

**Bienville Parish Police Jury  
Arcadia, Louisiana**

**Primary Government Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended  
December 31, 2017  
With Supplemental Information Schedules**

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Arcadia, Louisiana**

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Bienville Parish Police Jury  
Arcadia, Louisiana  
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**Required Supplemental Information (Part I)**  
**Management's Discussion and Analysis**

**Bienville Parish Police Jury**  
**Arcadia, Louisiana**  
**Management's Discussion and Analysis**  
**December 31, 2017**

As management of the Bienville Parish Police Jury, we offer readers of the police jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2017. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to the police jury's basic financial statements. The police jury's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the police jury'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 police jury is improving or deteriorating.

The statement of activities presents information showing how the police jury'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 not taken annual 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 police jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the current funds of the police jury are included in one category - governmental 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The police jury maintains eleven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes

in fund balances for the General Fund and the Road Maintenance and Solid Waste special revenue funds are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

**Government-Wide Financial Analysis** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following tables focus on net position (Table 1) and changes in net position (Table 2) for the police jury's governmental activities.

**Table 1**  
**Net Position**  
**Governmental Activities**

	2017	2016
Current and other assets:		
Cash and equivalents	\$16,331,994	\$16,095,929
Receivables	5,012,791	5,092,754
Capital assets (net)	19,986,910	21,023,915
Total assets	<u>41,331,695</u>	<u>42,212,598</u>
Deferred outflow of resources	711,370	941,556
Total assets and deferred outflows	<u>\$42,043,065</u>	<u>\$43,154,154</u>
Payables	236,636	262,402
Wages and related payable	45,258	44,279
Interest payable	70,748	66,537
Bonds payable	8,945,000	9,520,000
Premium on bonds	228,846	243,888
Deferred Revenues	70,000	90,959
Compensated absences	99,718	93,877
Net pension liability	613,491	744,300
Net OPEB obligation	1,769,032	1,762,483
Total liabilities	<u>12,078,729</u>	<u>12,828,725</u>
Deferred inflow of resources	107,229	121,680
Net position:		
Invested in capital assets, net of debt	11,041,910	11,503,915
Unrestricted	18,815,197	18,699,834
Total net position	<u>\$29,857,107</u>	<u>\$30,325,429</u>

**Table 2**  
**Changes in Net Position**  
**Governmental Activities**

	2017	2016
<b>Revenues</b>		
Program revenues:		
Charges for services	\$67,431	\$56,160
Federal grants	519,201	550,501
State grants and entitlements	695,948	414,876
General revenues:		

**Table 2**  
**Changes in Net Position**  
**Governmental Activities**

	2017	2016
Property taxes	\$4,031,750	\$4,307,022
Sales taxes	2,169,234	1,808,014
Unrestricted grants and contributions	1,628,730	1,663,114
Unrestricted investment earnings	94,585	68,022
Other general revenues	126,153	144,285
Total revenues	<u>9,333,032</u>	<u>9,011,994</u>
<b>Program expenses</b>		
General government	2,307,899	2,319,476
Public safety	629,928	684,989
Public works	6,021,728	5,693,117
Health and welfare	434,034	474,085
Conservation of natural resources	46,896	31,384
Economic development and assistance	43,690	51,740
Debt service	196,098	1,190,415
Total expenses	<u>9,680,273</u>	<u>10,445,206</u>
Excess before special items	(347,241)	(1,433,212)
Special item - gain on disposal of assets	599	
Increase in net position	(346,642)	(1,433,212)
Net position at beginning of year	<u>30,203,749</u>	<u>31,636,961</u>
Net position at end of year	<u><u>\$29,857,107</u></u>	<u><u>\$30,203,749</u></u>

**Government-Wide Financial Analysis** At the close of the fiscal year, assets of the police jury exceeded liabilities by \$29,857,107. Of these net position, \$11,041,910 represents the police jury's investment in capital assets net of accumulated depreciation and related debt. These assets are not available for future spending. The remaining net position are made up of bank balances of \$5,581,994, time deposits of \$10,750,000, and receivables of \$5,012,791.

Table 3 presents the cost of each of the police jury's major functions as well as the net cost for each function (total cost less revenues generated by those functions). The net cost shows the financial burden placed on the parish's taxpayers for each of those functions.

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
General government	\$2,307,899	\$2,319,476	\$2,240,468	\$2,147,717
Public safety	629,928	684,989	467,985	542,282
Public works	6,021,728	5,693,117	5,423,799	5,427,509
Health and welfare	434,034	474,085	(21,243)	36,572
All others	286,684	1,273,539	286,684	1,269,589
Totals	<u><u>\$9,680,273</u></u>	<u><u>\$10,445,206</u></u>	<u><u>\$8,397,693</u></u>	<u><u>\$9,423,669</u></u>

**Financial Analysis of the Government's Funds** The police jury 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 revenue, expenditures, and balances of expendable resources. This information is used in assessing the financing requirements of the police jury. Unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2017, combined governmental fund balances of \$20,992,891 showed an increase of \$201,848 over December 31, 2016. The General Fund's balance of \$7,227,453, is \$373,525 more than the 2016 balance of \$6,853,928. The Road Maintenance Fund experienced a \$377,021 overall decrease. The Solid Waste Fund had an increase of \$158,176 for the year.

### ***Budgetary Highlights***

**GENERAL FUND** - The differences in revenues were due to increases in federal grants, severance taxes, other revenues, use of money and property and other revenues and decreases in ad valorem taxes, other taxes, penalties, and interest, licenses and permits, and state revenue sharing. Expenditures required an increase in judicial, elections, public works, and health and welfare and decreases in legislative, finance and administrative, other general government, public safety, conservation of natural resources, and economic development and assistance.

**ROAD MAINTENANCE** - The differences in revenues were due to increases in ad valorem taxes, severance taxes and state revenue sharing and decreases in parish transportation, use of money, operating transfers in and proceeds from disposal of assets. Expenditures required a decrease in personal services, operating services and materials and supplies and an increase in capital outlay.

**SOLID WASTE** - The differences in revenues was a decrease in sales tax and use of money and property. Expenditures required an increase in solid waste collection and disposal and a decrease in sales tax collection fees, materials and supplies and operating transfers out.

### ***Capital Asset and Debt Administration***

**Capital Assets.** The police jury's investment in capital assets for its governmental activities as of December 31, 2017, amounts to \$19,986,910 (net of accumulated depreciation). This investment includes land, buildings and improvements, infrastructure roads and bridges, furniture and equipment, and construction in progress. The net increase in capital assets for the year was \$766,444 and there were decreases of \$18,919 for the year.

**Long-Term Debt.** At the end of the year, the police jury had total long-term debt of \$12,078,729. Of that amount, \$99,718 represents accrued and unused employee annual leave and is a \$5,841 increase over the previous year. Also there are revenue bonds payable in the amount of \$8,945,000. During the year, \$575,000 was paid in accordance with the debt agreement. \$1,769,032 is an accrued liability for employee post-employment benefits. As discussed in the notes to the financial statements, effective for the year 2009, the police jury has implemented Governmental Accounting Standards Board Statement Codification Section P50, which requires the accrual of liabilities for group insurance coverage that will be paid for employees after they retire. Net pension liability is \$613,491 at year end.

### ***Economic Factors and Next Year's Budgets***

Over the last several years we showed an upward trend in costs associated with Public Safety and Insurance. While the jury has been committed to constructing a new jail facility for the past several years to alleviate some of these



these projects were secured by bonds in the amount of \$12,000,000, payable from an ad valorem tax. The balance of the debt is \$8,945,000 at December 31, 2017. This source of funding will enable the jury to continue working toward a realistic budget for future planning purposes.

***Requests for Information***

This financial report is designed to be a summary of the Bienville Parish Police Jury's finances. If there are any questions regarding any information, a request can be made in writing to the Bienville Parish Police Jury, at 100 Courthouse Drive, Arcadia, Louisiana 71001. Our telephone number is (318) 263-2019.

Member:  
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Public Accountants

**MARY JO FINLEY, CPA, INC.**  
A PROFESSIONAL ACCOUNTING CORPORATION  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

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## Independent Auditor's Report

Bienville Parish Police Jury  
Arcadia, Louisiana

### Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Bienville Parish Police Jury, as of December 31, 2017, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Police Jury'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 Bienville Parish Police Jury'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 Police Jury'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 POLICE JURY  
Arcadia, Louisiana  
Independent Auditor's Report,  
December 31, 2017

***Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units***

The financial statements do not include financial data of all of the Police Jury's legally separate component units. Accounting principles generally accepted in the United State of America require the financial data for all component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units has not been determined.

***Adverse Opinion***

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly, the financial position of the aggregate discretely presented component units of the Police Jury as of December 31, 2017, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinions***

In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bienville Parish Police Jury as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8, the budgetary comparison information on pages 49 through 52, the schedule of funding progress for the retiree healthcare plan on page 53, and the schedule of the Police Jurys' proportionate share of the net pension liability on pages 54 through 59, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

BIENVILLE PARISH POLICE JURY  
Arcadia, Louisiana  
Independent Auditor's Report,  
December 31, 2017

*Supplementary and Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Bienville Parish Police Jury's primary government. The accompanying supplemental information and other information, as 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 67 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 primary government 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 accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the primary government's basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements, and accordingly, I do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, I have also issued a report dated April 30, 2018, on my consideration of the Bienville Parish Police Jury'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 Police Jury's internal control over financial reporting and compliance.



West Monroe, Louisiana  
April 30, 2018

**Basic Financial Statements**

## Statement A

Bienville Parish Police Jury  
Arcadia, Louisiana  
Governmental Activities  
Statement of Net Position  
December 31, 2017

<b>Assets</b>	
Cash and cash equivalents	\$16,331,994
Receivables	5,012,791
Capital assets (net)	<u>19,986,910</u>
Total Assets	<u>41,331,695</u>
<b>Deferred Outflow of Resources</b>	
Pension related	<u>711,370</u>
Total Assets and Deferred Outflow of Resources	<u>\$42,043,065</u>
<b>Liabilities</b>	
Accounts payable	\$236,636
Wages and related payable	45,258
Interest payable	70,748
Premium on bonds	228,846
Deferred revenues	70,000
Compensated absences payable	99,718
Bonds payable:	
Due within one year	580,000
Due in more than one year	8,365,000
Net pension liability	613,491
Net OPEB obligation	<u>1,769,032</u>
Total Liabilities	<u>12,078,729</u>
<b>Deferred Inflows of Resources</b>	
Pension related	107,229
<b>Net Position</b>	
Invested in capital assets, net of related debt	11,041,910
Unrestricted	<u>18,815,197</u>
Total Net Position	<u>\$29,857,107</u>

See accompanying notes to basic financial statements.

Bienville Parish Police Jury  
Arcadia, Louisiana  
Statement of Activities  
For the Year Ended December 31, 2017

Functions:	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General government	\$2,307,899	\$67,431			(\$2,240,468)
Public safety	629,928		\$161,943		(467,985)
Public works	6,021,728		341,177	\$256,752	(5,423,799)
Health and welfare	434,034		455,277		21,243
Conservation of natural resources	46,896				(46,896)
Economic development and assistance	43,690				(43,690)
Debt service	196,098				(196,098)
Total governmental activities	<u>\$9,680,273</u>	<u>\$67,431</u>	<u>\$958,397</u>	<u>\$256,752</u>	<u>(8,397,693)</u>
General revenues:					
Taxes:					
Property taxes levied for general purposes					1,367,533
Property taxes levied for public works					1,889,783
Property taxes levied for debt service					774,434
Sales & use taxes levied for public works					2,169,234
Other taxes, penalties, and interest					31,437
Grants and contributions not restricted to specific programs					1,628,730
Licenses and permits					64,120
Unrestricted investment earnings					94,585
Other revenue					31,195
Total general revenues					<u>8,051,051</u>
Change in net position					(346,642)
Net position at beginning of year					<u>30,203,749</u>
Net position at end of year					<u>\$29,857,107</u>

See accompanying notes to basic financial statements.



## Statement C

Bienville Parish Police Jury  
Arcadia, Louisiana  
Governmental Funds  
Balance Sheet  
December 31, 2017

	General	Road Maintenance	Solid Waste	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and equivalents	\$5,757,586	\$5,875,593	\$3,790,503	\$539,015	\$369,297	\$16,331,994
Receivables	1,656,354	2,076,373	444,060	829,627	6,377	5,012,791
<b>Total Assets</b>	<u>\$7,413,940</u>	<u>\$7,951,966</u>	<u>\$4,234,563</u>	<u>\$1,368,642</u>	<u>\$375,674</u>	<u>\$21,344,785</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$105,333	\$22,886	\$108,417			\$236,636
Salaries and related payable	11,154	34,104				45,258
Deferred revenues	70,000					70,000
<b>Total Liabilities</b>	186,487	56,990	108,417	NONE	NONE	351,894
<b>Fund Equity - fund balances:</b>						
Non spendable					3,966	3,966
<b>Restricted:</b>						
Other general government					274,980	274,980
Public works		7,894,976	4,126,146		10,942	12,032,064
Health & welfare					56,881	56,881
Economic development					26,515	26,515
Assigned				\$1,368,642	2,390	1,371,032
Unassigned	7,227,453					7,227,453
<b>Total Fund equity - fund balances</b>	<u>7,227,453</u>	<u>7,894,976</u>	<u>4,126,146</u>	<u>1,368,642</u>	<u>375,674</u>	<u>20,992,891</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$7,413,940</u>	<u>\$7,951,966</u>	<u>\$4,234,563</u>	<u>\$1,368,642</u>	<u>\$375,674</u>	<u>\$21,344,785</u>

See accompanying notes to basic financial statements.



Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Reconciliation of Governmental Funds Balance Sheet to  
 Statement of Net Position  
 December 31, 2017

Total fund balance - governmental funds (Statement C)		\$20,992,891
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred outflows of resources		711,370
Capital assets used in governmental activities are not financial resources		19,986,910
Long term liabilities:		
Interest payable	(\$70,748)	
Bonds payable	(8,945,000)	
Premium on bonds	(228,846)	
Compensated absences payable	(99,718)	
Net pension liability	(613,491)	
Net OPEB obligation	(1,769,032)	
Deferred inflows of resources	(107,229)	(11,834,064)
Net position of governmental activities (Statement A)		<u>\$29,857,107</u>

See accompanying notes to basic financial statements.

## Statement D

Bienville Parish Police Jury  
Arcadia, Louisiana  
Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2017

	General	Road Maintenance	Solid Waste	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes:						
Ad valorem	\$1,367,533	\$1,889,783		\$774,434		\$4,031,750
Sales and use			\$2,169,234			2,169,234
Other taxes, penalties, and interest	5,713				\$25,724	31,437
Licenses and permits	64,120					64,120
Intergovernmental revenues:						
Federal funds	266,137				253,064	519,201
State funds:						
Severance taxes	1,061,550	567,180				1,628,730
State revenue sharing	23,021	37,250				60,271
Parish transportation		256,752				256,752
Fire insurance rebate	62,262					62,262
Other state grants	316,663					316,663
Fees, charges, and commissions for services	3,218					3,218
Fines and forfeitures					64,213	64,213
Use of money and property	35,934	45,283	10,142	2,036	1,190	94,585
Total revenues	<u>3,206,151</u>	<u>2,796,248</u>	<u>2,179,376</u>	<u>776,470</u>	<u>344,191</u>	<u>9,302,436</u>
<b>EXPENDITURES</b>						
Current:						
General government:						
Legislative	392,917					392,917
Judicial	244,516				4,500	249,016
Elections	99,413					99,413
Finance and administrative	356,817					356,817
Other general government	618,050					618,050
Public safety	629,928					629,928

Public works	245,612	3,057,156	1,371,468	4,217	3,600	4,682,053
Health and welfare	178,487				255,547	434,034
Conservation of natural resources	46,896					46,896
Economic development and assistance	19,990				23,700	43,690
Debt service				781,929		781,929
Capital outlay		766,444				766,444
Total expenditures	<u>2,832,626</u>	<u>3,823,600</u>	<u>1,371,468</u>	<u>786,146</u>	<u>287,347</u>	<u>9,101,187</u>
Excess (deficiency) of revenues over expenditures	<u>373,525</u>	<u>(1,027,352)</u>	<u>807,908</u>	<u>(9,676)</u>	<u>56,844</u>	<u>201,249</u>
<b>OTHER FINANCING SOURCES (Use)</b>						
Proceeds from disposal of assets		599				599
Operating transfers in		649,732				649,732
Operating transfers out			(649,732)			(649,732)
Total other financing sources (use)	<u>NONE</u>	<u>650,331</u>	<u>(649,732)</u>	<u>NONE</u>	<u>NONE</u>	<u>599</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>373,525</u>	<u>(377,021)</u>	<u>158,176</u>	<u>(9,676)</u>	<u>56,844</u>	<u>201,848</u>
<b>FUND BALANCES - BEGINNING</b>	<u>6,853,928</u>	<u>8,271,997</u>	<u>3,967,970</u>	<u>1,378,318</u>	<u>318,830</u>	<u>20,791,043</u>
<b>FUND BALANCES - ENDING</b>	<u>\$7,227,453</u>	<u>\$7,894,976</u>	<u>\$4,126,146</u>	<u>\$1,368,642</u>	<u>\$375,674</u>	<u>\$20,992,891</u>

See accompanying notes to basic financial statements.

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances to the Statement of Activities  
 For the Year Ended December 31, 2017

Net change in fund balances - total governmental funds (Statement D)	\$201,848
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.	(1,037,005)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	575,000
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(4,211)
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.	(6,549)
Premiums on bond issues and other costs of issuance are reported as a revenue in the governmental funds but are carried to the government wide statement of net position and amortized over the life of the bonds. This is the difference between the total deferred costs carried to the statement of net position and the amount amortized for the current year.	15,042
In the Statement of Activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(5,841)
Non-employer contributions to cost-sharing pension plan	30,596
Pension expense	<u>(115,522)</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$346,642)</u></u>

See accompanying notes to basic financial statements.

*Notes to the Basic Financial Statements*

**Bienville Parish Police Jury  
Arcadia, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended December 31, 2017**

**Introduction**

Bienville Parish Police Jury is the parish governing authority governed by an elected board referred to as the “police jury.” (similar to county boards in other states) and is a political subdivision of the State of Louisiana. The police jury is governed by seven police jurors representing the various districts within the parish. The jurors are elected by the voters of their respective districts and serve four-year terms. The current terms of jurors expire in January 2017. Jurors receive compensation for their service on the police jury as provided by Louisiana Revised Statute 33:1233.

Bienville Parish, established by Act 183 of the Louisiana Legislature in 1848, is located in the north-central part of the state and occupies 856 square miles of land with a population of 14,353 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, and various other state and federal grants.

In accomplishing its objectives the police jury has 35 employees (3 in the central office, 1 in the courthouse, 1 in the 911 office, and 30 in public works) In addition to maintaining drainage and bridges in the parish, the police jury currently maintains 551 miles of parish roads (513 miles of asphalt and 39 miles of gravel or unimproved).

The police jury also has the authority to create special districts (component units) within the parish to help in fulfilling its functions. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, drainage control, library facilities, and health care facilities.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the jury is considered a primary government, since it is a general purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the police jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement 14, the reporting entity for Bienville Parish consist of the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

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.

Based on the previous criteria, the police jury has determined that the following component units are part of the Bienville Parish reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Bienville Parish:		
Library	December 31	1, 2, & 3
Communications District	December 31	1 and 3
Industrial Development Board (inactive)	December 31	1 and 3
Hospital District No. 1	December 31	1 and 3
Hospital District No. 2	April 30	1 and 3
Industrial District No. 2	December 31	1 and 3
Recreation District No. 1	December 31	1 and 3
Wards 4 and 5 Fire Protection District	December 31	1, 2, & 3
Fire Protection District No. 6	December 31	1, 2, & 3
Ward 7 Fire District	December 31	1, 2, & 3
Sheriff	June 30	1, 2, & 3
Clerk of Court	June 30	1, 2, & 3
Assessor	December 31	1, 2, & 3
North Bienville Fire Protection District	December 31	1, 2, & 3
Castor Area Recreation District (inactive)	December 31	1 and 3
Shady Grove Recreation District	December 31	1 and 3
Shiloh Community Waterworks District	June 30	1 and 3

Considered in the determination of component units of the reporting entity was the Bienville Parish School Board, the District Attorney for the Second Judicial District, the Second Judicial District Court and the various municipalities in the parish. It was determined that these governmental entities are not component units of Bienville Parish reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of Bienville Parish Police Jury.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury's) financial statements are not a

substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, are included in the accompanying primary government financial statements. These financial statements are not intended to and do not report on the Bienville Parish reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

The primary government financial statements include all funds and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are considered part of the primary government (police jury) and include Bienville Parish Industrial District No. 2.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **A. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and, where applicable, proprietary and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and, where applicable, major individual enterprise funds are reported as separate columns in the fund financial statements.

### **B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary and fiduciary fund financial statements, where applicable. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for



Bienville Parish Police Jury  
Arcadia, Louisiana  
Notes to the Financial Statements (Continued)

which they are levied. Sales taxes are recognized in the period that the sales occur. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes, state revenue sharing, and federal and state grants are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the police jury.

The police jury reports the following major governmental funds:

The General Fund is the police jury's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund

The Road Maintenance Fund accounts for the maintenance of the parish highways, streets, and bridges. Financing is provided by the State of Louisiana Parish Transportation Fund, severance tax, a specific Parish wide ad valorem tax, and state revenue sharing funds, and interest earning.

The Solid Waste Fund accounts for the collection and disposal of solid waste in the parish. Financing is provided by a specific parish wide sales and use tax. In accordance with the tax proposition, excess revenues of the fund are transferred to the Road Maintenance Fund to be used for road rehabilitation projects.

The debt service fund account for financial resources received and used for the debt service payments on bonds.

When applicable, private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The police jury has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Not eliminating these charges would distort the direct costs and program revenues reported for the various functions concerned.

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the police jury’s policy to use restricted resources first, then unrestricted resources as they are needed.

**C. Deposits and Investments**

The police jury’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the police jury’s investment policy allow the police jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the Louisiana Asset Management Pool (a state sponsored investment pool), and mutual funds consisting solely of government backed securities. Investments for the police jury are reported at fair value.

**D. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources

All property tax receivables are shown net of an allowance for uncollectibles. 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<sup>th</sup>. Ad valorem taxes become delinquent if not paid by December 31<sup>st</sup>. The taxes are normally collected in December of the current year and January and February of the ensuing year. The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Property taxes for:			
General government	4.00	4.21	Indefinite
Public works	5.92	5.92	2025
Debt service	3.00	2.50	Indefinite

The difference between authorized and levied millage is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following are the principal taxpayers for the parish and their 2017 assessed valuation (amounts expressed in thousands):

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

	2017 Assessed Valuation	Per cent of Total Assessed Valuation
ETC Tiger Pipeline, LLC	\$58,771	15.58%
Gulf South Pipeline Company	35,090	9.30%
Regency Intrastate	28,237	7.49%
Bear Creek Storage Comp	17,794	4.72%
QEP Energy Company	13,707	3.63%
Enable Gas Transmission	13,654	3.62%
Wildhorse Resources II, LLC	9,452	2.51%
Tanos Exploration II	9,431	2.50%
Haynesville Oil & Gas	8,670	2.30%
Arcadia Gas Storage, LLC	8,040	2.13%
Total	<u>\$202,846</u>	<u>53.79%</u>

*Sales Taxes* The police jury receives a one per cent (1%) sales and use tax approved by the voters in 1994. The tax was renewed in 2003 and would have expired on June 30, 2017, but the tax was renewed for an additional ten years and will expire on June 30, 2024. In accordance with the tax proposition, the proceeds of the tax are dedicated to first, provide for the collection and disposal of solid waste in the parish and second, with any remaining proceeds to be used for constructing, improving, and maintaining roads and bridges in the parish with the prohibition that no proceeds can be used for salaries.

**E. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads and bridges) are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Approximately 98% of non-infrastructure assets are based on actual costs while the remaining 2% are based on the actual historical costs of like items. The cost of infrastructure assets acquired prior to 2005 are based on current replacement cost adjusted to their year of acceptance into the parish road and bridge systems using the U.S. Department of Labor’s producer price index. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$500 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	Estimated Lives
Infrastructure roads	20 - 40 Years
Infrastructure bridges	25 - 40 Years

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Buildings and building improvements	10 - 40	Years
Furniture and fixtures	5 - 10	Years
Vehicles	5 - 10	Years
Heavy equipment	5 - 10	Years
Other equipment	5 - 10	Years

**F. Compensated Absences**

The following policies relating to vacation and sick leave are currently in effect:

All full-time and probationary employees of the police jury earn from ten to fifteen days of annual leave per year, depending on their length of service. Employees may accumulate and carry forward a maximum of 30 days. Employees also earn 10 days of sick leave per year with no limit on accumulation. Upon retirement or termination, unused annual leave will be paid to the employee at his or her current rate of pay. Employees are not paid for accumulated sick leave. Upon termination of employment, for reasons other than retirement, all accumulated sick leave is forfeited. Employees retiring have the option of converting unused sick leave to service time for the purpose of retirement benefit calculation, as provided by the Parochial Employees Retirement System.

The entire compensated absence liability, determined in accordance with the provisions of GASB Codification Section C60, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the governmental funds.

**G. Long-Term Obligations**

In the government-wide financial statements long-term obligations, such as compensated absences, net OPEB obligation and net pension liability are reported as liabilities in the applicable governmental activities. In the fund financial statements, governmental fund types recognize compensated absences only to the extent that they will be paid with current resources.

**H. Fund Equity**

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the police jury classifies governmental fund balances as follows:

- *Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- *Restricted* - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or

grantors, or amounts constrained due to constitutional provisions or enabling legislation.

- *Committed* - includes fund balance amounts that are constrained for specific purposes that are internal imposed by the police jury through formal action of the police jury itself and does not lapse at year-end.
- *Assigned* - Includes fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted or committed. Fund balance can be assigned by the Secretary/Treasurer.
- *Unassigned* - includes fund balance amounts within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

#### **I. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the police jury, which are either unusual in nature or infrequent in occurrence.

#### **J. 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.

#### **K. PENSION PLANS**

The Bienville Parish Police Jury is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 7. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

## **2. CASH AND CASH EQUIVALENTS**

Under state law, the police jury 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 December 31, 2017, the police jury has cash and cash equivalents (book balances) totaling \$16,331,994, as follows:

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Demand deposits	\$5,581,994
Time deposits	<u>10,750,000</u>
Total	<u>\$16,331,994</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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 December 31, 2017, are as follows:

Bank Balances	<u>\$16,554,991</u>
Federal deposit insurance	\$6,812,349
FHLB Standby Letter of Credit	9,500,000
Pledged securities (uncollateralized)	<u>850,106</u>
Total	<u>\$17,162,455</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, state law (LSA- R.S. 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 police jury that the fiscal agent has failed to pay deposited funds upon demand.

### 3. RECEIVABLES

The receivables of \$5,012,791, at December 31, 2017, are as follows:

	<u>General</u>	<u>Road Maintenance</u>	<u>Solid Waste</u>	<u>Debt Service</u>	<u>Non-Major</u>	<u>Total</u>
Ad valorem taxes	\$1,460,478	\$2,020,480		\$829,627		\$4,310,585
Sales and use taxes			\$444,060			444,060
Other taxes	1,416				\$6,377	7,793
Federal grants	49,615					49,615
State grants	144,845	55,893				200,738
Total	<u>\$1,656,354</u>	<u>\$2,076,373</u>	<u>\$444,060</u>	<u>\$829,627</u>	<u>\$6,377</u>	<u>\$5,012,791</u>

### 4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2014, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$660,250			\$660,250
Total capital assets not being depreciated	<u>\$660,250</u>	<u>NONE</u>	<u>NONE</u>	<u>\$660,250</u>

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated:				
Infrastructure:				
Roads	\$23,965,942	\$600,078		\$24,566,020
Bridges	2,537,698			2,537,698
Buildings and improvements	16,992,361			16,992,361
Office furniture and equipment	541,664			541,664
Heavy Equipment	1,861,870			1,861,870
Vehicles	1,301,447	166,366	(\$18,919)	1,448,894
Miscellaneous equipment	517,688			517,688
Total capital assets being depreciated	<u>47,718,670</u>	<u>766,444</u>	<u>(18,919)</u>	<u>48,466,195</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	(18,883,539)	(1,070,793)		(19,954,332)
Bridges	(1,437,254)	(39,480)		(1,476,734)
Buildings and improvements	(4,034,561)	(369,027)		(4,403,588)
Office furniture and equipment	(437,835)	(103,829)		(541,664)
Heavy Equipment	(1,260,649)	(107,049)		(1,367,698)
Vehicles	(873,052)	(102,120)	18,919	(956,253)
Miscellaneous equipment	(428,115)	(11,151)		(439,266)
Total depreciation	<u>(27,355,005)</u>	<u>(1,803,449)</u>	<u>18,919</u>	<u>(29,139,535)</u>
Total capital assets being depreciated (net)	<u>20,363,665</u>	<u>(1,037,005)</u>	NONE	<u>19,326,660</u>
Total capital assets (net)	<u>\$21,023,915</u>	<u>(\$1,037,005)</u>	NONE	<u>\$19,986,910</u>

Depreciation expense for the year was charged to the following governmental functions:

	Amount
General government	\$472,856
Public works	<u>1,330,593</u>
Total	<u>\$1,803,449</u>

**5. INTERFUND TRANSFERS**

During 2017, the Solid Waste Fund made operating transfers of \$649,732, to fund road rehabilitation work in the Road Maintenance Fund. Transfers from the Solid Waste Fund to the Road Maintenance Fund, as discussed in Note 1-D, are allowed by the sales tax proposition.

**6. LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligation transactions for the year ended December 31, 2017:

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

	Revenue Bonds	Compensated Absences	Total
Long-term obligations, December 31, 2016	\$9,520,000	\$93,877	\$9,613,877
Additions		62,086	62,086
Deletions	(575,000)	(60,617)	(635,617)
Adjustment*		4,372	4,372
Long-term obligations, December 31, 2017	<u>\$8,945,000</u>	<u>\$99,718</u>	<u>\$9,044,718</u>

\* Adjustment has been made to account for differences between beginning and ending rates of pay.

Revenue bonds payable at December 31, 2017, are comprised of the following issue:

\$7,350,000 -2016 general obligation refunding bonds for the refunding of the 2010 bonds. Principal is due in annual installments of \$50,000 to \$780,000 through March 1, 2030. Interest at 2% per annum. Debt retirement payments are to be made from ad valorem taxes.	\$7,285,000
\$12,000,000 -2010 bonds for the construction of a parish courthouse and a courthouse annex, including acquiring equipment and furnishings. Principal is due in annual installments of \$510,000 to \$575,000 through March 1, 2020. Interest at 2% to 4% per annum. Debt retirement payments are to be made from ad valorem taxes.	1,660,000
	<u>\$8,945,000</u>

The annual requirements to amortize all general obligation bonds outstanding at December 31, 2017 are as follows:

Year	Principal	Interest	Total
2018	\$580,000	\$201,145	\$781,145
2019	605,000	178,444	783,444
2020	625,000	154,843	779,843
2021	645,000	136,386	781,386
2022	660,000	123,323	783,323
2023-2027	3,535,000	409,960	3,944,960
2028-2030	2,295,000	69,520	2,364,520
Total	<u>\$8,945,000</u>	<u>\$1,273,621</u>	<u>\$10,218,621</u>

## 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

### Post-employment benefits

**Plan Description** – The Bienville Parish Police Jury’s medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.



Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

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

**Fund Policy** – Until 2009, the Bienville Parish Police Jury recognized the cost of providing post-employment medical benefits (the Bienville Parish Police Jury's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the Bienville Parish Police Jury's portion of health care funding cost for retired employees totaled \$14,678 and \$13,591, respectively.

Effective January 1, 2009, the Bienville Parish Police Jury implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

**Annual Required Contribution** – The Bienville Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2017</u>
Normal cost	\$21,212
30-year UAL amortization amount	31,440
Annual required contribution (ARC)	<u>\$52,652</u>

**Net Post-employment Benefit Obligation (Asset)** – The table below shows the Bienville Parish Police Jury's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

	<u>2017</u>	<u>2016</u>
Beginning Net OPEB Obligation	\$1,762,483	\$1,756,770
Annual required contribution	52,652	50,627
Interest on Net OPEB Obligation	70,499	70,271
ARC Adjustment	(101,924)	(101,594)
OPEB Cost	21,227	19,304
Current year retiree premium	(14,678)	(13,591)
Change in Net OPEB Obligation	<u>6,549</u>	<u>5,713</u>
Ending Net OPEB Obligation	<u>\$1,769,032</u>	<u>\$1,762,483</u>

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

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2017	\$ 21,227	69.15%	\$1,769,032
December 31, 2016	\$ 19,304	70.40%	\$1,762,483

**Funded Status and Funding Progress** – In 2017 and 2016, the Bienville Parish Police Jury made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2017 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2017 was \$565,428 which is defined as that portion, as determined by a particular actuarial cost method (the Bienville Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial Accrued Liability (AAL)	\$565,428
Actuarial Value of Plan Assets (AVP)	-
Unfunded Act. Accrued Liability (UAAL)	565,428
Funded Ratio (AVP/AAL)	0.00%
Covered Payroll (active plan members)	1,673,496
UAAL as a percentage of covered payroll	33.79%

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

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

**Actuarial Cost Method** – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

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

**Turnover Rate** – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

**Post employment Benefit Plan Eligibility Requirements** – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under “Plan Description”. Medical benefits are provided to employees upon actual retirement.

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

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

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

**Method of Determining Value of Benefits** – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical insurance for the retirees, but not for dependents, until age 65. The rates provided applicable before age 65 are "blended" rates. Since GASB Codification Section P50 mandates that "unblended" rates be used, we have estimated the "unblended" rates active and retired before Medicare eligibility to be 130% of the blended rate and for retired on and after Medicare eligibility to be 80% of the blended rate. While there are not any current retirees, we have used these estimated rates as the basis of those rates applicable in the future subject to projection by medical trend as described below.

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

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

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

## 8. RETIREMENT SYSTEMS

### Parochial Employees' Retirement System of Louisiana (System)

#### *Plan Description*

Bienville Parish Police Jury  
Arcadia, Louisiana  
Notes to the Financial Statements (Continued)

The Bienville Parish Police Jury contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after seven years creditable service.

Eligibility for retirement for Plan A members hired on or after January 1, 2007 is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the employee's final compensation multiplied by his or her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2017, the Bienville Parish Police Jury's total payroll for all employees was \$1,725,353. Total covered payroll was \$1,496,765. Covered payroll refers to all compensation paid by the Bienville Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website [www.persla.org](http://www.persla.org).

*Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 12.5% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Bienville Parish Police Jury to the System monthly. The Bienville Parish Police Jury's contributions to the System under Plan A for the year ending December 31, 2017 were \$187,096.

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

At December 31, 2017, the Employer reported a liability of \$487,524 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Bienville Parish Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2016, the Police Jury's proportion was 0.236718%, which was a decrease of 0.006245% from its proportion measured as of December 31, 2015. For the year ended December 31, 2017, the Bienville Parish Police Jury recognized pension expense of \$102,281.

At December 31, 2017, the Bienville Parish Police Jury 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	\$892,669	\$96,200
Change in system deferred outflows and inflows	(256,809)	(16,329)
Changes in proportionate share		300
Difference between actual contributions and proportionate share of contributions		633
Contributions for the measurement period	(182,503)	
Contributions subsequent to the measurement date	187,096	

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Total	\$640,453	\$80,804
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The \$187,096 reported as deferred outflows of resources related to pensions resulting from the Bienville Parish Police Jury contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2017	\$143,246
2018	\$152,583
2019	\$99,539
2020	(\$10,220)

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2016, are as follows:

Valuation Date	December 31, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.00%, per annum
Salary increases	5.25% (2.75% merit, 2.5% inflation)
Inflation rate	2.3%, per annum
Mortality rates	RP-2000 Employees Sex Distinct Table for Employees RP-2000 Healthy Annuitant Sex Distinct Table annuitants and beneficiaries RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Expected remaining service lives	4 years for Plan A
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.

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real Assets	2%	0.12%
Totals	100%	5.66%
Inflation		2.00%
Expected arithmetic nominal return		7.66%

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

*Sensitivity of the Bienville Parish Police Jury's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Bienville Parish Police Jury's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Police Jury's proportionate share of the net

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Employer's proportionate share of net pension liability	\$1,458,380	\$487,524	(\$333,364)

*Plan Fiduciary Net Position*

Detailed information about the Plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Audit Report at [www.persla.org](http://www.persla.org).

**District Attorney's Retirement System of Louisiana (System)**

*Plan Description*

The Bienville Parish Police Jury contributes to the District Attorneys' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on August 1, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of Louisiana R.S. 11, Chapter 3 for district attorneys and their assistants in each parish. All persons who are district attorneys of the State of Louisiana or assistant district attorneys in any parish shall become members as a condition of their employment, provided in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys.

Any member of the Plan who was hired prior to July 1, 1990, and who have elected not to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 62 after 10 or more years of creditable service.
2. Age 60 after 18 or more years of creditable service.
3. Age 55 after 23 or more years of creditable service.
4. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to three percent of the employee's final compensation for each year of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.



Bienville Parish Police Jury  
Arcadia, Louisiana  
Notes to the Financial Statements (Continued)

Any member of the Plan who was hired after July 1, 1990, or who have elected to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 60 after 10 or more years of creditable service.
2. Age 55 after 24 or more years of creditable service.
3. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to 3.5% of the employee's final compensation multiplied by years of membership service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2017, the Bienville Parish Police Jury's total payroll for all employees was \$1,725,353. Total covered payroll was \$6,408. Covered payroll refers to all compensation paid by the Bienville Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the District Attorneys' Retirement System of Louisiana, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824, or by visiting the System's website [www.ladars.org](http://www.ladars.org).

*Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 0% for January through June and 0% for July through December, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Bienville Parish Police Jury to the System monthly. The Bienville Parish Police Jury's contributions to the System for the year ending December 31, 2017 were \$0.

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

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

At December 31, 2017, the Employer reported a liability of \$2,024 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Bienville Parish Policy Jury’s proportion of the Net Pension Liability was based on a projection of the Police Jury’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Police Jury’s proportion was 0.010576%, which was a decrease of 0.000359% from its proportion measured as of June 30, 2015.

For the year ended December 31, 2017, the Bienville Parish Police Jury recognized pension expense of \$786 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$1,56 Total pension expense for the Bienville Parish Police Jury for the year ended December 31, 2016 was \$2,292.

At December 31, 2017, the Bienville Parish Police Jury 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	7,983	5,549
Change in system deferred outflows and inflows	1,407	(440)
Changes in proportionate share	(48)	1,514
Contributions for measurement period	(226)	
Employer contributions subsequent to the measurement date		
Total	9,116	6,623

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

Year ended December 31,	
2017	(1,531)
2018	(1,531)
2019	(968)
2020	244
2021	(38)
2022	(40)
TOTAL	(3,864)

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016, are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry age normal costs
Actuarial Assumptions:	
Investment Rate of Return	7.00%, per annum
Salary increases	5.50% (2.5% inflation, 3.0% merit)
Mortality rates	RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Table(set back 1 year for females) RP 2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females
Expected remaining service lives	7 years
Cost of Living Adjustments	Only those previously granted

The estimated long-term rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 9.04% for the year ended June 30, 2016. Best estimates of real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Long-Term Target Asset Allocation	Expected Portfolio Real Rate of Return
Equities	57.7%	3.56%
Fixed income	33.00%	2.26%
Alternatives	4.80%	.50%
Real estate	4.50%	4.50%
Totals	100%	0.02%
Inflation		2.70%
Expected arithmetic nominal return	9.04%	

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

*Sensitivity of the Bienville Parish Police Jury’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Bienville Parish Police Jury’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Police Jury’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Employer’s proportionate share of net pension liability	\$7,639	\$2,024	(\$1,365)

*Plan Fiduciary Net Position*

Detailed information about the System’s fiduciary net position is available in the separately issued District Attorneys’ Retirement System of Louisiana Audit Report at [www.ladars.org](http://www.ladars.org).

**Registrar of Voters Employees’ Retirement System of Louisiana (System)**

*Plan Description*

The Bienville Parish Registrar of Voters contributes to the Registrar of Voters Employees’ Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on January 1, 1955 by Louisiana Revised Statute 11:2032, as amended, for registrars of voters, their deputies, and their permanent employees in each parish.

Any member of the Plan who was hired prior to January 1, 2013, can retire providing he/she meets one of the following criteria:

Bienville Parish Police Jury  
Arcadia, Louisiana  
Notes to the Financial Statements (Continued)

1. Age 55 after 20 years of creditable service.
2. Age 60 after 10 years of creditable service.
3. Any age after 30 years of creditable service.

Eligibility for retirement for members hired on or after January 1, 2013 is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 60 after 20 years of creditable service.
3. Age 62 after 10 years of creditable service.

The monthly amount of the retirement allowance of any member hired before January 1, 2013, is calculated as 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the numbers of years of creditable service, not to exceed 100% of average annual compensation.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2017, the Bienville Parish Police Jurys' total payroll for all employees was \$1,725,353. Total covered payroll for the Bienville Registrar of Voters was \$64,397. Covered payroll refers to all compensation paid by the Bienville Parish Registrar of Voters to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Registrar of Voters Employees' Retirement System of Louisiana, Post Office Box 57, Jennings, Louisiana 70546, or by calling (800) 810-8515, or by visiting the System's website [www.larovers.com](http://www.larovers.com).

#### *Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 20.00% for January through June and 17.50% for July through December, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Plan members are required by state statute to contribute 7.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Bienville Parish Registrar

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

of Voters to the System monthly. The Bienville Parish Registrar of Voters' contributions to the System for the year ending December 31, 2017 were \$10,949.

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

At December 31, 2017, the Employer reported a liability of \$123,943 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Bienville Parish Policy Jury's proportion of the Net Pension Liability was based on a projection of the Registrar of Voters' long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the Registrar of Voters' proportion was 0.436801%, which was an increase of 0.0114% from its proportion measured as of June 30, 2015.

For the year ended December 31, 2017, the Bienville Parish Registrar of Voters recognized pension expense of \$22,874.

At December 31, 2017, the Bienville Parish Registrar of Voters 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	\$40,904	\$19,931
Change in system deferred outflows and inflows	20,214	(1,246)
Changes in proportionate share	2,256	1,050
Difference between actual contributions and proportionate share of contributions		67
Contributions for measurement period	(13,498)	
Employer contributions subsequent to the measurement date	11,925	
Total	\$61,801	\$19,802

The \$11,925 reported as deferred outflows of resources related to pensions resulting from the Bienville Parish Registrar of Voters contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2017	\$4,939

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

2018	\$5,214
2019	\$8,658
2020	\$5,526

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016, are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Salary increases	6.00% (2.5% inflation, 3.5 % merit)
Inflation rate	2.50%
Mortality rates	RP-2000 Combined Healthy Annuitant Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Expected remaining service lives	5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The long-term expected rate of return on the pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.39% for the year ended June 30, 2016. Best estimates of arithmetic real rates of return for each major asset class based on the System’s target asset allocation as of June 30, 2016 were as follows:

Bienville Parish Police Jury  
 Arcadia, Louisiana  
 Notes to the Financial Statements (Continued)

Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Domestic Equities	40%	7.5%	3.0%
International Equities	15	8.50	1.28
Domestic Fixed Income	20	2.50	0.50
International Fixed Income	10	3.50	0.35
Alternative Investments	5	5.87	0.29
Real Estate	10	4.50	0.45
Totals	100%		5.87%
Inflation			2.50%
Expected Arithmetic Nominal Return			8.37%

*Discount Rate*

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

*Sensitivity of the Bienville Parish Registrar of Voters' Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Bienville Parish Registrar of Voters' proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Registrar of Voters' proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Employer's proportionate share of net pension liability	\$172,316	\$123,943	\$82,269



*Plan Fiduciary Net Position*

Detailed information about the Plan's fiduciary net position is available in the separately issued Registrar of Voters' Employees' Retirement System of Louisiana at [www.larover.com](http://www.larover.com).

**9. RISK MANAGEMENT**

The police jury is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; liability; and injuries to employees and others. To handle such risk of loss, the police jury maintains commercial insurance policies covering; automobile liability and medical payments; workers compensation; general liability; and surety bond coverage on the secretary/ treasurer and other employees handling money. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

**10. LITIGATION**

At December 31, 2017, the police jury is not involved in any litigation, the resolution of which would materially affect the financial position of the police jury.

***Required Supplemental Information (Part II)***

**Bienville Parish Police Jury  
Arcadia, Louisiana**

**Required Supplementary Information  
Budgetary Comparison Schedules for Major Funds  
For the Year Ended December 31, 2017**

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer prior to November of each year. During November, the finance committee reviews the proposed budgets and makes changes as they deem appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. During its regular December meeting, the police jury holds a public hearing on the proposed budget in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the police jury's regular December meeting, and a notice is published in the official journal.

During the year, the police jury receives monthly budget comparison statements which are used as a tool to control the operations of the parish. The secretary/treasurer presents necessary budget amendments to the police jury during the year when, in his judgement, actual operations are differing materially from those anticipated in the original budget. The jury, during a regular meeting, reviews the proposed amendments, makes changes as they feel necessary, and formally adopts the amendments. The adoption of the amendments is included in police jury minutes published in the official journal.

The police jury exercises budgetary control at the function level. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

For the year ended December 31, 2017, modified accrual based budgets were adopted for the General Fund and all special revenue funds. Budgetary comparison schedules include the original budgets and final amended budgets.

## Schedule 1

Bienville Parish Police Jury  
Arcadia, Louisiana  
Budgetary Comparison Schedule - General Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes:				
Ad valorem	\$1,550,000	\$1,376,954	\$1,367,533	(\$9,421)
Other taxes, penalties, & interest	7,000	5,780	5,713	(67)
Licenses and permits	82,600	64,120	64,120	
Intergovernmental revenues:				
Federal funds - federal grants	215,000	267,381	266,137	(1,244)
State funds:				
Severance taxes	1,000,000	1,189,153	1,061,550	(127,603)
State revenue sharing (net)	30,000	24,317	23,021	(1,296)
Other	150,000	356,177	378,925	22,748
Fees, charges, and commissions for services	4,500	3,218	3,218	
Use of money and property	26,000	35,964	35,934	(30)
Other revenues		10,247		(10,247)
Total revenues	<u>3,065,100</u>	<u>3,333,311</u>	<u>3,206,151</u>	<u>(127,160)</u>
<b>Expenditures</b>				
Current:				
General government:				
Legislative	401,000	391,879	392,917	(1,038)
Judicial	246,500	279,451	244,516	34,935
Elections	89,685	99,853	99,413	440
Finance and administrative	417,700	355,611	356,817	(1,206)
Other general government	212,250	209,990	618,050	(408,060)
Public safety	1,290,360	1,058,753	629,928	428,825
Public works	40,000	243,622	245,612	(1,990)
Health and welfare	188,000	203,218	178,487	24,731
Conservation of natural resources	65,450	59,276	46,896	12,380
Economic development and assistance	26,890	19,990	19,990	
Total expenditures	<u>2,977,835</u>	<u>2,921,643</u>	<u>2,832,626</u>	<u>89,017</u>
<b>Excess of Revenues over Expenditures</b>	<u>87,265</u>	<u>411,668</u>	<u>373,525</u>	<u>(38,143)</u>
<b>Fund Balance - Beginning</b>	<u>4,000,000</u>	<u>4,000,000</u>	<u>6,853,928</u>	<u>2,853,928</u>
<b>Fund Balance - Ending</b>	<u>\$4,087,265</u>	<u>\$4,411,668</u>	<u>\$7,227,453</u>	<u>\$2,815,785</u>

(Continued)

**Schedule 1**

Bienville Parish Police Jury  
Arcadia, Louisiana  
Budgetary Comparison Schedule - Road Maintenance Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes - Ad valorem	\$1,750,000	\$1,936,240	\$1,889,783	(\$46,457)
Intergovernmental revenues - state funds:				
Severance taxes	500,000	561,964	567,180	5,216
State revenue sharing (net)	30,000	36,054	37,250	1,196
Parish transportation funds	320,000	257,432	256,752	(680)
Use of money and property	80,500	41,047	45,283	4,236
Total revenues	<u>2,680,500</u>	<u>2,832,737</u>	<u>2,796,248</u>	<u>(36,489)</u>
<b>Expenditures</b>				
Current - Public Works:				
Personal services	2,245,500	2,188,842	2,190,351	(1,509)
Operating services	241,700	155,283	156,353	(1,070)
Materials and supplies	754,000	701,668	710,452	(8,784)
Travel and other charges	300			
Capital outlay	740,000	766,444	766,444	
Total expenditures	<u>3,981,500</u>	<u>3,812,237</u>	<u>3,823,600</u>	<u>(11,363)</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(1,301,000)</u>	<u>(979,500)</u>	<u>(1,027,352)</u>	<u>47,852</u>
<b>Other Financing Source</b>				
Operating transfers in	850,000	649,732	649,732	
Proceeds from disposal of assets	10,000	599	599	
Total other financing source	<u>860,000</u>	<u>650,331</u>	<u>650,331</u>	
<b>Excess (Deficiency) of Revenues and Other Source over Expenditures</b>	<u>(441,000)</u>	<u>(329,169)</u>	<u>(377,021)</u>	<u>(47,852)</u>
<b>Fund Balance - Beginning</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>8,271,997</u>	<u>6,271,997</u>
<b>Fund Balance - Ending</b>	<u>\$1,559,000</u>	<u>\$1,670,831</u>	<u>\$7,894,976</u>	<u>\$6,224,145</u>

(Continued)

Bienville Parish Police Jury  
Arcadia, Louisiana  
Budgetary Comparison Schedule  
Solid Waste Fund  
For the Year Ended December 31, 2017

	Solid Waste Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Taxes - Sales and use	\$2,200,000	\$2,037,772	\$2,169,234	\$131,462
Use of money and property	20,000	10,141	10,142	1
Total revenues	<u>2,220,000</u>	<u>2,047,913</u>	<u>2,179,376</u>	<u>131,463</u>
<b>Expenditures</b>				
Current				
Public Works:				
Sales tax collection fees	155,000	30,689	32,539	(\$1,850)
Solid waste collection and disposal	1,200,000	1,320,573	1,327,618	(7,045)
Materials and supplies	14,000	9,632	11,311	(1,679)
Total expenditures	<u>1,369,000</u>	<u>1,360,894</u>	<u>1,371,468</u>	<u>(10,574)</u>
<b>Excess of Revenues over Expenditures</b>	<u>851,000</u>	<u>687,019</u>	<u>807,908</u>	<u>(120,889)</u>
<b>Other Financing Use</b>				
Operating transfers out	<u>(850,000)</u>	<u>(649,732)</u>	<u>(649,732)</u>	
<b>Excess (Deficiency) of Revenues over Expenditures and Other Use</b>	1,000	37,287	158,176	120,889
<b>Fund Balance - Beginning</b>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,967,970</u>	<u>967,970</u>
<b>Fund Balance - Ending</b>	<u>\$3,001,000</u>	<u>\$3,037,287</u>	<u>\$4,126,146</u>	<u>\$1,088,859</u>

(Continued)

**Bienville Parish Police Jury  
Retiree Healthcare Plan  
December 31, 2017**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
December 31, 2008	\$0	\$723,566	\$723,566	0.00%	\$1,115,076	64.89%
December 31, 2011	\$0	\$3,523,927	\$3,523,927	0.00%	\$1,339,097	263.16%
December 31, 2014	\$0	\$522,770	\$522,770	0.00%	\$1,637,137	31.93%

Note:

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

**Bienville Parish Police Jury  
Parochial Employment Retirement System  
Schedule of Employer's Share of Net Pension Liability  
December 31, 2017**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
December 31, 2014	0.237981%	\$70,703	\$1,389,741	5.09%	99.15%
December 31, 2015	0.242963%	\$639,549	\$1,403,867	45.56%	92.23%
December 31, 2016	0.236718%	\$487,524	\$1,496,867	32.57%	94.15%

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



**Bienville Parish Police Jury  
District Attorneys Retirement System  
Schedule of Employer's Share of Net Pension Liability  
December 31, 2017**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
December 31, 2014	0.010123%	\$13,767	\$6,408	214.84%	99.45%
December 31, 2015	0.010935%	\$589	\$6,408	9.19%	98.56%
December 31, 2016	0.010576%	\$2,014	\$6,408	31.43%	95.09%

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

**Bienville Parish Police Jury**  
**Registrar of Voters Retirement System**  
**Schedule of Employer's Share of Net Pension Liability**  
**December 31, 2017**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
December 31, 2014	0.426130%	\$102,342	\$58,825	173.98%	77.68%
December 31, 2015	0.425318%	\$104,162	\$61,178	170.26%	76.86%
December 31, 2016	0.436801%	\$123,943	\$64,398	192.46%	73.98%

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

**Bienville Parish Police Jury  
Parochial Employee Retirement System  
Schedule of Employer Contributions  
December 31, 2017**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
December 31, 2014	\$201,513	\$201,514	(\$1)	\$1,389,741	14.50%
December 31, 2015	\$182,503	\$182,503	\$0	\$1,403,867	13.00%
December 31, 2016	\$187,096	\$187,096	\$0	\$1,496,765	12.50%

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

**Bienville Parish Police Jury  
District Attorneys Retirement System  
Schedule of Employer Contributions  
December 31, 2017**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
December 31, 2014	\$336	\$336	\$0	\$6,408	5.25%
December 31, 2015	\$112	\$112	\$0	\$6,408	1.75%
December 31, 2016	\$0	\$0	\$0	\$6,408	0.00%

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

**Schedule 4**

**Bienville Parish Police Jury  
Registrar of Voters Retirement System  
Schedule of Employer Contributions  
December 31, 2017**

<u>Actuarial Valuation Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relations to Contractual Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2014	\$13,750	\$13,753	(\$3)	\$58,825	23.38%
December 31, 2015	\$13,000	\$13,000	\$0	\$61,178	21.25%
December 31, 2016	\$11,925	\$11,925	\$0	\$64,398	18.50%

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

*Other Supplemental Schedules*

Bienville Parish Police Jury  
Arcadia, Louisiana  
Supplemental Information Schedules  
as of and for the Year Ended December 31, 2017

**Non-Major Funds**

**Special Revenue:**

**District Court Expense Fund**

The District Court Expense Fund accounts for the payments to off-duty law enforcement officers and others as witnesses in criminal cases. Financing is provided by fines paid by defendants who are found guilty in district court and operating transfers from the General Fund.

**Recycling Program Fund**

The Recycling Program Fund accounts for the education of parish residents on the energy savings potential and positive environmental benefits of recycling and energy conservation in waste management. Funding is provided by a federal grant from the United States Department of Energy which is passed through the Louisiana Department of Environmental Quality.

**Industrial District No. 2 Fund**

The Industrial District No. 2 Fund accounts for the excess funds of the Industrial District No. 2 Debt Service Fund which was closed during 1990 by the transfer of its remaining funds to this special revenue fund. These funds will be used within the boundaries of the Industrial District No. 2 Fund.

**Tourism Fund**

The Tourism Fund accounts for a dedicated tax of two percent, as authorized by Louisiana Revised Statute 33:4574, levied on all hotel/motel occupancy charges in the parish and is dedicated to the development and promotion of tourism.

**Section 8 Housing Fund**

The Section 8 Housing Fund accounts for the operations of the lower income housing assistance program whose purpose is to aid very low income families in obtaining decent, safe, and sanitary rental housing. Financing is provided by grants from the U.S. Department of Housing and Urban Development.

**Construction Fund**

The construction fund account for financial resources received and used for the construction and equipment of a new courthouse and new courthouse annex.

**CDBG Fund**

The CDBG Fund accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities such as wells and distribution lines.

Bienville Parish Police Jury  
Arcadia, Louisiana  
Non-Major Funds

Combining Balance Sheet, December 31, 2017

	District Court Expense	Recycling Program	Industrial District No. 2	Tourism	CDBG	Construction Fund	Section 8 Housing	Total
<b>Assets</b>								
Cash and equivalents	\$274,980	\$10,942	\$12,011	\$8,127	\$3,966	\$2,390	\$56,881	\$369,297
Receivables				6,377				6,377
Total Assets	<u>\$274,980</u>	<u>\$10,942</u>	<u>\$12,011</u>	<u>\$14,504</u>	<u>\$3,966</u>	<u>\$2,390</u>	<u>\$56,881</u>	<u>\$375,674</u>
<b>Liabilities</b>								
Accounts payable								NONE
Deferred revenue								NONE
Total Liabilities	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<b>Fund Equity</b>								
Fund Equity - fund balances:								
Non spendable					\$3,966			3,966
Restricted:								
Other general government	274,980							274,980
Public works		\$10,942						10,942
Health & welfare							\$56,881	56,881
Economic development			\$12,011	\$14,504				26,515
Assigned						\$2,390		2,390
Total fund equity- fund balances	<u>274,980</u>	<u>10,942</u>	<u>12,011</u>	<u>14,504</u>	<u>3,966</u>	<u>2,390</u>	<u>56,881</u>	<u>375,674</u>
Total Liabilities And Fund Equity	<u>\$274,980</u>	<u>\$10,942</u>	<u>\$12,011</u>	<u>\$14,504</u>	<u>\$3,966</u>	<u>\$2,390</u>	<u>\$56,881</u>	<u>\$375,674</u>



Bienville Parish Police Jury  
Arcadia, Louisiana  
Non-Major Funds

Combining Schedule of Revenues, Expenditures,  
And Changes in Fund Balances  
For the Year Ended December 31, 2017

	District Court Expense	Recycling Program	Industrial District No. 2	Tourism	CDBG	Construction Fund	Section 8 Housing	Total
<b>Revenues</b>								
Taxes - hotel/motel				\$25,724				\$25,724
Federal funds							\$253,064	253,064
Fines and forfeitures	\$64,213							64,213
Use of money and property	859	\$41	\$42			\$9	239	1,190
Total revenues	<u>65,072</u>	<u>41</u>	<u>42</u>	<u>25,724</u>	<u>NONE</u>	<u>9</u>	<u>253,303</u>	<u>344,191</u>
<b>Expenditures</b>								
Current:								
General government - judicial	4,500							4,500
Public works		\$3,600						3,600
Health and welfare							255,547	255,547
Economic development				23,700				23,700
Total expenditures	<u>4,500</u>	<u>3,600</u>	<u>NONE</u>	<u>23,700</u>	<u>NONE</u>	<u>NONE</u>	<u>255,547</u>	<u>287,347</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	60,572	(3,559)	42	2,024	NONE	9	(2,244)	56,844
<b>Fund Balance - Beginning</b>	214,408	14,501	11,969	12,480	\$3,966	2,381	59,125	318,830
<b>Fund Balance - Ending</b>	<u>\$274,980</u>	<u>\$10,942</u>	<u>\$12,011</u>	<u>\$14,504</u>	<u>\$3,966</u>	<u>\$2,390</u>	<u>\$56,881</u>	<u>\$375,674</u>

Bienville Parish Police Jury  
Arcadia , Louisiana  
Supplemental Information Schedules  
for the Year Ended December 31, 2017

**Compensation Paid Police Jurors**

The schedule of compensation paid to police jurors and commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, jurors receive \$1,600 per month. The president receives an additional \$400 per month for fulfilling the responsibilities of his office.

Bienville Parish Police Jury  
Arcadia, Louisiana

Schedule of Compensation Paid Police Jurors  
For the Year Ended December 31, 2017

Jerry Roberson	\$19,200
Darryl Ryder (President)	24,000
Jerry Bates	19,200
Michael Nelson	19,200
Joseph Lawson	19,200
Raymond Malone	19,200
William Sims	<u>19,200</u>
Total	<u>\$139,200</u>

BIENVILLE PARISH POLICE JURY  
Arcadia, Louisiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2017

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>UNITED STATES DEPARTMENT OF TRANSPORTATION</b>			
Passed through Louisiana Department of Transportation and Development - Public Transportation for Non-Urbanized Areas	20.509	741-07-0116	\$202,213
<b>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Direct program - Lower-Income Housing Assistance - Choice Voucher Program	14.871	LA241	253,064
Total Department of Housing and Urban Development			<u>253,064</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
Passed through Louisiana Department of Public Safety and Corrections, Public Safety Services - Homeland Security Grant Program	97.042	EMT-2016-EP- 00003-S01	10,035
Passed through Louisiana Department of Public Safety and Corrections, Public Safety Services - Homeland Security Grant Program	97.042	EMW-2015-SS- 00043-S01	29,375
Passed through Louisiana Department of Public Safety and Corrections, Public Safety Services - Hazardous Mitigation	97.036	PW	24,514
Total Department of Homeland Security			<u>63,924</u>
Total Expenditures of Federal Awards			<u><u>\$519,201</u></u>

## Footnote:

This schedule was prepared on the modified accrual basis of accounting.

BIENVILLE PARISH POLICE JURY  
Arcadia, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2017

DARRYL RYDER, POLICE JURY PRESIDENT

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$24,000
Benefits - Insurance	28,347
Mileage reimbursement	267

*Other Reports*

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

The following independent auditor's report on compliance and internal control over financial reporting is 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.

Member:  
American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**MARY JO FINLEY, CPA, INC.**  
A PROFESSIONAL ACCOUNTING CORPORATION  
116 Professional Drive - West Monroe, LA 71291  
Phone (318) 329-8880 - Fax (318) 239-8883

Practice Limited to  
Governmental Accounting,  
Auditing and  
Financial Reporting

**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance *Government Auditing Standards***

Bienville Parish Police Jury  
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, each major fund, and the aggregate remaining fund information of Bienville Parish Police Jury as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Bienville Parish Police Jury's basic financial statements, and have issued my report thereon dated April 30, 2018.

**Internal Control Over Financial Reporting**

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

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



BIENVILLE PARISH POLICE JURY  
Arcadia, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
December 31, 2017

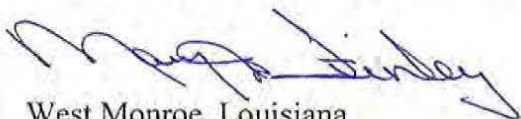
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

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



West Monroe, Louisiana  
April 30, 2018

BIENVILLE PARISH POLICE JURY  
Arcadia, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2017

**A. SUMMARY OF AUDIT RESULTS**

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

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**Bienville Parish Police Jury  
Arcadia, Louisiana**

**Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2017**

The audit report for the year ended December 31, 2016, contained no audit findings.

# MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

## Independent Accountant's Report on Applying Agreed-Upon Procedures

Bienville Parish Police Jury  
100 Courthouse Drive  
Arcadia, LA 71001

To the Bienville Parish Police Jury's Office

I have performed the procedures enumerated below, which were agreed to by the management of the Bienville Parish Police Jury'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 January 1, 2017 through December 31, 2017. Management of Bienville Parish Police Jury'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**

#### **1. WRITTEN POLICIES AND PROCEDURES**

- A. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

The secretary/treasurer provided me with a copy of the agency's policy and procedures manual to test against the agreed upon procedures.

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

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

- C. 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 appear to be in compliance with the agreed upon procedures guidelines. The policy and procedures outlines any purchases requiring compliance with the bid law. The purchase orders are approved by someone other than the employee requesting the purchase order.

- D. Disbursements, including processing, reviewing, and approving

The purchasing policies and procedures appear to be in compliance with the agreed upon procedures guidelines.

- E. Receipts, including receiving, recording, and preparing deposits

The police jury has a written policy and procedures for receipts, recording and preparing documents. The assistant secretary/treasurer opens the mail and gives all checks to the secretary/treasurer. The secretary/treasurer reviews and then gives to the assistant secretary/treasurer who prepares the deposit and post the deposits in MIP software. The administrative assistant/payroll clerk makes the bank deposits. The assistant secretary/treasurer prepares the bank reconciliations and the secretary/treasurer reviews all bank reconciliations.

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

The police jury has policies and procedures pertaining to payroll/personnel. It addresses several areas such as leave time, holiday time, compensatory time. The payroll clerk is responsible for tracking the leave time and other compensatory time. The police jury is in compliance with the AUP guidelines.

- G. 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 Police jury has written policies and procedures concerning contracting. The Police jury is in compliance with the AUP guidelines.

- H. 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.

The Police jury has a written polices and procedures addressing credit cards. There are not enough employees to segregate as much as wanted by the AUP guidelines.

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

The Police jury has policies and procedures in place to cover the above categories. The Police jury is in compliance with the AUP guidelines.

- J. 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. Note: Ethics requirements are not applicable to nonprofits.

The Police jury has an ethics policies and procedures in place. All employees are now required to take the online ethics course.

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

The Police jury has a written policies and procedures in place for debt service.

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

### ***Board (or Finance Committee, if applicable)***

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Police Jury has regular monthly meetings and budgets and financials are reviewed every meeting.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

Budget to actual comparisons are presented at every monthly meeting.

- ▶ If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Budget information is discussed at every monthly meeting and all contracts or non-budgetary activity is approved by the jury as needed.

## **BANK RECONCILIATIONS**

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

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

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

The agency had a total of 18 bank accounts, so a random sample of 6 bank accounts were selected to test the following:

- A) Bank reconciliations have been prepared;

For the 6 bank accounts selected above, all were reconciled each month for the period tested.

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

For the 6 bank accounts selected above, it was determined that the 6 bank reconciliations are performed by the assistant secretary/treasurer and reviewed by the secretary/treasurer.

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

For the 6 bank accounts selected above, 4 of the 6 accounts had no outstanding reconciling items over six months. Two accounts has reconciling items over 6 months old.

## **COLLECTIONS**

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

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

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

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

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

The Police jury's office has surety bonds that cover all employees that are responsible for collecting cash. The agency has no cash drawers. The assistant secretary/treasurer receives the payments and gives them to the secretary/treasurer, who reviews them and then gives to the assistant secretary/treasurer who prepares the deposits and post cash receipts to the MIP accounting software. Deposits are taken to the bank on the day that checks are received, by the administrative assistant/payroll clerk. At the end of the month the assistant secretary/treasurer reconciles the bank statements and the secretary/treasurer reviews them.

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

The checks received are deposited when received. The police jury's office does not receive any cash. The deposit is made by the administrative assistant/payroll clerk and posted in the MIP accounting software by the assistant secretary/treasurer.

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



The agency provided a certified list of the highest (dollar) week of cash collections for each collection location. We verified the highest week was January 8, 2017 thru January 14, 2017, which was tested for the following:

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

The funds were tested for deposits of collections. For the week tested, all of the funds made daily deposits.

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

The funds were tested for deposits of collections. All collections for the week tested had proper documentation. Deposits are made when the checks are received.

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

The agency has a written policies or procedures to determine completeness of collections or revenue sources.

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

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

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

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

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

Of the disbursements selected to be tested, 1 of the 50 tested for the police jury's office had an incorrect purchase order or requisitions.

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

Of the 50 police jury's office disbursements selected to test, 1 of the 50 was approved by the person that initiated the purchase.

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

Of the disbursements selected to be tested, all were processed with all of the required support.

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

Bienville Parish Police jury uses MIP software which does not allow them to restrict any user from adding vendors.

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

The assistant secretary/treasurer initiates all checks and she and the secretary/treasurer sign all checks. The assistant secretary/treasurer reconciles all of the bank accounts and the secretary/treasurer reviews all bank reconciliations.

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

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

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

The Bienville Parish Police Jury's office does not uses a signature check stamp.

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

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

The Police jury provided a certified list of its active credit cards, fuel cards, etc.

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

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

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

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

The Police jury has numerous credit cards. The secretary/treasurer reviews all credit card and fuel card statements, then the assistant secretary/treasurer initiates the checks and then matches the statements and support with check copies and the secretary/treasurer and the assistant secretary/treasurer sign all the checks. The secretary/treasurer is an authorized card holder on several of the cards.

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

The Police jury has numerous credit cards, no finance charges or late fees were noted.

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

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

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

The credit card statements tested had original itemized receipts for all purchases except for 3 charges, which were recurring monthly charges for stamps and adobe.

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

The police jury's charges were for business purposes.

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

There is no other documentation required for the credit card purchases.

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

There were no charges on the credit card that meets the requirements for using the bid law.

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

The Police jury had no transactions that violate Article 7, Section 14 of the Louisiana Constitution.

## **TRAVEL AND EXPENSE REIMBURSEMENT**

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

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

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

Agency has written policy and procedures for travel. The 3 employees that were paid the highest amount for travel or related expenses during the test period were tested against the written policies and procedures. It was noted that one juror stayed at a hotel in Lake Charles, LA in February, 2017 and paid a rate of \$149 per night. The GSA rate is \$91 per night. Two jurors stayed in Columbus, OH in July, 2017 at a rate of \$249, \$259, and 2 nights at \$269 per night. The GSA rate is \$115 per night.

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

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

The police jury travel costs were tested against the written policies and procedures - no exceptions noted.

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

The agency has written policies or procedures for travel and the 3 employees that received the most reimbursements for travel and related were tested against the policy. Two of the jurors were advanced \$1,372 each for an airline ticket. The jurors have not produced proof of the cost of the actual ticket. There was a range of tickets available from \$799 to \$1,594 listed on Expedia website for airline tickets.

- B) Report whether each expense is supported by:

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

The 3 employees that received the most travel and related reimbursements during the test period were tested against the travel and related policies. Two of the jurors were advanced \$1,372 each for an airline ticket. The jurors have not produced proof of the cost of the actual ticket.

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

The 3 employees that received the most travel and related reimbursements during the test period were tested against the agency policies and procedures - no exceptions noted.

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

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

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

a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

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

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

All employees that received any travel or related expense reimbursements during the test period were approved by the police jury.

## CONTRACTS

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

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

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

The 5 contracts that were paid the most money were selected from the list of contracts from #20 and tested for the following:

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

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

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

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

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

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

The contracts selected were not amended.

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

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

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

All contracts are approved by the jury.

## **PAYROLL AND PERSONNEL**

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

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

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

The 5 employees of the Police jury that were chosen to be tested, were paid in accordance with the terms and conditions of their employment.

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



All changes to the salaries of the 5 employees chosen were approved by the police jury in committee meetings or jury meetings.

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

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

Of the 5 employees selected, all employees that are eligible to earn leave time documented their daily attendance. The agency tracks leave time earned and used, to make sure no excess leave time is taken. The employees are allowed to accumulate leave time and carry forward. They are paid for any leave time upon termination. This leave schedule is tested during the audit.

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

Of the 5 employees that were selected, the supervisor approved the employees attendance and leave time.

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

The agency tracks leave time on MIP accounting software.

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

The agency provided a certified list of employees terminated during the test period. The two employees with the largest termination payments were tested. They were not paid for any excess time that they had not earned.

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

During testing of the agency it was determined that the Bienville Parish Police jury's office is submitting payroll tax, retirement contributions and required forms by the required deadlines.

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

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

Agency provided support for ethics training for the 5 randomly selected employees above.

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

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

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

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

The Bienville Parish Police jury had no debt issued during the test period that required bond commission approval.

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

The Bienville Parish Police Jury outstanding debt was paid in accordance with debt service schedules.

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

The Bienville Parish Police jury has debt outstanding that is associated with a tax millage. The Bienville Parish Police Jury revenue received did not exceed 10% of the debt service paid.

## **OTHER**

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

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

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

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

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

There were no other exceptions noted during procedures.

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

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

Mary Jo Finley, CPA  
April 30, 2018

RAYMOND MALONE  
President- District 7  
TONY LAWSON  
Vice President-District 5  
BILL SIMS  
District 1  
JERRY ROBERSON  
District 2  
DARRYL RYDER  
District 3  
JERRY BATES  
District 4  
MICHAEL NELSON  
District 6



## POLICE JURY OF BIENVILLE PARISH

RODNEY L. WARREN  
Secretary/Treasurer

KEN SINGLETON  
Road Superintendent

100 Courthouse Drive  
Suite 2100  
Arcadia, LA 71001

Telephone : 318-263-2019  
Fax: 318-263-7404

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

RE: AUP Exceptions Response

Following is the Bienville Parish Police Jury's response to the report of exceptions found during your testing performed in accordance with the Louisiana Legislative Auditors Statewide Agreed-Upon Procedures:

### 1-H Credit Cards

The Parish Treasurer according to RS 33:1654 shall receive the money of the parish, disburse the same agreeably to law, and take receipts therefor. He shall keep regular accounts of all receipts and expenditures, and of all debts due to or from the parish, and direct prosecutions ordered by the police jury, for all debts due the parish.

All charges are reviewed by the Secretary/Treasurer and paid by the Assistant Secretary/Treasurer. The Finance and Budget Committee reviews each invoice/statement.

### 4-C Bank Reconciliations

Every effort is made to research and resolve items that are outstanding over 6 months and we are in the process of resolving the issue with the two uncashed checks.

### 9-A Disbursements

Should a purchase be made without following the purchasing policy, the Secretary/Treasurer denies payment until all parties involved have been informed of the policy violation. Once all parties have gained a better understanding of the purchasing policy, payment may be approved by the Secretary/Treasurer after consultation with the Parish President.

9-B

Should a purchase order be initiated by the person considered to be the purchase approval authority, the purchase order is reviewed by the Secretary/Treasurer or Assistant Secretary/Treasurer.

10

The Bienville Parish Police Jury's software does not allow the restriction of Vendors. All new vendors are approved by the Secretary/Treasurer prior to adding them to the system.

12

All checks are in a locked cabinet and all checks are accounted for during the reconciliation process.

15-A

The Secretary/Treasurer is the authorized card holder on the Parish's credit card and approves/reviews each purchase. Once the statement is received it is reviewed by the Assistant Secretary/Treasurer and the Secretary/Treasurer prior to processing for payment by the Assistant Secretary/Treasurer. Both the Secretary/Treasurer and Assistant Secretary/Treasurer have to sign the check.

16

A copy of documentation for recurring charges, once authorized, will be placed in the Accounts Payable folder on the month that the charge is initiated.

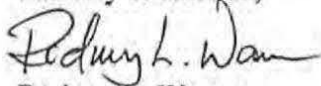
18

All travel to conferences is booked at the group rate which is lower than the standard rate. Going forth the Police Jury will attempt to negotiate an even lower rate to satisfy the GSA requirements.

19-A&B

Travel advances will no longer be allowed. All reimbursements will be by receipt only. The Jurors that were unable to produce receipts are in the process of reparation by repaying the difference between the advance and the actual costs of travel.

Humbly submitted,



Rodney L. Warren  
Secretary/Treasurer