

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2018
With Supplemental Information Schedules

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

Annual Financial Statements
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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, 2018, 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, 2018

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, 2018, 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 41 through 42, the schedule of funding progress for the retiree healthcare plan on page 43, the schedule of the Sheriff's proportionate share of the net pension liability on pages 44 through 45, 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' 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 48 and the Sheriff's sworn statement presented on page 47 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, 2018

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated December 28, 2018, 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, 2018

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana
Management's Discussion and Analysis
June 30, 2018

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, 2018. 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 \$10,416,500. 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>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalents	\$15,873,009	\$16,569,088
Receivables	411,420	243,951
Prepaid assets	142,979	143,130
Capital assets (net of accumulated depreciation)	<u>669,340</u>	<u>818,361</u>
TOTAL ASSETS	<u>17,096,748</u>	<u>17,774,530</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	<u>1,936,841</u>	<u>2,466,985</u>
TOTAL ASSETS	<u>19,033,589</u>	<u>20,241,515</u>
LIABILITIES		
Accounts payable	28,542	39,003
Salaries payable	81,414	69,998
Withholdings payable	85,415	13,022
Net pension liability	2,994,077	3,844,949
Net OPEB obligation	<u>5,116,673</u>	<u>2,997,851</u>
TOTAL LIABILITIES	8,306,121	6,964,823
DEFERRED INFLOWS OF RESOURCES		
Pension and OPEB related	310,968	99,866
NET POSITION		
Invested in capital assets, net of related debt	669,340	818,361
Unrestricted	<u>9,747,160</u>	<u>12,358,465</u>
TOTAL NET POSITION	<u>\$10,416,500</u>	<u>\$13,176,826</u>

STATEMENT OF ACTIVITIES

	<u>2018</u>	<u>2017</u>
Public Safety:		
Personal services	\$6,978,534	\$6,835,988
Operating services	949,065	633,563
Materials and supplies	434,750	371,503
Travel	68,584	72,096
Depreciation expense	<u>259,051</u>	<u>416,108</u>
Total Program Expenses	<u>8,689,984</u>	<u>8,329,258</u>
Program revenues:		
License and permits	40	30
Commissions on fines and bonds	89,364	100,467
Commissions on judicial sales and seizures	33,828	49,467
Civil and criminal fees	148,640	200,971
Commissions on licenses and taxes	18,195	25,998
Court attendance	6,222	7,242
Transportation of prisoners	37,176	40,632
Feeding and keeping prisoners	167,474	218,198
Operating grant	245,049	236,699
Tax notices, etc.	<u>35,823</u>	<u>103,573</u>
Total program revenues	<u>781,811</u>	<u>983,277</u>
Net Program Expenses	(7,908,173)	(7,345,981)
General revenues:		
Taxes:		
Ad valorem	6,425,742	6,251,348
State revenue sharing	57,938	57,925
Grants and contributions not restricted to specific programs:		

Federal sources	\$32,819	\$1,348
State sources	161,838	207,242
Local sources	211,150	161,148
Interest earned	37,264	25,449
Miscellaneous	291,748	278,058
Special item - gain (loss) on disposal of assets	<u>2,800</u>	
Change in Net Position	(686,874)	(363,463)
NET POSITION		
Beginning of year as restated	<u>11,103,374</u>	<u>13,540,289</u>
End of year	<u>\$10,416,500</u>	<u>\$13,176,826</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, 2018, combined governmental fund balances of \$16,232,037, showed a decrease of \$602,109 over June 30, 2017. \$16,156,911 of this fund balance is unassigned while the remaining \$75,126 is designated for inmates.

General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget amounts were due primarily to a decrease in ad valorem taxes, state supplemental pay, other state grants, local grants, commissions on state revenue sharing, commissions on fines and bonds, commissions on judicial sales and seizures, civil and criminal fees, commissions on licenses and taxes, court attendance, transportation of prisoners, feeding and keeping prisoners, and tax notices and increases in federal grants, use of money and property and other revenues. Differences between expenditures of the original budget and the final budget amounts were due to decreases in personal services and benefits, materials and supplies and travel and other charges and an increase in 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, 2018, amounts to \$669,340 (net of accumulated depreciation). This investment includes furniture, vehicles, and equipment. The increase in capital assets for the year was \$110,030 and deletions of \$2,828 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, 2018 is \$5,116,673. Net Pension obligation associated with the Pension Plan at June 30, 2018 is \$2,994,077.

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, 2018

ASSETS

Cash and cash equivalents	\$15,873,009
Receivables	411,420
Prepaid assets	142,979
Capital assets (net of accumulated depreciation)	<u>669,340</u>
TOTAL ASSETS	<u>17,096,748</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension Related	<u>1,936,841</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$19,033,589</u></u>

LIABILITIES

Accounts payable	\$28,542
Salaries payable	81,414
Withholdings payable	85,415
Long term liabilities:	
Net Pension liability	2,994,077
Net OPEB obligation	<u>5,116,673</u>
TOTAL LIABILITIES	<u>8,306,121</u>

DEFERRED INFLOWS OF RESOURCES

Pension and OPEB related	<u>310,968</u>
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NET POSITION

Invested in capital assets, net of related debt	669,340
Unrestricted	<u>9,747,160</u>
TOTAL NET POSITION	<u>10,416,500</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$19,033,589</u></u>
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The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana
STATEMENT OF ACTIVITIES
June 30, 2018

Public Safety:	
Personal services	\$6,978,534
Operating services	949,065
Materials and supplies	434,750
Travel	68,584
Depreciation expense	259,051
Total Program Expenses	<u>8,689,984</u>
Program revenues:	
License and permits	40
Commissions on fines and bonds	89,364
Commissions on judicial sales and seizures	33,828
Civil and criminal fees	148,640
Commissions on licenses and taxes	18,195
Court attendance	6,222
Transportation of prisoners	37,176
Feeding and keeping prisoners	167,474
Operating grant	245,049
Tax notices, etc.	35,823
Total program revenues	<u>781,811</u>
Net Program Expenses	(7,908,173)
General revenues:	
Taxes:	
Ad valorem	6,425,742
State revenue sharing	57,938
Grants and contributions not restricted to specific programs:	
Federal sources	32,819
State sources	161,838
Local sources	211,150
Interest earned	37,264
Miscellaneous	291,748
Special item - gain (loss) on disposal of assets	2,800
Change in Net Position	<u>(686,874)</u>
NET POSITION	
Beginning of year as restated	<u>11,103,374</u>
End of year	<u>\$10,416,500</u>

The accompanying notes are an integral part of this statement.

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana
GOVERNMENTAL FUND

Balance Sheet, June 30, 2018

ASSETS

Cash and cash equivalents	\$15,873,009
Receivables	411,420
Prepaid expenditures	<u>142,979</u>
TOTAL ASSETS	<u><u>\$16,427,408</u></u>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	\$28,542
Salaries payable	81,414
Withholdings payable	<u>85,415</u>
Total Liabilities	<u>195,371</u>

Fund Equity:

Fund balance:	
Restricted - public safety	75,126
Unassigned	<u>16,156,911</u>
Total Fund Equity	<u>16,232,037</u>

TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$16,427,408</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, 2018

Total Fund Balances at June 30, 2018 - Governmental Funds - (Statement C)		\$16,232,037
Deferred outflows - pension related		1,936,841
Cost of capital assets at June 30, 2018	\$4,060,492	
Less: Accumulated depreciation	<u>(3,391,152)</u>	669,340
Long term liabilities at June 30, 2018:		
Net OPEB obligation	5,116,673	
Net pension liability	<u>2,994,077</u>	(8,110,750)
Deferred inflows of resources		<u>(310,968)</u>
Net Position at June 30, 2018 (Statement A)		<u>\$10,416,500</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, 2018

REVENUES

Taxes - ad valorem	\$6,425,742
Licenses and permits	40
Intergovernmental revenues:	
Federal grants	32,819
State grants:	
State supplemental pay	245,049
Other	161,838
Local grants	211,150
Fees, charges, and commissions for services:	
Commissions on state revenue sharing	57,938
Commissions on fines and bonds	89,364
Commissions on judicial sales and seizures	33,828
Civil and criminal fees	148,640
Commissions on licenses and taxes	18,195
Court attendance	6,222
Transportation of prisoners	37,176
Feeding and keeping of prisoners	167,474
Tax notices, etc.	35,823
Use of money and property	37,264
Other	17,284
Total revenues	<u>7,725,846</u>

EXPENDITURES

Public safety:	
Current:	
Personal services and related benefits	6,768,326
Operating services	949,065
Materials and supplies	434,750
Travel and other charges	68,584
Capital outlay	110,030
Total expenditures	<u>8,330,755</u>

EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES (604,909)

OTHER FINANCING SOURCE-

Proceeds from disposal of assets 2,800

EXCESS (Deficiency) OF REVENUES AND OTHER SOURCE OVER EXPENDITURES (602,109)

FUND BALANCE AT BEGINNING OF YEAR 16,834,146

FUND BALANCE AT END OF YEAR \$16,232,037

(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, 2018

Total net change in fund balances - governmental funds (Statement D)	(\$602,109)
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.	(149,021)
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.	(95,523)
Non-employer contributions to cost-sharing pension plan.	274,464
Pension expense	<u>(114,685)</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$686,874)</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, 2018

	TAX COLLECTOR	CIVIL	CRIMINAL	INMATE	FLOWER	SCHOLAR- SHIP	TOTAL
ASSETS							
Cash and cash equivalents	\$2,564,047	\$2,187	\$180,819	\$67,541	\$3,998	\$501	\$2,819,093
LIABILITIES							
Due to taxing bodies and others	\$2,564,047	\$2,187	\$180,819	\$67,541	\$3,998	\$501	\$2,819,093

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2018

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

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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

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Notes to the Financial Statements (Continued)

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.

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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, 2018, the sheriff has cash and equivalents (book balances) totaling \$18,692,102 as follows:

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 Notes to the Financial Statements (Continued)

Demand deposits	\$3,315,396
Petty cash	2,500
Time deposits	<u>15,374,206</u>
Total	<u>\$18,692,102</u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Sheriff's name.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times 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, 2018, are secured as follows:

Bank balances	<u>\$18,985,836</u>
Federal deposit insurance	\$1,232,071
Pledged securities (uncollateralized)	<u>21,697,347</u>
Total	<u>\$22,929,418</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, 2018, 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, 2018.

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

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Notes to the Financial Statements (Continued)

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.

J. OPEB PLAN

The Sheriff's defined benefit postemployment health care plan provides OPEB to eligible retired employees. The plan provides OPEB for permanent full-time employees of the Sheriff. The Sheriff's OPEB plan is a single employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

K. EQUITY CLASSIFICATIONS

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. The Sheriff adopted GASB Statement 54 for the year ended June 30, 2018. As such, fund balances of the governmental funds are classified as follows:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

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Restricted - represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

Assigned - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Sheriff reduces committed amounts first, followed by assigned amounts and the unassigned amounts.

L. ESTIMATES

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

**M. CURRENT YEAR ADOPTION OF NEW ACCOUNTING
STANDARDS AND RESTATEMENT OF NET POSITION**

The Bienville Parish Sheriffs' Office adopted Government Accounting Standards Board (GASB) Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75") to replace GASB 45. The net effect to the Government-Wide Statement of Net Position is as follows:

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 Notes to the Financial Statements (Continued)

Total Net Position, June 30, 2017, as previously stated	\$13,176,826
Net Change in OPEB at June 30, 2018	<u>(2,073,452)</u>
Total Net Position, June 30, 2018, Restated	<u><u>\$11,103,374</u></u>

2. RECEIVABLES

The General Fund receivables of \$411,420, at June 30, 2018, are as follows:

<u>Class of receivables</u>	
Federal grants	\$879
State grants	236,620
Local grants	133,866
Fees, charges, and commissions for services	17,732
Feeding and transporting prisoners	14,749
Due from employees for weapons	<u>7,574</u>
Total	<u><u>\$411,420</u></u>

3. ON-BEHALF PAYMENTS

Certain employees of the Bienville Parish Sheriff receive supplemental pay from the State. In accordance with GASB Statement No. 24, the Sheriff has recorded revenues and expenditures for these payments in the General Fund. Revenues and expenditures under this arrangement totaled \$245,049.

4. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment follows:

Adjusted balance at June 30, 2017	\$3,953,290
Additions	110,030
Deletions	<u>(2,828)</u>
Balance at June 30, 2018	4,060,492
Less accumulated depreciation	<u>(3,391,152)</u>
Net Capital Assets	<u><u>\$669,340</u></u>

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Notes to the Financial Statements (Continued)

5. 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. Employer contributions, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed.

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.

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Notes to the Financial Statements (Continued)

The Sheriffs' Pension and Relief Fund has issued a stand-alone audit report on their financial statements for the year ended June 30, 2017. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.gov.

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 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

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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.

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

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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 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, 2018, 2017, and 2016 were \$621,374, \$634,636, and \$568,882, 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, 2018, the Sheriff reported a liability of \$2,994,077 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, 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, 2017, the Sheriffs' proportion was .6914 percent, which was an increase of .0856 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Sheriff recognized pension expense of \$114,685. At June 30, 2018, 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	\$2,466,985	\$99,866
Change in system deferred outflows and inflows of resources	(750,265)	160,880

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 Notes to the Financial Statements (Continued)

Changes in proportionate share	\$233,108	
Differences between Sheriff contributions and proportionate share of contributions		\$69
Contributions for the measurement period	(634,361)	
Sheriff contributions subsequent to the measurement date	621,374	
Total	\$1,936,841	\$260,815

\$621,374 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 resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$70,038
2019	390,179
2020	146,816
2021	(179,301)
2022	68,133
2023	72,238
Total	568,103

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2017
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.5%, net of investment expense
Discount Rate	7.4%
Projected salary increases	5.5% (2.775% inflation, 2.725% 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

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 Notes to the Financial Statements (Continued)

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 morality 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.

The discounted rate used to measure the total pension liability was 7.4%. 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 7.4%, 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 (6.4%)	Current Discount Rate (7.4%)	1% Increase (8.4%)
Sheriffs' proportionate share of the net pension liability	\$6,168,588	\$2,994,077	\$323,158

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Bienville Parish Sheriff's Office (the Sheriff) provides certain continuing health care and life insurance benefits for its retired employees. The Bienville Parish Sheriff's OPEB Plan (the OPEB

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 Notes to the Financial Statements (Continued)

Plan) is a single-employer defined benefit OPEB plan administered by the Sheriff. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Sheriff. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

Benefits Provided - Medical/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 12 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 the first \$10,000 of retiree life insurance and the retiree pays the remainder. However, the rates on which the retiree “cost” is based are blended active/retired rates and there is thus an implied subsidy. Insurance coverage amounts are reduced to 75% of the original amount at age 65 and to 50% of the original amount at age 70.

Employees covered by benefit terms - At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	21
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	70
Total employees	<u>91</u>

Total OPEB Liability

The Sheriff’s total OPEB liability of \$5,116,673 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs - The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.5%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Flat 5.5% annually

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

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

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2018.

Changes in the Total OPEB Liability

Balance at June 30, 2017	\$5,071,303
Changes for the year:	
Service cost	91,453
Interest	174,579
Differences between expected and actual	(54,011)
Benefit payments and net transfers	(166,651)
Net Changes	<u>45,370</u>
Balance at June 30, 2018	<u>\$5,116,673</u>

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (4.5%) than the current discount rate:

	1.0% Decrease (2.5%)	Current Discount Rate (3.5%)	1.0% Increase (4.5%)
<u>Total OPEB liability</u>	<u>\$5,775,336</u>	<u>\$5,116,673</u>	<u>\$4,586,099</u>

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

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
<u>Total OPEB liability</u>	<u>\$4,582,964</u>	<u>\$5,116,673</u>	<u>\$5,770,487</u>

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

For the year ended June 30, 2018, the Sheriff recognized OPEB expense of \$262,174. At June 30, 2018, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual expenditures	NONE	(\$50,153)

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

Year ended June 30:	
2019	(\$3,858)
2020	(3,858)
2021	(3,858)
2022	(3,858)
2023	(3,858)
Thereafter	(30,863)

7. 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, 2017	\$1,022,230	\$692	\$229,178	\$37,068	\$3,633	\$1,501	\$1,294,302
Additions	40,817,823	302,060	1,666,763	46,649	1,621	NONE	42,834,916
Deletions	(39,276,006)	(300,565)	(1,715,122)	(16,176)	(1,256)	(1,000)	(41,310,125)
Balance, June 30, 2018	<u>\$2,564,047</u>	<u>\$2,187</u>	<u>\$180,819</u>	<u>\$67,541</u>	<u>\$3,998</u>	<u>\$501</u>	<u>\$2,819,093</u>

8. TAX COLLECTOR ENDING CASH BALANCE

At June 30, 2018, the tax collector has cash and equivalents (book balances) totaling \$2,564,047 as follows:

Protested taxes	\$2,555,196
Interest on tax account	<u>8,851</u>
Total	<u>\$2,564,047</u>

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

9. AD VALOREM TAXES COLLECTED

The tax collector has collected and disbursed the following taxes for the year ended June 30, 2018, by taxing body as follows:

Louisiana Forestry Service	\$30,358
Louisiana Tax Commission	50,996
Bienville Parish Assessor	723,386
Bienville Parish Police Jury	4,233,070
Bienville Parish School Board	20,547,134
Bienville Parish Sheriff	6,446,929
Bienville Parish Library	1,327,233
No. 4-5 Fire Protection District	967,327
Fire Protection District #6	417,317
Fire Protection District #7	420,197
NBP Fire Protection District	631,987
Hospital Service District #1	114,612
Hospital Service District #2	1,112,772
Recreation District #1	302,342
Shiloh Water District	7,899
Shady Grove Recreation District	114,987
Bienville Council on Aging	335,160
Total	<u>\$37,783,706</u>

10. TAX UNCOLLECTED AND UNSETTLED

At June 30, 2018, the tax collector has collected all assessed taxes for the year ended June 30, 2017.

11. OCCUPATIONAL LICENSES COLLECTED

At June 30, 2018, the tax collector has collected and disbursed the following:

	<u>Total</u> <u>Collection</u>	<u>Collection</u> <u>Cost</u>	<u>Final</u> <u>Distribution</u>
Bienville Parish Police Jury	<u>\$101,666</u>	<u>\$15,250</u>	<u>\$86,416</u>

12. LITIGATION AND CLAIMS

At June 30, 2018, 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.

**13. 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.

14. DESIGNATED FUND BALANCE

As shown on Statement C, \$75,126, 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, 2018:

Balance at July 1, 2017	\$73,935
Additions	16,836
Reductions	<u>(15,645)</u>
Balance at June 30, 2018	<u>\$75,126</u>

REQUIRED SUPPLEMENTARY INFORMATION

PART II

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes - ad valorem	\$6,502,000	\$6,431,811	\$6,425,742	(\$6,069)
Licenses and permits	50	40	40	
Intergovernmental revenues:				
Federal grants - federal revenue		195,124	32,819	(162,305)
State grants:				
State supplemental pay	275,000	245,296	245,049	(247)
Other state grants	240,625	180,585	161,838	(18,747)
Local grant	184,500	128,329	211,150	82,821
Fees, charges, and commissions for services:				
Commissions on state revenue sharing	60,000	57,938	57,938	
Commissions on fines and bonds	100,000	91,035	89,364	(1,671)
Commissions on judicial sales and seizures	60,000	33,849	33,828	(21)
Civil and criminal fees	200,150	168,708	148,640	(20,068)
Commissions on licenses and taxes	30,000	23,259	18,195	(5,064)
Court attendance	10,000	5,916	6,222	306
Transportation of prisoners	40,000	36,571	37,176	605
Feeding and keeping of prisoners	215,000	166,552	167,474	922
Tax notices, etc	105,250	57,453	35,823	(21,630)
Use of money and property	30,000	37,263	37,264	1
Other revenue	7,500	18,557	17,284	(1,273)
Total revenues	<u>8,060,075</u>	<u>7,878,286</u>	<u>7,725,846</u>	<u>(152,440)</u>
EXPENDITURES				
Public safety:				
Current:				
Personal services and benefits	6,820,595	6,769,909	6,768,326	1,583
Operating services	511,995	937,513	949,065	(11,552)
Materials and supplies	596,300	410,126	434,750	(24,624)
Travel and other charges	67,500	66,993	68,584	(1,591)
Capital outlay	40,000	141,619	110,030	31,589
Total expenditures	<u>8,036,390</u>	<u>8,326,160</u>	<u>8,330,755</u>	<u>(4,595)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	23,685	(447,874)	(604,909)	(157,035)
OTHER FINANCING SOURCE-				
Proceeds from disposal of assets	2,000	2,800	2,800	
EXCESS (Deficiency) OF REVENUES AND OTHER REVENUE OVER EXPENDITURES	<u>25,685</u>	<u>(445,074)</u>	<u>(602,109)</u>	<u>(157,035)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>4,929,313</u>	<u>4,929,313</u>	<u>16,834,146</u>	<u>11,904,833</u>
FUND BALANCES AT END OF YEAR	<u>\$4,954,998</u>	<u>\$4,484,239</u>	<u>\$16,232,037</u>	<u>\$11,747,798</u>

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2018

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
 Schedule of Changes in Net OPEB Liability and Related Ratios
 FYE June 30, 2018

Schedule of Funding Progress

Total OPEB Liability

Service cost	\$91,453
Interest	174,579
Changes of benefits terms	NONE
Differences between expected and actual experience	(54,011)
Changes of assumptions	NONE
Benefit payments	<u>(166,651)</u>
Net change in total OPEB liability	45,370
Total OPEB liability - beginning	<u>5,071,303</u>
Total OPEB liability - ending	<u><u>\$5,116,673</u></u>
Covered employee payroll	\$4,679,988
Net OPEB liability as a percentage of covered-employee payroll	109.30%

Note:

Benefit Changes. There were no changes of benefit terms for the year ended June 30, 2018

Changes of Assumptions. There were no changes of assumptions for the year ended June 30, 2018.

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

Bienville Parish Sheriff
Schedule of Employer's Share of Net Pension Liability
June 30, 2018

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.5917300%	\$2,343,274	\$3,726,439	62.88%	87.34%
June 30, 2016	0.6232590%	\$2,778,188	\$4,134,721	67.19%	86.61%
June 30, 2017	0.6058000%	\$3,844,949	\$4,137,323	92.93%	82.09%
June 30, 2018	0.6914290%	\$2,994,077	\$4,787,645	82.09%	88.49%

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, 2018

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	\$517,602	\$517,602	\$0	\$3,726,439	13.89%
June 30, 2016	\$589,198	\$589,198	\$0	\$4,134,721	14.25%
June 30, 2017	\$568,882	\$568,882	\$0	\$4,137,323	13.75%
June 30, 2018	\$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:

\$2,564,047 is the amount of cash on hand in the tax collector account on June, 30, 2018.

He further deposed and said:

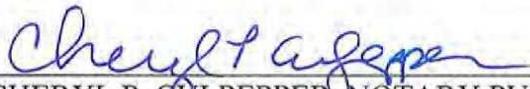
All itemized statements of the amount of taxes collected for the tax year, 2017, by taxing authority, are true and correct.

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 28th day of December, 2018, in my office in Arcadia, Louisiana.



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

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2018

JOHN BALLANCE, SHERIFF

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$145,761
Expense allowance	14,546
Benefits-insurance	11,797
Benefits-retirement	40,558
Benefits-medicare	2,526
Housing and lodging	2,778
Cellphone	629
Registration fees	720
Other membership dues	115
Membership dues-Sheriffs Association	13,361

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year June 30, 2018

GENERAL FUND - EXPENDITURE DETAIL

Schedule 3 presents expenditures of the General Fund by department for the year ended June 30, 2018.

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, 2018

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
GENERAL GOVERNMENT			
Taxation - collector - operating services	<u>\$30,797</u>	<u>\$30,797</u>	
PUBLIC SAFETY			
Administration:			
Personal services and related benefits	862,359	850,587	\$11,772
Operating services	157,224	157,362	(138)
Materials and supplies	40,656	38,864	1,792
Travel and other charges	<u>5,221</u>	<u>5,221</u>	
Sub-total administration	<u>1,065,460</u>	<u>1,052,034</u>	<u>13,426</u>
Civil services:			
Personal services and related benefits	241,531	243,774	(2,243)
Operating services	5,450	5,450	
Materials and supplies	5,440	5,417	23
Travel and other charges	<u>239</u>	<u>239</u>	
Sub-total civil services	<u>252,660</u>	<u>254,880</u>	<u>(2,220)</u>
Criminal investigation:			
Personal services and related benefits	625,715	630,194	(4,479)
Operating services	115,376	114,474	902
Materials and supplies	39,292	47,759	(8,467)
Travel and other charges	36,188	37,858	(1,670)
Capital outlay	<u>52,898</u>	<u>43,506</u>	<u>9,392</u>
Sub-total criminal investigation	<u>869,469</u>	<u>873,791</u>	<u>(4,322)</u>
Patrol:			
Personal services and related benefits	2,576,610	2,574,701	1,909
Operating services	330,600	330,877	(277)
Materials and supplies	211,771	231,174	(19,403)
Travel and other charges	5,774	5,774	
Capital outlay	<u>58,672</u>	<u>36,475</u>	<u>22,197</u>
Sub-total patrol	<u>3,183,427</u>	<u>3,179,001</u>	<u>4,426</u>

(Continued)

BIENVILLE PARISH SHERIFF

Arcadia, Louisiana

GOVERNMENTAL FUND TYPE - GENERAL FUND

Schedule of Expenditures, By Department, etc.

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
PUBLIC SAFETY: (CONTD.)			
Records and identification:			
Personal services and related benefits	\$62,512	\$62,681	(\$169)
Operating services	2,781	20,440	(17,659)
Materials and supplies	2,124	2,232	(108)
Sub-total records and identification	<u>67,417</u>	<u>85,353</u>	<u>(17,936)</u>
Youth investigation and control:			
Personal services and related benefits	311,358	312,579	(1,221)
Operating services	19,369	19,369	
Materials and supplies	17,073	17,583	(510)
Travel and other charges	695	695	
Sub-total investigation and control	<u>348,495</u>	<u>350,226</u>	<u>(1,731)</u>
Custody of prisoners:			
Personal services and related benefits	999,351	1,000,833	(1,482)
Operating services	57,667	57,954	(287)
Materials and supplies	88,178	86,371	1,807
Travel and other charges	17,868	18,797	(929)
Sub-total custody of prisoners	<u>1,163,064</u>	<u>1,163,955</u>	<u>(891)</u>
Communications:			
Personal services and related benefits	1,090,473	1,092,977	(2,504)
Operating services	218,249	212,342	5,907
Materials and supplies	5,592	5,350	242
Travel and other charges	1,008		1,008
Capital outlay	30,049	30,049	
Sub-total communications	<u>1,345,371</u>	<u>1,340,718</u>	<u>4,653</u>
Total expenditures	<u>\$8,326,160</u>	<u>\$8,330,755</u>	<u>(\$4,595)</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, 2018

	TAX COLLECTOR FUND	CIVIL FUND	CRIMINAL FUND	INMATE FUND	FLOWER FUND	SCHOLAR- SHIP FUND	TOTAL
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2017	\$1,022,230	\$692	\$229,178	\$37,068	\$3,633	\$1,501	\$1,294,302
ADDITIONS							
Deposits:							
Sheriff's sales		256,876					256,876
Fines and costs			1,568,151				1,568,151
Garnishments		10,957	98,612				109,569
Other deposits		34,212		46,649	1,621		82,482
Taxes, fees, etc.,	40,817,823	15					40,817,838
Total additions	40,817,823	302,060	1,666,763	46,649	1,621	NONE	42,834,916
Total	41,840,053	302,752	1,895,941	83,717	5,254	1,501	44,129,218
REDUCTIONS							
Deposits settled to:							
Louisiana Forestry Commission	30,318						30,318
Louisiana Tax Commission	51,006						51,006
Bienville Parish:							
Sheriff's General Fund	6,514,511	62,465	252,075				6,829,051
Police Jury	4,340,042						4,340,042
School Board	20,623,399						20,623,399
Assessor	734,081						734,081
Clerk of Court	1,800	15,963	127,703				145,466
Library	1,346,847						1,346,847
Hospital Service District No. 1	113,821						113,821
Hospital Service District No. 2	1,112,892						1,112,892
Recreation District No. 1	304,932						304,932
Shady Grove Recreation Dist.	114,967						114,967
Shiloh Water District	7,901						7,901
North Bienville Fire District	632,129						632,129
Fire Protection District No.4-5	961,416						961,416
Fire Protection District No. 6	417,349						417,349
Fire Protection District No. 7	420,040						420,040
Pension funds	1,125,495						1,125,495
District attorney			187,715				187,715
Indigent defender board			223,043				223,043

(Continued)

BIENVILLE PARISH SHERIFF
 Arcadia, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 Schedule of Changes in Unsettled Balances
 Due to Taxing Bodies and Others, 2018

	<u>TAX COLLECTOR FUND</u>	<u>CIVIL FUND</u>	<u>CRIMINAL FUND</u>	<u>INMATE FUND</u>	<u>FLOWER FUND</u>	<u>SCHOL- ARSHIP FUND</u>	<u>TOTAL</u>
REDUCTIONS: (CONTD.)							
Deposits settled to: (Contd.)							
Judge's expense account			\$49,215				\$49,215
Criminal court fund			489,223				489,223
Witness fees			50,886				50,886
Second judicial district court			70,708				70,708
Litigants		\$212,574					212,574
Attorneys, appraisers, etc.		3,950					3,950
COLE			11,638				11,638
Refunds	\$82,172						82,172
Traumatic Injury Trust			21,072				21,072
Case management information sys			14,893				14,893
Jury service compensation			49,623				49,623
Council on Aging	334,397						334,397
Other reductions	<u>6,491</u>	<u>5,613</u>	<u>167,328</u>	<u>\$16,176</u>	<u>\$1,256</u>	<u>\$1,000</u>	<u>197,864</u>
Total reductions	<u>39,276,006</u>	<u>300,565</u>	<u>1,715,122</u>	<u>16,176</u>	<u>1,256</u>	<u>1,000</u>	<u>41,310,125</u>
UNSETTLED BALANCES DUE TO TAXING BODIES AND OTHERS, JUNE 30, 2018	<u>\$2,564,047</u>	<u>\$2,187</u>	<u>\$180,819</u>	<u>\$67,541</u>	<u>\$3,998</u>	<u>\$501</u>	<u>\$2,819,093</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 governmental activities and the major funds of the Bienville Parish Sheriff as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Bienville Parish Sheriff's basic financial statements, and have issued my report thereon dated December 28, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Bienville Parish Sheriff's internal control over financial reporting(internal control) 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.

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. I did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001, that I consider to be a significant deficiency.

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
June 30, 2018

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bienville Parish Sheriff's financial statements are free from 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*.

Bienville Parish Sheriff's Response to Findings

Bienville Parish Sheriff's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Bienville Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

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, 2018

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

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. One significant deficiency relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2018-001 Inadequate Segregation of Duties

Condition: The segregation of duties is inadequate to provide effective internal control.

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

Cause of Condition: The condition is due to economic limitations.

Effect of Condition: Not determined.

Recommendation: No action is recommended.

Response: Management has made changes to segregate duties in the office to help ensure a system of checks and balances.

BIENVILLE PARISH SHERIFF
Arcadia, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018

There were no audit findings reported in the audit for the year ended June 30, 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, 2018

TO: Louisiana Legislative Auditor

FROM: Sheriff John Ballance
Bienville Parish Sheriff's Office

RE: Findings – Financial Statement

In response to 2018-001 Inadequate Segregation of Duties:

The Chief Financial Officer will no longer be signing checks. All bank reconciliations will be performed in a timely manner by the Chief Financial Officer and reviewed by another deputy in the office.

We are in the process of segregating duties as much as the staffing of our office will allow.

A handwritten signature in blue ink, appearing to read 'John E. Ballance', is written over a horizontal line.

Sheriff John E. Ballance

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, 2017 through June 30, 2018. 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. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operation):

The Sheriff provided a policy and procedures manual to test against the agreed upon procedures.

- A. Budgeting, including preparing, adopting, monitoring, and amending the budget.

The budgeting policy and procedure is in compliance with the agree upon procedures guidelines.

- B. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

The purchasing policies and procedures are not in compliance with the agreed upon procedures guidelines. The Sheriff does not use purchase orders or requisitions. The Chief Financial Officer initiates and approves all purchases under the bid law amount. The Chief Financial Officer adds any new vendors. The policy and procedures outlines any purchases requiring compliance with the bid law.

C. Disbursements, including processing, reviewing, and approving

The purchasing policies and procedures are not in compliance with the agree upon procedures guidelines. The assistant deputy to the Chief Financial Officer compiles all accounts payable documentation and gives to the Chief Financial Officer to review. The Chief Financial Officer initiates all disbursements and designated employees signs all checks with a sheriffs signature stamp. The assistant deputy to the Chief Financial Officer mails all checks.

D. Receipts/Collections, including receiving, recording, and preparing deposits. Also policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or 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).

The Sheriff has a written policy and procedures for receipts, recording and preparing documents. The Sheriff is not in accordance with AUP guidelines. All employees receive money and work out of the same cash drawer. The Sheriff has employee theft insurance coverage for the employees.

E. Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

The Sheriff has policies and procedures pertaining to payroll/personnel. It addresses several areas such as leave time, holiday time, and compensatory time. The Chief Financial Officer is responsible for tracking the leave time and other compensatory time. All employees track time worked and leave time taken. The Sheriff is in compliance with the AUP guidelines.

F. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

The Sheriff has written policies and procedures concerning contracting. The Sheriff is in compliance with the AUP guidelines.

G. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

The Sheriff has a written policies and procedures addressing credit cards. The cards are in the name of the Sheriff, the Chief Financial Officer, and designated employees. Fuel cards are assigned to the deputies. The Sheriff is in compliance with the AUP guidelines.

- H. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

The Sheriff has policies and procedures in place to cover travel and expense reimbursements. The Sheriff is in compliance with the AUP guidelines.

- I. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Sheriff has ethics policies and procedures in place. All employees are required to take the online ethics course. There was no signature verification that the employees have read the agency policy on ethics.

- J. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The Sheriff has a written policies and procedures in place for debt service and is in compliance with the AUP guidelines.

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 for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

- A) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

The agency provided me with a certified list of all bank accounts. September, 2017 was randomly selected to be tested. The agency had a total of 30 bank accounts, so a random sample of 5 bank accounts were selected to test the following:

For the 5 bank accounts selected above, it was determined that the bank reconciliations were not dated to show evidence that they were reconciled within 2 months of the closing date of the statements. 3 of the 5 had evidence that they were not reconciled within 2 months of the closing date.

B) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation(e.g., initialed and dated, electronically logged);

For the 5 bank accounts selected above, it was determined that the all 5 bank reconciliations were performed by the Chief Financial Officer and that the reconciliations were not reviewed by the anyone else.

C) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more that 12 months from the statement closing date, if applicable.

For the 5 bank accounts selected above, 4 of the 5 accounts had outstanding reconciling items over 12 months.

COLLECTIONS

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

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

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A) Employees that are responsible for cash collections do not share cash drawers/registers.

The agency has 1 collection location with one cash drawer at the Sheriff's office. Multiple deputies work out of the same cash drawer.

B) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

All employees collect payments and work out of the same cash drawer. Bank reconciliations are prepared by the Chief Financial Officer. The tax cash register is reconciled and deposits

are made 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) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

All employees collect payments and work out of the same cash drawer. Tax payments are posted to the tax software when collected. The cash drawer is reconciled by a designated deputy and another deputy makes the deposit. The Chief Financial Officer posts the deposits to the accounting software. The Chief Financial Officer reconciles the bank statements.

- D) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The tax payments are posted to the tax software when received. The cash drawer is reconciled daily by a designated deputy and another deputy makes the deposit. The Chief Financial Officer posts the deposits to the accounting software. The Chief Financial Officer reconciles the bank statements.

- 6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

All employees of the sheriff's office are covered by a blanket bond insurance policy which covers employee theft.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statement when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- A) Observe that receipts are sequentially pre-numbered.

The Sheriff does not use pre-numbered receipts, the system generates receipts when money is collected.

- B) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip,

Deposit documentation was traced to the cash register information for the daily receipts.

- C) Trace the deposit slip total to the actual deposit per the bank statement.

The deposit slips selected were traced to the bank statement.

- D) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

The Sheriff's office location makes daily deposits.

- E) Trace the actual deposit per the bank statement to the general ledger.

The deposits were traced to the posting in the Software and Services (GFA) accounting software.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Agency provided a complete list of locations that process payments and represented that the list was complete.

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- A) At least two employees are involved in initialing a purchase request, approving a purchase, and placing an order/making the purchase.

The Sheriff does not use a purchase order system or purchase requisitions. The Chief Financial Officer initiates purchases and approves all purchases. The Sheriff has ultimate approval on all major purchases.

- B) At least two employees are involved in processing and approving payments to vendors.

Designated employees assigned to funds initiate all disbursements and signs all checks with a sheriff signature stamp.

- C) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The Chief Financial Officer adds all new vendors.

- D) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Designated employees assigned to specific funds initiate all checks and uses a sheriff signature stamp to sign all the checks. The assistant to the Chief Financial Officer mails all check payments.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- A) Observe that the disbursement matched the related original invoice/billing statement.

All disbursements selected to be tested had the proper support documentation.

- B) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Designated employees assigned to specific funds initiate the disbursements and sign all checks with a sheriffs signature stamp. The Chief Financial Officer reconciles all bank statements and there is no evidence that anyone else reviews the reconciliations.

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, 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.

- 12. Using the listing prepared by management, randomly select 5 cards, (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- A) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) 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 Financial Officer reviews all fuel card statements and prepares the checks. If any unusual purchases are noted, they are investigated by the Chief Financial Officer.

B) Observe that finance charges and late fees were not assessed on the selected statements.

For the card tested, there were interest charges on the credit card statement.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

All transactions tested had the proper documentation. The Chief Financial Officer or authorized card holder initiates all purchases and the Chief Financial Officer approves all purchases. No meal charges were tested.

TRAVEL AND EXPENSE REIMBURSEMENT

14. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

CONTRACTS

15. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

PAYROLL AND PERSONNEL

16. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

17. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

18. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

19. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

ETHICS (EXCLUDING NONPROFITS)

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and:

A) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

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

B) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Agency had no documentation to show that the employees have read the agency policy concerning the ethics policy.

DEBT SERVICE

21. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

22. The Bienville Parish Sheriff had no exceptions in the prior year AUP testing, therefore this section was excluded from testing for the current period.

OTHER

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) 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.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

I observed the fraud hotline notice posted on the premises.

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, 2018



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

RESPONSES TO REPORT ON AGREED UPON PROCEDURES

WRITTEN POLICIES AND PROCEDURES

1. (B), (C), (D) This office has made changes to further delegate and/or segregate duties. The Chief Financial Officer will discuss further changes with our auditor.

(I) We will have employees read our policy on ethics annually and have them sign stating that they have read the same.

BANK RECONCILIATIONS

2. (A), (B), (C) This office is in the process of clearing all items that have been carried on the reconciliations for more than 12 months. The Chief Financial Officer will no longer be signing checks. All bank reconciliations will be performed, in a timely manner, by the Chief Financial Officer and reviewed by another deputy in the office. The Chief Financial Officer and the other deputy reviewing the statements will initial each reconciliation.

COLLECTIONS

5. (A), (B), (C), (D) At this time, it is not cost effective to have more than one cash drawer. The Chief Financial Officer will reconcile all accounts. Therefore, all deposits will be made by someone else. We will segregate the duties as necessary and as recommended by the auditor.
7. This is not feasible. Our system assigns numbers.

NON-PAYROLL DISBURSEMENTS

9. (A), (B), (C), (D) If necessary, purchase orders will be used. The Chief Financial Officer is contacted when supplies are needed. We have one deputy that orders the supplies once approved. This office now has in place that if you initiate a check, a second employee will sign the checks. The sheriff signature stamp will no longer



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be used. The Chief Financial Officer will no longer sign checks since she is responsible for reconciling the accounts.

ETHICS

(B) All employees will be required to annually review the ethics policy and sign stating that they have done so.



Sheriff John E. Ballance