121.48%
June 30, 2015	\$0	\$4,618,674	\$4,618,674	0.00%	\$3,866,469	119.45%

Note:

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations.

**Bienville Parish Sheriff**  
**Schedule of Employer's Share of Net Pension Liability**  
**June 30, 2017**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2014	0.5917300%	\$2,343,274	\$4,134,721	56.67%	87.34%
June 30, 2015	0.6232590%	\$2,778,188	\$4,137,323	67.15%	86.61%
June 30, 2016	0.6058000%	\$3,844,949	\$4,787,645	80.31%	82.09%

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

**Bienville Parish Sheriff  
Schedule of Employer Contributions  
June 30, 2017**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2014	\$589,198	\$589,198	\$0	\$4,134,721	14.25%
June 30, 2015	\$568,882	\$568,882	\$0	\$4,137,323	13.75%
June 30, 2016	\$634,363	\$634,363	\$0	\$4,787,645	13.25%

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

**OTHER SUPPLEMENTARY INFORMATION**

**PART III**

STATE OF LOUISIANA  
PARISH OF BIENVILLE

**AFFIDAVIT  
JOHN E. BALLANCE, SHERIFF OF BIENVILLE PARISH**

BEFORE ME, the undersigned authority, personally came and appeared, JOHN E. BALLANCE, SHERIFF OF BIENVILLE PARISH, State of Louisiana, who after being duly sworn, deposed and said:

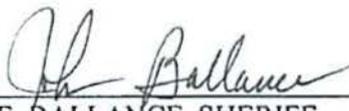
The following information is true and correct:

\$1,022,230 is the amount of cash on hand in the tax collector account on June, 30, 2017.

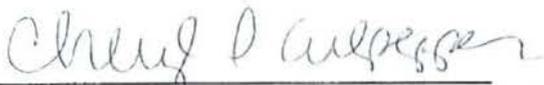
He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year, 2016, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.

  
\_\_\_\_\_  
JOHN E. BALLANCE, SHERIFF  
SHERIFF & EX-OFFICIO TAX COLLECTOR

SWORN to and subscribed before me, Notary, this 28<sup>th</sup> day of December, 2017, in my office in Arcadia, Louisiana.

  
\_\_\_\_\_  
CHERYL P. CULPEPPER, NOTARY PUBLIC #56115  
BIENVILLE PARISH, LOUISIANA

BIENVILLE PARISH SHERIFF  
Arcadia, LouisianaSchedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended June 30, 2017

JOHN BALLANCE, SHERIFF

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$144,904
Expense allowance	14,504
Benefits-insurance	10,957
Benefits-retirement	41,207
Housing and lodging	1,484
Cellphone	625
Registration fees	385
Other membership dues	150
Membership dues-Sheriffs Association	13,295

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and For the Year June 30, 2017

**GENERAL FUND - EXPENDITURE DETAIL**

Schedule 3 presents expenditures of the General Fund by department for the year ended June 30, 2017.

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**TAX COLLECTOR FUND**

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

**CIVIL FUND**

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payment to recipients in accordance with applicable laws.

**CRIMINAL FUND**

The Criminal Fund accounts for the collection of bonds, fines, and court costs in criminal matters and payment to recipients in accordance with applicable laws.

**INMATE FUND**

The Inmate Fund accounts for funds of inmates that are used for personal items purchased by the inmates at the commissary located at the jail.

**FLOWER FUND**

The Flower Fund accounts for payroll deductions from employees. Deposits in the fund are used for the purchase of flowers for hospitalized employees and their families and for funerals.

**SCHOLARSHIP FUND**

The Scholarship Fund accounts for an annual donation by a parish resident. Scholarships are provided to worthy high school graduates who are entering college.

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Expenditures, By Department  
For the Year Ended June 30, 2017

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>GENERAL GOVERNMENT</b>			
Taxation - collector - operating services	\$22,977	\$22,977	
<b>PUBLIC SAFETY</b>			
Administration:			
Personal services and related benefits	836,532	856,913	(\$20,381)
Operating services	103,662	103,992	(330)
Materials and supplies	38,708	32,390	6,318
Travel and other charges	5,050	5,102	(52)
Capital outlay	88,569	87,145	1,424
Sub-total administration	<u>1,072,521</u>	<u>1,085,542</u>	<u>(13,021)</u>
Civil services:			
Personal services and related benefits	219,127	219,485	(358)
Operating services	6,963	6,897	66
Materials and supplies	5,091	4,158	933
Sub-total civil services	<u>231,181</u>	<u>230,540</u>	<u>641</u>
Criminal investigation:			
Personal services and related benefits	603,491	603,740	(249)
Operating services	81,964	82,985	(1,021)
Materials and supplies	38,737	38,668	69
Travel and other charges	44,904	43,626	1,278
Capital outlay	371,815	371,815	
Sub-total criminal investigation	<u>1,140,911</u>	<u>1,140,834</u>	<u>77</u>
Patrol:			
Personal services and related benefits	2,515,788	2,523,047	(7,259)
Operating services	168,467	166,369	2,098
Materials and supplies	195,437	202,866	(7,429)
Travel and other charges	1,263	1,263	
Capital outlay	246,997	249,640	(2,643)
Sub-total patrol	<u>3,127,952</u>	<u>3,143,185</u>	<u>(15,233)</u>

(Continued)

BIENVILLE PARISH SHERIFF  
 Arcadia, Louisiana  
 GOVERNMENTAL FUND TYPE - GENERAL FUND  
 Schedule of Expenditures, By Department, etc.

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>PUBLIC SAFETY: (CONTD.)</b>			
Records and identification:			
Personal services and related benefits	\$58,539	\$58,650	(\$111)
Operating services	5,873	5,873	
Materials and supplies	908	715	193
Sub-total records and identification	<u>65,320</u>	<u>65,238</u>	<u>82</u>
Youth investigation and control:			
Personal services and related benefits	308,741	308,987	(246)
Operating services	19,506	18,287	1,219
Materials and supplies	3,367	3,287	80
Capital outlay	27,422	28,641	(1,219)
Sub-total investigation and control	<u>359,036</u>	<u>359,202</u>	<u>(166)</u>
Custody of prisoners:			
Personal services and related benefits	948,204	950,241	(2,037)
Operating services	45,480	45,043	437
Materials and supplies	78,832	80,194	(1,362)
Travel and other charges	24,538	22,208	2,330
Capital outlay	38,542	50,342	(11,800)
Sub-total custody of prisoners	<u>1,135,596</u>	<u>1,148,028</u>	<u>(12,432)</u>
Communications:			
Personal services and related benefits	1,005,559	1,008,737	(3,178)
Operating services	175,123	181,140	(6,017)
Materials and supplies	7,820	6,684	1,136
Sub-total communications	<u>1,188,502</u>	<u>1,196,561</u>	<u>(8,059)</u>
Total expenditures	<u>\$8,343,996</u>	<u>\$8,392,107</u>	<u>(\$48,111)</u>

(Concluded)

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Schedule of Changes in Unsettled Balances  
Due to Taxing Bodies and Others  
For the Year Ended June 30, 2017

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUND	FLOWER FUND	SCHOLAR- SHIP FUND	TOTAL
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2016</b>	\$132,914	\$2,801	\$671,517	\$58,154	\$2,952	\$2,501	\$870,839
<b>ADDITIONS</b>							
Deposits:							
Sheriff's sales		79,158					79,158
Fines and costs			1,741,219				1,741,219
Garnishments		12,385	90,112				102,497
Other deposits		30,273		51,638	3,112		85,023
Taxes, fees, etc.,	39,171,393	1					39,171,394
Total additions	39,171,393	121,817	1,831,331	51,638	3,112	NONE	41,179,291
Total	39,304,307	124,618	2,502,848	109,792	6,064	2,501	42,050,130
<b>REDUCTIONS</b>							
Deposits settled to:							
Louisiana Forestry Commission	30,109						30,109
Louisiana Tax Commission	53,607						53,607
Bienville Parish:							
Sheriff's General Fund	6,341,355	79,705	287,748				6,708,808
Police Jury	4,230,005						4,230,005
School Board	20,198,170						20,198,170
Assessor	713,870						713,870
Clerk of Court	1,327	16,395	149,706				167,428
Library	1,310,300						1,310,300
Hospital Service District No. 1	109,315						109,315
Hospital Service District No. 2	1,083,820						1,083,820
Recreation District No. 1	267,823						267,823
Shady Grove Recreation Dist.	127,581						127,581
Shiloh Water District	8,073						8,073
North Bienville Fire District	573,109						573,109
Fire Protection District No.4-5	922,620						922,620
Fire Protection District No. 6	450,490						450,490
Fire Protection District No. 7	451,636						451,636
Pension funds	1,083,511						1,083,511
District attorney			203,049				203,049
Indigent defender board			259,880				259,880

(Continued)

BIENVILLE PARISH SHERIFF  
 Arcadia, Louisiana  
 FIDUCIARY FUND TYPE - AGENCY FUNDS  
 Schedule of Changes in Unsettled Balances  
 Due to Taxing Bodies and Others, 2017

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUND	FLOWER FUND	SCHOL- ARSHIP FUND	TOTAL
<b>REDUCTIONS: (CONTD.)</b>							
Deposits settled to: (Contd.)							
Judge's expense account			\$56,940				\$56,940
Criminal court fund			479,309				479,309
Witness fees			59,250				59,250
Second judicial district court			69,047				69,047
Litigants		\$16,492					16,492
Attorneys, appraisers, etc.		4,600					4,600
COLE			12,730				12,730
Refunds	\$13,305						13,305
Traumatic Injury Trust			25,400				25,400
Case management information sys			17,410				17,410
Jury service compensation			57,880				57,880
Council on Aging	312,051						312,051
Other reductions		6,734	595,321	\$72,724	\$2,431	\$1,000	678,210
Total reductions	<u>38,282,077</u>	<u>123,926</u>	<u>2,273,670</u>	<u>72,724</u>	<u>2,431</u>	<u>1,000</u>	<u>40,755,828</u>
<b>UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2017</b>							
	<u>\$1,022,230</u>	<u>\$692</u>	<u>\$229,178</u>	<u>\$37,068</u>	<u>\$3,633</u>	<u>\$1,501</u>	<u>\$1,294,302</u>

(Concluded)

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
PART IV**

**Independent Auditor's Report Required  
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations and contracts, and internal control over financial reporting are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**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 *Government Auditing Standards***

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

I 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 Bienville Parish Sheriff, a component unit of the Bienville Parish Policy Jury, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Bienville Parish Sheriffs official statements, and have issued my report thereon dated December 28, 2017.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Bienville Parish Sheriffs internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bienville Parish Sheriff's internal control. Accordingly, I do not express an opinion on the effectiveness of the Bienville Parish Sheriff's internal control.

*A deficiency in internal control* exist 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 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.

BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2017

My 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 my audit I did not identify any deficiencies in internal control that I 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 Bienville Parish Sheriff's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bienville Parish Sheriff'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 Bienville Parish Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

December 28, 2017

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2017

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Bienville Parish Sheriff.
2. No instances of noncompliance material to the financial statements of the Bienville Parish Sheriff were disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

BIENVILLE PARISH SHERIFF  
Arcadia, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2017

There were no audit findings reported in the audit for the year ended June 30, 2016.

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

Bienville Parish Sheriff  
PO Box 328  
Arcadia, LA 71001

To the Bienville Parish Sheriff's Office

I have performed the procedures enumerated below, which were agreed to by the management of the Bienville Parish Sheriff's Office and the Louisiana Legislative Auditor, State of Louisiana, on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. Management of Bienville Parish Sheriff's Office is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

**AGREED-UPON PROCEDURES**

**WRITTEN POLICIES AND PROCEDURES**

1. The Bienville Parish Sheriff has no written policies and procedures for the test period.

**BOARD (OR FINANCE COMMITTEE, IF APPLICABLE)**

2. The Bienville Parish Sheriff's office does not have a board or a finance committee therefore this procedure is not applicable.

**BANK RECONCILIATIONS**

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

The agency provided me with a certified list of all bank accounts.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

The agency had a total of 29 bank accounts, so a random sample of 10 bank accounts was selected to test the following:

A) Bank reconciliations have been prepared;

For the 10 bank accounts selected above, all were reconciled each month for the period tested.

B) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation;

For the 10 bank accounts selected above, it was determined that the chief civil deputy prepares the bank reconciliations. The deputy that prepares the reconciliation is not always independent of involvement in the transactions of the associated bank account.

C) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more that 6 months as of the end of the fiscal period.

For the 10 bank accounts selected above, 3 of the 10 accounts had outstanding reconciling items over six months.

## COLLECTIONS

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Agency provided me with a certified list of collection locations and I verified that it was complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis

(if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

The agency has 1 collection location. It was selected for testing for the following:

- A) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

All employees of the sheriff's office are covered by a blanket bond insurance policy which covers employee theft. All employees collect tax payments and work out of the same cash drawer. The other drawer is the criminal fund, and only one employee works out of it. Bank reconciliations are prepared by the chief civil deputy.

- B) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

The tax cash register is reconciled and deposits are made daily. The criminal fund drawer is reconciled daily and deposited daily. The deposit is not always made by an employee that is different from the employee that is reconciling the bank statements for that particular fund.

- C) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

The agency provided a certified list of the highest (dollar) week of cash collections for each collection location. We verified the highest week was December 25, 2016 thru December 31, 2016, which was tested for the following:

- ▶ Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

The 6 funds were tested for deposits of collections. For the week tested, 1 of the 6 funds did not make daily deposits.

- ▶ Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

The 6 funds were tested for deposits of collections. All collections for the week tested had proper documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

The agency has no written policies or procedures to determine completeness of collections or revenue sources.

#### **DISBURSEMENTS-GENERAL (EXCLUDING CREDIT CARD/DEBIT CARD/P-CARD PURCHASES OR PAYMENTS)**

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Agency provided a complete year to date general ledger for every fund and represented that the general ledgers were complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- A) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

The Bienville Parish Sheriff's office does not use purchase orders or requisitions.

- B) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

The Bienville Parish Sheriff's office does not use purchase orders or requisitions.

- C) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

The Bienville Parish Sheriff's office does not use purchase orders or requisitions. All goods received had a signed receipt showing receipt of goods purchased.

- 10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Bienville Sheriff uses GFA software which does not allow them to restrict any user from adding vendors.

- 11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

There are several check signers. The chief civil deputy is responsible for issuing the check and signing that check, she also reconciles the bank accounts. The civil checks are stamped with the sheriff's signature stamp. The criminal checks are signed by the deputy that handles the criminal fund.

- 12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those person that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

The unused checks are stored in a secure location, but are not restricted to the employees with signatory authority.

- 13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

The Bienville Parish Sheriff has a signature stamp which is kept in a secured location by the chief civil deputy. She gives it to the other deputies to stamp civil checks.

#### **CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS**

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

The agency provided me with a certified list of all active credit cards, fuel cards, etc.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

From the list in #14, 10 credit/fuel cards were randomly selected to test the following:

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- A) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

The chief civil deputy reviews all fuel card statements and prepares the checks. If any unusual purchases are noted, they are investigated by the chief civil deputy.

- B) Report whether finance charges and/or late fees were assessed on the selected statements.

For the 10 cards tested, service charges and interest charges were noted on several of the statements for the test period.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

A) For each transaction, report whether the transaction is supported by:

- ▶ An original itemized receipt (i.e., identifies precisely what was purchased)

All of the transactions tested had the original itemized receipts.

- ▶ Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

The transactions tested appear to be for business purposes.

- ▶ Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

There is no other documentation required for credit card purchases.

B) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

There were no transactions on the credit cards that required compliance with the public bid law. The agency had no written policies or procedures concerning purchases/disbursements during the test period.

C) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

For the 10 cards selected there was no evidence of Article 7, Section 14 violations.

## **TRAVEL AND EXPENSE REIMBURSEMENT**

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

The agency provided me with a certified list of employees who received travel or related expense reimbursements during the testing period.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

Agency does not have written policies and procedures for travel. The transactions selected to test were compared to the U.S. General Services Administration policies. None of the agencies transaction rates tested exceeded the GSA rates.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expense selected:

The 3 employees with the most travel costs during the test period were selected and tested for the following:

- A) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

The agency had no written policies or procedures for travel, so amounts selected were compared to the GSA rates, no exceptions noted.

- B) Report whether each expense is supported by:

- ▶ An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

All travel reimbursements tested had original itemized receipts.

- ▶ Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

All travel reimbursements tested were determined to be for business purposes.

- ▶ Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No other documentation is required by the agency for travel reimbursements.

- C) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No violations of Article 7 Section 14 were noted during testing.

- D) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Travel reimbursements were approved by a supervisor, chief deputies, or the sheriff.

## CONTRACTS

- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Agency provided a certified list of all contracts in effect during the test period.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices:

The contracts that were paid the most money were selected from the list of contracts from #20 and tested for the following:

- A) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

Agency has a formal/written contract for all selected to be tested.

- B) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- ▶ If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
- ▶ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

For the contracts tested, none of them required compliance with the public bid law. The agency did solicit quotes to get the best deal for the sheriff's office.

- C) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

None of the contracts selected were amended.

- D) Select the largest payment from each of the five contracts, obtain the supporting invoices, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

The contract payments that were tested were in compliance with the contract terms and conditions.

- E) Obtain/review contract documentation and board minutes and report whether there is a documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

This is not applicable to the Sheriff.

## **PAYROLL AND PERSONNEL**

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

Agency provided a certified list of all employees with their authorized salaries. Five employees were selected to test the following:

- A) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

The 5 employees chosen were paid in accordance with the terms and conditions of their employment.

- B) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

All changes to the salaries of the 5 employees chosen were approved by the sheriff in writing.

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- A) Report whether all selected employees/official documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Of the 25 employees selected, all employees that are eligible to earn leave time documented their daily attendance. The agency tracks leave time earned and used. Leave time is not accrued and paid to the employee upon termination.

- B) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

Of the 25 employees that were selected, supervisors approved the employees attendance and leave time.

- C) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

The agency tracks leave time earned and used.

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the

termination payments were made in strict accordance with policy and/or contract and approved by management.

Agency provided a list of employees terminated during the testing period. The agency certified that it was complete. The employees terminated with the largest payments were selected and tested to determine that their termination payments were in accordance with the policy - no exceptions noted.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

During testing of the agency it was determined that the Bienville Sheriff's office is submitting payroll tax and required forms by the required deadlines. It appears that retirement contributions and reports are not always submitted in a timely manner.

#### **ETHICS (EXCLUDING NONPROFITS)**

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Agency provided support for ethics training for the five randomly selected employees above.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

There were no ethics violations reported to the sheriff's office during the test period.

#### **DEBT SERVICE (EXCLUDING NONPROFIT)**

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

The Bienville Parish Sheriff had no debt outstanding during the test period that required bond commission approval.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

The Bienville Parish Sheriff has no debt outstanding.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

The Bienville Parish Sheriff has no debt, therefore this does not apply.

#### **OTHER**

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

The sheriff's office has no known misappropriation of funds during the test period.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

I observed the fraud hotline notice posted on the premises and a link to the notice was posted on the website.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

There were no other exceptions noted during procedures.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Mary Jo Finley, CPA  
December 28, 2017



## BIENVILLE PARISH SHERIFF'S OFFICE

JOHN E. BALLANCE  
SHERIFF AND EX-OFFICIO TAX COLLECTOR

P. O. Box 328 • 100 COURTHOUSE DR.  
ARCADIA, LOUISIANA 71001  
PHONE (318) 263-2215 • FAX (318) 263-7418

December 28, 2017

Mary Jo Finley, CPA  
116 Professional Drive  
West Monroe, LA 71291

Following is the Bienville Parish Sheriff's Office response to the report of exceptions found during your testing performed in accordance with the Agreed-Upon Procedures:

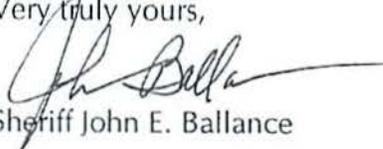
1. Policies and Procedures, although not written, were in place during this test period. Our administration is actively completing written policies and procedures that should be completed by next testing period.
2. No response is required.
3. No response is required.
4.
  - A) No response is required.
  - B) We will have another deputy reconcile the bank statements for the accounts that the chief civil deputy handles exclusively. All other accounts with the exception of the general fund are handled by other deputies. The general fund transactions are handled by a deputy other than the chief civil deputy for the most part. The chief civil deputy only handles a small portion of transactions for the general fund.
  - C) A closer review of outstanding transactions will be performed. However, the inmate funds are difficult because often times it is hard to find an inmate once released. However, we will get with our auditor to see what we can do with these outstanding checks.
5. No response is required.
6. No response is required.

- A) It is not feasible to have a cash drawer for four employees in the same office. The cash drawer is reconciled daily. There is only one deputy who reconciles the drawer daily. There are three deputies who rotate daily making deposits. The chief civil deputy does not reconcile the drawer or make daily deposits.
  - B) The deposits for all accounts with the exception of the general fund will be handled by a deputy other than the deputy/chief civil deputy reconciling the bank statements. As previously discussed, the chief civil deputy only handles a small portion of transactions for the general fund.
  - C) All deposits will be made daily from this point forward.
7. Our administration is actively completing policies and procedures for the next testing period.
8. No response is required
- 9.
- A) Effective January 1, 2018, a requisition/purchase order system will be used.
  - B) The Sheriff, Chief Deputy or Chief Civil Deputy will authorize by signature all purchases made.
  - C) No response is required.
10. We will restrict any user from adding vendors. The chief civil deputy will be the only person allowed to add vendors.
11. It is not cost effective to have a complete segregation of duties. However, we will make every effort to insure that the chief civil deputy does not sign checks on accounts that she reconciles unless it is an emergency. The criminal checks are signed by bailiff and she does not reconcile any accounts.
12. Checks are locked in the vault. Due to size of agency it is not feasible to restrict access from deputies who are involved in the check writing process.
13. Civil and general fund checks are stamped. Criminal checks are signed by bailiff.
14. No response is required.
- 15.
- A) No response is required.
  - B) Procedures have been put in place to insure credit cards are paid timely.

- 16.
- A) No response is required.
  - B) No response is required.
  - C) No response is required.
17. No response is required.
18. We will have in place new travel policies and procedures by next testing period.
- 19.
- A) We will have in place new travel policies and procedures by next testing period.
  - B) No response is required.
  - C) No response is required.
  - D) No response is required.
20. No response is required.
- 21.
- A) No response is required.
  - B) No response is required.
  - C) No response is required.
  - D) No response is required.
  - E) No response is required.
- 22.
- A) No response is required.
  - B) No response is required.
- 23.
- A) No response is required.
  - B) No response is required.
  - C) No response is required.
24. No response is required.
25. We have had issues with our software for pension reports. However, we will do everything possible to make sure these issues are corrected in a timely manner from this point forward.
26. No response is required.
27. No response is required.

28. No response is required.
29. No response is required.
30. No response is required.
31. No response is required.
32. No response is required.
33. No response is required.

Very truly yours,



Sheriff John E. Ballance

JEB/cpc