

**Bienville Parish Police Jury
Arcadia, Louisiana**
**Primary Government Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2011
With Supplemental Information Schedules**

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and where appropriate at the office of the parish clerk of court.

Release Date **JUN 13 2012**

**Bienville Parish Police Jury
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, 2011**

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, 2011. 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 assets presents information on all of the police jury's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 and the Construction Fund which 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 assets may serve over time as a useful indicator of a government's financial position. The following tables focus on net assets (Table 1) and changes in net assets (Table 2) for the police jury's governmental activities.

Table 1
Net Assets
Governmental Activities

	2011	2010
Current and other assets:		
Cash and equivalents	\$26,494,634	\$28,745,936
Receivables	5,383,194	4,436,823
Prepaid expenses	8,485	2,414
Capital assets (net)	<u>13,757,207</u>	<u>7,210,916</u>
Total assets	<u>45,643,520</u>	<u>40,396,089</u>
Payables	1,684,122	272,738
Wages and related payable	9,922	10,348
Interest payable	149,629	177,095
Bonds payable	11,675,000	12,000,000
Premium on bonds	311,576	316,948
Due to other agencies	30,822	63,360
Deferred Revenues	70,000	70,000
Compensated absences	69,238	58,024
Other post-employment benefits	<u>241,154</u>	<u>163,859</u>
Total liabilities	<u>14,241,463</u>	<u>13,132,372</u>
Net assets:		
Invested in capital assets, net of debt	2,082,207	6,918,516
Unrestricted	<u>29,319,850</u>	<u>20,345,201</u>
Total net assets	<u>\$31,402,057</u>	<u>\$27,263,717</u>

Table 2
Changes in Net Assets
Governmental Activities

	2011	2010
Revenues		
Program revenues:		
Charges for services	\$38,234	\$68,625
Federal grants	543,955	759,986
State grants and entitlements	479,034	501,091

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

	<u>2011</u>	<u>2010</u>
General revenues:		
Property taxes	4,348,123	2,757,649
Sales taxes	5,116,337	6,150,553
Unrestricted grants and contributions	1,237,613	1,460,373
Unrestricted investment earnings	158,301	639,915
Other general revenues	83,059	92,575
Total revenues	<u>12,004,656</u>	<u>12,430,767</u>
Program expenses		
General government	1,291,184	1,405,511
Public safety	803,582	832,085
Public works	5,164,104	5,159,786
Health and welfare	394,070	480,536
Conservation of natural resources	29,545	29,212
Economic development and assistance	37,890	56,599
Debt service	457,649	171,723
Total expenses	<u>8,178,024</u>	<u>8,135,452</u>
Excess before special items	3,826,632	4,295,315
Special item - gain on disposal of assets	54,146	(700)
Increase in net assets	<u>3,880,778</u>	<u>4,294,615</u>
Net assets at beginning of year	27,521,279	23,226,664
Net assets at end of year	<u>\$31,402,057</u>	<u>\$27,521,279</u>

Government-Wide Financial Analysis At the close of the fiscal year, assets of the police jury exceeded liabilities by \$31,402,057. Of those net assets, \$2,082,207 represents the police jury's investment in capital assets net of accumulated depreciation. These assets are not available for future spending. The remaining net assets are made up of bank balances of \$4,144,634, time deposits of \$22,350,000, and receivables of \$5,383,194

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	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
General government	\$1,291,184	\$1,405,511	\$1,140,323	\$1,216,229
Public safety	803,582	832,085	803,582	832,085
Public works	5,164,104	5,159,786	4,674,846	4,412,742
Health and welfare	394,070	480,536	(13,699)	87,160
All others	525,084	257,534	511,749	257,534
Totals	<u>\$8,178,024</u>	<u>\$8,135,452</u>	<u>\$7,116,801</u>	<u>\$6,805,750</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, 2011, combined governmental fund balances of \$30,091,447 showed a decrease of \$3,575,868 over December 31, 2010. The General Fund's balance of \$7,863,364, is \$1,549,692 higher than the 2010 balance of \$6,313,672. This was mostly due to a 2011 transfer of \$1,500,000. The Road Maintenance Fund experienced a \$1,289,096 overall increase. The Solid Waste Fund had a decrease of \$43,852 for the year.

Budgetary Highlights

Differences between the bottom line of the original budgets and the final budgets were relatively small. Actual numbers for Ad Valorem Taxes and Severance Taxes were higher than expected, along with Federal Grants and Other State Funds. Expenditures were somewhat higher in areas such as Public Safety and Financial and Administrative.

Capital Asset and Debt Administration

Capital Assets. The police jury's investment in capital assets for its governmental activities as of December 31, 2011, amounts to \$13,757,207 (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 \$6,546,291 which was a result of the construction of the new courthouse and courthouse annex.

Long-Term Debt. At the end of the year, the police jury had total long-term debt of \$11,985,392. Of that amount, \$69,238 represents accrued and unused employee annual leave and is a \$11,214 increase over the previous year. Also there are revenue bonds payable in the amount of \$11,675,000. During the year, \$325,000 was paid in accordance with the debt agreement. The remaining \$241,154 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 45 (GASB 45) which requires the accrual of liabilities for group insurance coverage that will be paid for employees after they retire. The current year accrual consist of \$77,295 which is attributed to current costs and \$10,313, which is the current year share of the accrued liability for employee service at December 31, 2011. That liability is being amortized over a thirty year period.

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 costs, funding to secure more office space rose to the forefront in late 2009. The main focus for the past couple of years was to construct a new Courthouse in Arcadia and a new Courthouse Annex in Ringgold. Funding for these projects will be secured by a bond election in the amount of \$12,000,000 payable from an ad valorem tax. This source of funding, will enable the jury to continue working toward a realistic budget for future planning purposes. Our main focus during the year 2011 will be to finalize construction of the new facilities as soon as possible.

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 P.O. Box 479, Arcadia, Louisiana 71001. Our telephone number is (318) 263-2019.

Independent Auditor's Report

**Bienville Parish Police Jury
Arcadia, Louisiana**

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 and for the year ended December 31, 2011, which collectively comprise the basic financial statements of the parish's primary government as listed in the table of contents. These financial statements are the responsibility of Bienville Parish Police Jury's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

The financial statements do not include financial data of the police jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data of those component units to be reported with the financial data of the parish'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. Because of this departure from accounting principles generally accepted in the United States of America, the statement of net assets and the statement of activities are understated by the amount of assets, liabilities, net assets, revenues, and expenses of the aggregate discretely presented component units. In addition, the aggregate remaining fund information is understated by the amount of assets, liabilities, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements is not reasonably determinable.

In my opinion, because of the omission of the discretely presented component units, as discussed above, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of Bienville Parish Police Jury as of December 31, 2011, of the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in my opinion, except for the effects of omitting blended component units as discussed above, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information for the primary government of Bienville Parish as of December 31, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

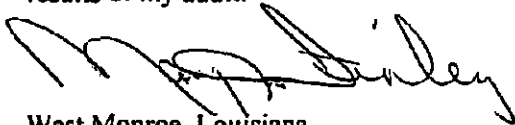
**Bienville Parish Police Jury
Arcadia, Louisiana
Independent Auditor's Report,
December 31, 2011**

Further, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Bienville Parish Police Jury as of December 31, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7, the budgetary comparison information on pages 34 through 37, and the schedule of funding progress for the retiree healthcare plan on page 38 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 management'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.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bienville Parish Police Jury's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated May 21, 2012, on the Bienville Parish Police Jury's compliance with certain provisions of laws, regulations, contracts, and grants and my consideration of the agency's internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



West Monroe, Louisiana
May 21, 2012

Basic Financial Statements

Statement A**Bienville Parish Police Jury
Arcadia, Louisiana
Governmental Activities
Statement of Net Assets
December 31, 2011**

Assets	
Cash and cash equivalents	\$26,494,634
Receivables	5,383,194
Prepaid expenses	8,485
Capital assets (net)	<u>13,757,207</u>
Total Assets	<u>\$45,643,520</u>
Liabilities	
Accounts payable	\$1,684,122
Wages and related payable	9,922
Interest payable	149,629
Bonds payable	11,675,000
Premium on bonds	311,576
Due to other agencies	30,822
Deferred revenues	70,000
Compensated absences payable	69,238
Other post-employment benefits	<u>241,154</u>
Total Liabilities	<u>\$14,241,463</u>
Net Assets	
Invested in capital assets, net of related debt	\$2,082,207
Unrestricted	<u>29,319,850</u>
Total Net Assets	<u>\$31,402,057</u>

See accompanying notes to basic financial statements

Bienville Parish Police Jury
Arcadia, Louisiana
Statement of Activities
For the Year Ended December 31, 2011

Functions:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General government	\$1,291,184	\$38,234	\$112,627		(\$1,140,323)
Public safety	803,582				(803,582)
Public works	5,164,104		270,096	\$219,162	(4,674,846)
Health and welfare	394,070		407,769		13,699
Conservation of natural resources	29,545				(29,545)
Economic development and assistance	37,890		13,335		(24,555)
Debt service	457,649				(457,649)
Total governmental activities	\$8,178,024	\$38,234	\$803,827	\$219,162	(7,116,801)
General revenues:					
Taxes.					
Property taxes levied for general purposes					1,519,142
Property taxes levied for public works					1,795,350
Property taxes levied for debt service					1,033,631
Sales & use taxes levied for public works					5,116,337
Other taxes, penalties, and interest					27,047
Grants and contributions not restricted to specific programs					1,237,613
Licenses and permits					56,012
Unrestricted investment earnings					158,301
Special item - Gain (loss) on disposal of assets					54,146
Total general revenues					10,997,579
Change in net assets					3,880,778
Net assets at beginning of year					27,521,279
Net assets at end of year					\$31,402,057

See accompanying notes to basic financial statements.

Statement C

Bienville Parish Police Jury
Arcadia, Louisiana
Governmental Funds
Balance Sheet
December 31, 2011

	General	Road Maintenance	Solid Waste	Construction Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and equivalents	\$6,327,830	\$9,696,600	\$3,306,730	\$6,481,228	\$340,137	\$342,109	\$26,494,634
Receivables	1,737,621	1,928,052	629,249		1,082,788	5,484	5,383,194
Prepaid expenses	8,485						8,485
Total Assets	\$8,073,936	\$11,624,652	\$3,935,979	\$6,481,228	\$1,422,925	\$347,593	\$31,886,313
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$107,974	\$39,790	\$106,010	\$1,426,798		\$3,550	\$1,684,122
Salaries and related payable	1,776	8,146					9,922
Due to other agencies	30,822						30,822
Deferred revenues	70,000						70,000
Total Liabilities	210,572	47,936	106,010	1,426,798	NONE	3,550	1,794,866
Fund Equity - fund balances							
Non spendable	8,485					16	8,501
Restricted:							
Other general government						99,451	99,451
Public works						14,442	15,421,127
Health & welfare		11,576,716	3,829,969			166,556	166,556
Economic development						63,578	63,578
Assigned				5,054,430	\$1,422,925		6,477,355
Unassigned	7,854,879						7,854,879
Total Fund equity - fund balances	7,863,364	11,576,716	3,829,969	5,054,430	1,422,925	344,043	30,091,447
Total Liabilities and Fund Balances	\$8,073,936	\$11,624,652	\$3,935,979	\$6,481,228	\$1,422,925	\$347,593	\$31,886,313

See accompanying notes to basic financial statements.

Bienville Parish Police Jury
Arcadia, Louisiana
Reconciliation of Governmental Funds Balance Sheet to
Statement of Net Assets
December 31, 2011

Total fund balance - governmental funds		\$30,091,447
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources		13,757,207
Long term liabilities:		
Interest payable	(\$149,629)	
Bonds payable	(11,675,000)	
Premium on bonds	(311,576)	
Compensated absences payable	(69,238)	
Net OPEB obligation	(241,154)	(12,446,597)
Net assets of governmental activities		<u>\$31,402,057</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, 2011

	General	Road Maintenance	Solid Waste	Construction Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Ad valorem	\$1,519,142	\$1,795,350			\$1,033,631		\$4,348,123
Sales and use			\$5,116,337				5,116,337
Other taxes, penalties, and interest	7,340				\$19,707		27,047
Licenses and permits	56,012						56,012
Intergovernmental revenues:							
Federal funds	230,062						230,062
State funds:							
Severance taxes	315,105	922,508					1,237,613
State revenue sharing	28,320	32,373					60,693
Parish transportation		270,096					270,096
Fire insurance rebate	51,934						51,934
LGAP	96,311						96,311
Other state grants	288						288
Fees, charges, and commissions for services	3,415						3,415
Fines and forfeitures						26,957	26,957
Use of money and property	49,626	81,873	17,450	\$8,689	450	213	158,301
Other revenues	7,574						7,574
Total revenues	<u>2,365,129</u>	<u>3,102,200</u>	<u>5,133,787</u>	<u>8,689</u>	<u>1,034,081</u>	<u>360,770</u>	<u>12,004,656</u>
EXPENDITURES							
Current							
General government	349,398						349,398
Legislative	218,018					7,450	225,468
Judicial							

Elections	71,888						71,888
Finance and administrative	334,522						334,522
Other general government	268,419						268,419
Public safety	800,005						800,005
Public works	96,311	2,896,250	1,281,822				4,274,383
Health and welfare	127,941					266,129	394,070
Conservation of natural resources	29,545					18,500	29,545
Economic development and assistance	19,390						37,890
Debt service					815,487		815,487
Capital outlay		1,425,885		6,666,778			8,092,663
Total expenditures	<u>2,315,437</u>	<u>4,322,135</u>	<u>1,281,822</u>	<u>6,666,778</u>		<u>292,079</u>	<u>15,693,738</u>
Excess (deficiency) of revenues over expenditures	<u>49,692</u>	<u>(1,219,935)</u>	<u>3,851,965</u>	<u>(6,658,089)</u>		<u>68,691</u>	<u>(3,689,082)</u>
OTHER FINANCING SOURCES							
Proceeds from sale of assets		11,000					11,000
Proceeds from trade in of assets		34,500					34,500
Proceeds from insurance		67,714					67,714
Operating transfers in	1,500,000	3,895,817					5,395,817
Operating transfers out	<u>1,500,000</u>	<u>(1,500,000)</u>	<u>(3,895,817)</u>				<u>(5,395,817)</u>
Total other financing sources (uses)		<u>2,509,031</u>	<u>(3,895,817)</u>	<u>NONE</u>		<u>NONE</u>	<u>113,214</u>
NET CHANGE IN FUND BALANCES	1,549,692	1,289,096	(43,852)	(6,658,089)		68,691	(3,575,868)
FUND BALANCES - BEGINNING	6,313,672	10,287,620	3,873,821	11,712,519		275,352	33,667,315
FUND BALANCES - ENDING	<u>\$7,863,364</u>	<u>\$11,576,716</u>	<u>\$3,829,969</u>	<u>\$5,054,430</u>		<u>\$344,043</u>	<u>\$30,091,447</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, 2011**

Net change in fund balances - total governmental funds	(\$3,575,868)
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.	7,246,385
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	325,000
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.	27,466
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 Assets and are not reflected in the Statement of Activities.	(77,295)
Governmental funds do not report gain or loss on disposition of assets. In the Statement of Activities, gain on disposition of assets increased when the asset is disposed.	(59,068)
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 assets and amortized over the life of the bonds. This is the difference between the total deferred costs carried to the statement of net assets and the amount amortized for the current year.	5,372
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).	<u>(11,214)</u>
Change in net assets of governmental activities	<u>\$3,880,778</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, 2011**

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 2016. 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 15,752 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
Recreation District No. 3	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
Mill Creek Recreation and Water Conservation District	December 31	1 and 3
Kepler Creek Recreation and Water Conservation District	December 31	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

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

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 assets 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.

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

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

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

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

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.

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 15th. Ad valorem taxes become delinquent if not paid by December 31st. 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	4.40	Indefinite
Public works	5.92	5.20	2015
Debt service	3.00	3.00	Indefinite

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

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 2011 assessed valuation (amounts expressed in thousands):

	<u>2011 Assessed Valuation</u>	<u>Per cent of Total Assessed Valuation</u>
ETC Tiger Pipeline, LLC	\$37,911	10.02%
Gulf South Pipeline Company	36,295	9.59%
QEP Energy Company	24,909	6.58%
Regency Intrastate	21,158	5.59%
Bear Creek Storage Company	19,126	5.05%
Conocophillips Company	17,294	4.57%
Centerpoint Energy Gas Transmission	16,752	4.43%
El Paso E & P Company, LP	16,584	4.38%
QEP Field Services	9,720	2.57%
DCP Assets Holding, LP	7,993	2.11%
Total	<u>\$207,742</u>	<u>54.89%</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 will expire on June 30, 2014. 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 87% of non-infrastructure assets are based on actual costs while the remaining 13% 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.

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

<u>Description</u>	Estimated Lives
Infrastructure roads	20 - 40 Years
Infrastructure bridges	25 - 40 Years
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, 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 the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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

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.

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, 2011, the police jury has cash and cash equivalents (book balances) totaling \$26,494,634, as follows:

Demand deposits	\$4,144,634
Time deposits	<u>22,350,000</u>
Total	<u>\$26,494,634</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, 2011, are as follows:

Bank Balances	<u>\$26,673,406</u>
Federal deposit insurance	\$7,050,016
FDIC Transaction Account Guarantee Program	2,956,698
FHLB Standby Letter of Credit	13,500,000
Pledged securities (uncollateralized)	<u>8,938,424</u>
Total	<u>\$32,445,138</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.

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

3. RECEIVABLES

The receivables of \$5,383,194, at December 31, 2011, 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	\$1,588,089	\$1,876,833		\$1,082,788		\$4,547,710
Sales and use taxes			\$629,249			629,249
Other taxes	1,764				\$5,484	7,248
Federal grants	37,302					37,302
State grants	109,676	51,219				160,895
Accounts and other	790					790
Total	<u>\$1,737,621</u>	<u>\$1,928,052</u>	<u>\$629,249</u>	<u>\$1,082,788</u>	<u>\$5,484</u>	<u>\$5,383,194</u>

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2011, 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
Construction in progress	933,426	\$6,666,778	(\$641,026)	6,959,178
Total capital assets not being depreciated	<u>1,593,676</u>	<u>6,666,778</u>	<u>(641,026)</u>	<u>7,619,428</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	17,514,466	1,171,699		18,686,165
Bridges	1,517,810			1,517,810
Buildings and improvements	2,789,136			2,789,136
Office furniture and equipment	22,519			22,519
Heavy Equipment	1,370,219	250,920	(115,433)	1,505,706
Vehicles	1,231,831		(123,895)	1,107,936
Miscellaneous equipment	487,670	3,266		490,936
Total capital assets being depreciated	<u>24,933,651</u>	<u>1,425,885</u>	<u>(239,328)</u>	<u>26,120,208</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	(13,413,204)	(640,557)		(14,053,761)
Bridges	(1,232,766)	(17,587)		(1,250,353)
Buildings and improvements	(2,487,304)	(13,518)		(2,500,822)
Office furniture and equipment	(21,529)	(330)		(21,859)
Heavy Equipment	(1,139,239)	(86,111)	115,433	(1,109,917)
Vehicles	(684,802)	(66,422)	64,827	(686,397)
Miscellaneous equipment	(337,567)	(21,753)		(359,320)
Total depreciation	<u>(19,316,411)</u>	<u>(846,278)</u>	<u>180,260</u>	<u>(19,982,429)</u>

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Total capital assets being depreciated (net)	\$5,617,240	\$579,607	(\$59,068)	\$6,137,779
Total capital assets (net)	<u>\$7,210,916</u>	<u>\$7,246,385</u>	<u>(\$700,094)</u>	<u>\$13,757,207</u>

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

	<u>Amount</u>
General government	\$17,923
Public safety	3,577
Public works	<u>824,778</u>
Total	<u>\$846,278</u>

5. INTERFUND TRANSFERS

During 2011, the Solid Waste Fund made operating transfers of \$3,895,817, 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. Also, the Road Maintenance Fund made operating transfers of \$1,500,000 to the General Fund.

6. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended December 31, 2011

	<u>Revenue Bonds</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations, December 31, 2010	\$12,000,000	\$58,024	\$12,058,024
Additions		46,414	46,414
Deletions	(325,000)	(41,439)	(366,439)
Adjustment*		6,239	6,239
Long-term obligations, December 31, 2011	<u>\$11,675,000</u>	<u>\$69,238</u>	<u>\$11,744,238</u>

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

Revenue bonds payable at December 31, 2011, are comprised of the following issue:

\$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 \$325,000 to \$860,000 through March 1, 2030. Interest at 2% to 4% per annum. Debt retirement payments are to be made from ad valorem taxes

\$11,675,000

The annual requirements to amortize all general obligation bonds outstanding at December 31, 2011 are as follows:

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$420,000	\$442,588	\$862,588
2013	435,000	429,762	864,762
2014	455,000	416,413	871,413
2015	470,000	400,187	870,187
2016	490,000	380,987	870,987
2017-2021	2,770,000	1,587,937	4,357,937
2022-2026	3,390,000	987,956	4,377,956
2027-2030	3,245,000	265,901	3,510,901
Total	<u>\$11,675,000</u>	<u>\$4,911,731</u>	<u>\$16,586,731</u>

7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description. The Bienville Parish Police Jury contributes to a single-employer defined benefit healthcare plan (“the Retiree Healthcare Plan”). The plan provides healthcare insurance for eligible retirees until age 65 through the police jury’s group health insurance plan, which covers both active and retired members. To receive benefits employees must meet the retirement eligibility requirements of the Parochial Employees Retirement System . Benefit provisions are established by the Bienville Parish Police Jury The Retiree Health Plan does not issue a publicly available financial report.

Effective with the Year ending December 31, 2009, the Bienville Parish Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The statement has been implemented prospectively. Using this method, the beginning other post employment benefit (OPEB) liability is set at zero and the actuarially determined OPEB liability relative to past service (prior to January 1, 2009) will be amortized and recognized as an expense over thirty years.

Funding Policy. The Bienville Parish Police Jury contributes 25%, 50%, 75%, or 100% of the cost of current year health care premiums for eligible retired employees, depending on whether the retiree has 1 to 10 , 10 to 15, 15 to 20, or 20 plus years of service. For the year ended December 31, 2011, the Bienville Parish Police Jury had retiree contributions of \$10,313 to the plan

Annual OPEB Cost and Net OPEB Obligation The police jury’s annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The Bienville Parish Police Jury has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than 100 total plan members The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the police jury’s annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the police jury’s net OPEB obligation to the retiree healthcare plan.

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

Annual required contribution	\$83,512
Interest on net OPEB obligation	4,096
Adjustment to annual required contribution	None
Annual OPEB cost (expense)	<u>\$87,608</u>
Contributions made	<u>(10,313)</u>
Increase in net OPEB obligation	77,295
Net OPEB obligation at beginning of year	<u>163,859</u>
Net OPEB obligation at end of year	<u><u>\$241,154</u></u>

The police jury's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year 2011 was \$87,608, 12%, and \$241,154, respectively.

Funded Status and Funding Progress. As of December 31, 2008, the actuarial accrued liability for benefits was \$723,566, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,115,076, and ratio of the unfunded actuarial accrued liability to the covered payroll was 64.89%.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

Retirement age for active employees - Active members were assumed to retire when they were eligible for retirement benefits and had at least 20 years of service, which ranged from age 55 to age 62.

Mortality - Life expectancies were based on mortality tables from the National Center for Health Statistics. The 2003 United States Life Tables for Males and for Females, revised March, 2007, were used.

Turnover - Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid

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

Healthcare cost trend rate - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare and Medicaid Services. A rate of 4.5% initially, increased to an ultimate rate of 6.1% after ten years, was used.

Health insurance premiums - 2008 age-adjusted health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid .

Inflation rate - A long-term inflation assumption of 3.9% was based on projected changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in the 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds for an intermediate growth scenario.

Payroll growth rate - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the police jury's short-term investments, a discount rate of 2.50% was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2008, is thirty years.

8. RETIREMENT SYSTEM

Substantially all employees of the Bienville Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. 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.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees, hired prior to January 1, 2007, who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final three year average salary. Employees hired after January 1, 2007, who retire at or after age 55 with at least 30 years of service, at or after age 62 with at least 10 years of creditable service, or at or after age 67 with at least 7 years of creditable service are entitled to a retirement benefit, payable for life, equal to 3 per cent of their final five year average compensation. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 per cent of final-average salary for each salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

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

Under Plan A, members are required by state statute to contribute 9.50 per cent of their annual covered salary and the Bienville Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 15.75 per cent of annual covered payroll. Contributions to the system also include one-fourth of one per cent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Bienville Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bienville Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2011, 2010, and 2009, were \$176,310, \$179,779, and \$133,111, respectively, equal to the required contributions for each year.

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, 2011, 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, 2011**

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, 2011, modified accrual based budgets were adopted for the General Fund and all special revenue funds. Budgetary comparison schedules include the original budgets and all subsequent amendments

Schedule 1

Bienville Parish Police Jury
Arcadia, Louisiana
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Ad valorem	\$1,100,000	\$1,245,000	\$1,519,142	\$274,142
Other taxes, penalties, & interest	8,000	7,885	7,340	(545)
Licenses and permits	75,600	56,500	56,012	(488)
Intergovernmental revenues:				
Federal funds - federal grants	215,000	370,000	230,062	(139,938)
State funds:				
Severance taxes	600,000	330,000	315,105	(14,895)
State revenue sharing (net)	25,000	29,400	28,320	(1,080)
Other	95,000	167,000	148,533	(18,467)
Fees, charges, and commissions for services	4,500	4,500	3,415	(1,085)
Use of money and property	321,500	51,500	49,626	(1,874)
Other revenues		16,500	7,574	(8,926)
Total revenues	<u>2,444,600</u>	<u>2,278,285</u>	<u>2,365,129</u>	<u>86,844</u>
Expenditures				
Current:				
General government:				
Legislative	371,850	350,100	349,398	702
Judicial	242,166	234,506	218,018	16,488
Elections	65,606	66,111	71,888	(5,777)
Finance and administrative	459,975	336,201	334,522	1,679
Other general government	128,250	119,980	268,419	(148,439)
Public safety	872,396	1,004,839	800,005	204,834
Public works	40,000	115,000	96,311	18,689
Health and welfare	194,000	192,000	127,941	64,059
Conservation of natural resources	35,950	29,420	29,545	(125)
Economic development and assistance	33,474	31,724	19,390	12,334
Total expenditures	<u>2,443,667</u>	<u>2,479,881</u>	<u>2,315,437</u>	<u>164,444</u>
Excess (Deficiency) of Revenues over Expenditures	<u>933</u>	<u>(201,596)</u>	<u>49,692</u>	<u>251,288</u>
Other Financing Source				
Operating transfers in		1,500,000	1,500,000	
Excess of Revenues and Other Source over Expenditures	933	1,298,404	1,549,692	251,288
Fund Balance - Beginning	<u>5,000,000</u>	<u>5,000,000</u>	<u>6,313,672</u>	<u>1,313,672</u>
Fund Balance - Ending	<u>\$5,000,933</u>	<u>\$6,298,404</u>	<u>\$7,863,364</u>	<u>\$1,564,960</u>

(Continued)

Bienville Parish Police Jury
Arcadia, Louisiana
Budgetary Comparison Schedule - Road Maintenance Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes - Ad valorem	\$1,350,000	\$1,472,000	\$1,795,350	\$323,350
Intergovernmental revenues - state funds				
Severance taxes	850,000	922,500	922,508	8
State revenue sharing (net)	30,000	33,600	32,373	(1,227)
Parish transportation funds	320,000	320,000	270,096	(49,904)
Use of money and property	80,000	86,000	81,873	(4,127)
Other revenues		25,320		(25,320)
Total revenues	<u>2,630,000</u>	<u>2,859,420</u>	<u>3,102,200</u>	<u>242,780</u>
Expenditures				
Current - Public Works				
Personal services	2,166,250	1,696,250	1,848,824	(152,574)
Operating services	309,200	364,995	151,744	213,251
Materials and supplies	1,796,500	911,730	895,682	16,048
Capital outlay	<u>1,471,000</u>	<u>1,397,000</u>	<u>1,425,885</u>	<u>(28,885)</u>
Total expenditures	<u>5,742,950</u>	<u>4,369,975</u>	<u>4,322,135</u>	<u>47,840</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,112,950)</u>	<u>(1,510,555)</u>	<u>(1,219,935)</u>	<u>(290,620)</u>
Other Financing Source				
Proceeds from sale of assets			11,000	11,000
Proceeds from trade in of assets			34,500	34,500
Proceeds from insurance		67,714	67,714	
Operating transfers in	3,500,000	4,000,000	3,895,817	(104,183)
Operating transfers out		<u>(1,500,000)</u>	<u>(1,500,000)</u>	
Total other financing source	<u>3,500,000</u>	<u>2,567,714</u>	<u>2,509,031</u>	<u>(58,683)</u>
Excess of Revenues and Other Source over Expenditures	387,050	1,057,159	1,289,096	231,937
Fund Balance - Beginning	<u>200,000</u>	<u>2,000,000</u>	<u>10,287,620</u>	<u>8,287,620</u>
Fund Balance - Ending	<u>\$587,050</u>	<u>\$3,057,159</u>	<u>\$11,576,716</u>	<u>\$8,519,557</u>

(Continued)

Bienville Parish Police Jury
Arcadia, Louisiana
Budgetary Comparison Schedule
Solid Waste Fund
For the Year Ended December 31, 2011

	Solid Waste Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Taxes - Sales and use	\$4,600,000	\$5,100,000	\$5,116,337	\$16,337
Use of money and property	20,000	16,500	17,450	950
Total revenues	<u>4,620,000</u>	<u>5,116,500</u>	<u>5,133,787</u>	<u>17,287</u>
Expenditures				
Current				
Public Works:				
Sales tax collection fees	170,000	170,000	155,326	14,674
Solid waste collection and disposal	950,000	1,125,000	1,126,496	(1,496)
Total expenditures	<u>1,120,000</u>	<u>1,295,000</u>	<u>1,281,822</u>	<u>13,178</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,500,000</u>	<u>3,821,500</u>	<u>3,851,965</u>	<u>(30,465)</u>
Other Financing Use				
Operating transfers out	<u>(3,500,000)</u>	<u>(4,000,000)</u>	<u>(3,895,817)</u>	<u>104,183</u>
Excess (Deficiency) of Revenues over Expenditures and Other Use	NONE	(178,500)	(43,852)	134,648
Fund Balance - Beginning	NONE	500,000	3,873,821	3,373,821
Fund Balance - Ending	<u>NONE</u>	<u>\$321,500</u>	<u>\$3,829,969</u>	<u>\$3,508,469</u>

(Continued)

Schedule 1

**Bienville Parish Police Jury
Arcadia, Louisiana
Budgetary Comparison Schedule - Construction Fund
For the Year Ended December 31, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Use of money and property	<u>\$10,000</u>	<u>\$8,000</u>	<u>\$8,689</u>	<u>\$689</u>
Total revenues	<u>10,000</u>	<u>8,000</u>	<u>8,689</u>	<u>689</u>
Expenditures				
Capital outlay		<u>6,700,000</u>	<u>6,666,778</u>	<u>(33,222)</u>
Total expenditures	<u>NONE</u>	<u>6,700,000</u>	<u>6,666,778</u>	<u>(33,222)</u>
Excess (Deficiency) of Revenues over Expenditures	10,000	(6,692,000)	(6,658,089)	33,911
Fund Balance - Beginning	<u>NONE</u>	<u>12,000,000</u>	<u>11,712,519</u>	<u>(287,481)</u>
Fund Balance - Ending	<u>\$10,000</u>	<u>\$5,308,000</u>	<u>\$5,054,430</u>	<u>(\$253,570)</u>

(Concluded)

**Bienville Parish Police Jury
Retiree Healthcare Plan
December 31, 2011**

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%

Note:

Generally accepted governmental accounting principles (GASB Codification Po50.131-132) require that the schedule present information from the last three actuarial valuations. Because the requirements of GASB 45 were implemented starting with the year ended December 31, 2009, only one valuation is available. Additional information will be added after each of the next two valuations. Subsequent to that, information will be presented for the latest three valuations.

Other Supplemental Schedules

**Bienville Parish Police Jury
Arcadia, Louisiana
Supplemental Information Schedules
as of and for the Year Ended December 31, 2011**

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.

Capital Projects -

Community Development Block Grant (CDBG) Fund

The CDBG Fund accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities such as fire stations and equipment and water wells and distribution lines. Funding is provided by community development block grants from the U.S. Department of Housing and Urban Development through the Louisiana Office of the Governor - Division of Administration. .

Schedule 3

Bienville Parish Police Jury
Arcadia, Louisiana
Non-Major Funds

Combining Balance Sheet, December 31, 2011

	District Court Expense	Recycling Program	Industrial District No 2	Tourism	Section 8 Housing	Capital Projects - Community Development Block Grant	Total
Assets							
Cash and equivalents	\$100,001	\$14,442	\$11,919	\$49,175	\$166,556	\$16	\$342,109
Receivables				5,484			5,484
Total Assets	\$100,001	\$14,442	\$11,919	\$54,659	\$166,556	\$16	\$347,593
Liabilities and Fund Equity							
Liabilities - Accounts payable	\$550			\$3,000			\$3,550
Fund Equity - fund balances:							
Non spendable						\$16	16
Restricted:							
Other general government	99,451						99,451
Public works		\$14,442					14,442
Health & welfare					\$166,556		166,556
Economic development			\$11,919	51,659			63,578
Total fund equity- fund balances	99,451	14,442	11,919	51,659	166,556	16	344,027
Total Liabilities And Fund Equity	\$100,001	\$14,442	\$11,919	\$54,659	\$166,556	\$16	\$347,593

Schedule 4

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, 2011

	District	Recycling	Industrial	Tourism	Section 8	Capital Projects - Community Development Block Grant	Total
Revenues							
Taxes - hotel/motel				\$19,707			\$19,707
Federal funds					\$313,893		313,893
Fines and forfeitures	\$26,957						26,957
Use of money and property	76	\$12	\$10		115		213
Total revenues	27,033	12	10	19,707	314,008	NONE	360,770
Expenditures							
Current:							
General government - judicial	7,450						7,450
Health and welfare					266,129		266,129
Economic development				18,500			18,500
Total expenditures	7,450	NONE	NONE	18,500	266,129	NONE	292,079
Excess of Revenues over Expenditures	19,583	12	10	1,207	47,879	NONE	68,691
Fund Balance - Beginning	79,868	14,430	11,909	50,452	118,677	\$16	275,352
Fund Balance - Ending	\$99,451	\$14,442	\$11,919	\$51,659	\$166,556	\$16	\$344,043

**Bienville Parish Police Jury
Arcadia , Louisiana
Supplemental Information Schedules
for the Year Ended December 31, 2011**

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.

Schedule 5

**Bienville Parish Police Jury
Arcadia, Louisiana**

**Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2011**

Patrick Jefferson (president)	\$24,000
Joseph Lawson	19,200
Raymond Malone	19,200
Mike McCarthy	19,200
William Sims	19,200
Lee Thomas	19,200
Greg Wilson	19,200
Total	<u>139,200</u>

BIENVILLE PARISH POLICE JURY
Arcadia, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
UNITED STATES DEPARTMENT OF TRANSPORTATION			
Passed through Louisiana Department of Transportation and Development - Public Transportation for Non-Urbanized Areas	20.509	741-07-0116	\$93,876
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct program - Lower-Income Housing Assistance - Choice Vouchers Program	14 871	LA241	313,893
UNITED STATES DEPARTMENT OF ENERGY			
Energy Efficiency and Conservation Block Grant	81.128	EECBG EEA- 1007	13,335
DEPARTMENT OF HOMELAND SECURITY			
Passed through Louisiana Governor's Office of Homeland Security - Hazard Mitigation Grant Program	97 039	1603N-013-0014	6,450
Passed through Louisiana Department of Public Safety and Corrections, Public Safety Services - Homeland Security Grant Program	97.042	2010-EP-E0-0058	18,876
Passed through Louisiana Department of Public Safety and Corrections, Public Safety Services - Homeland Security Grant Program	97 042	EMW-2011-EP- 00058	6,480
Passed through Louisiana Department of Public Safety and Corrections, Public Safety Services - Homeland Security Grant Program	97 067	2010-SHSP	91,045
Total Department of Homeland Security			<u>122,851</u>
Total Expenditures of Federal Awards			<u>\$543,955</u>

Footnote:

This schedule was prepared on the modified accrual basis of accounting

Other Reports

**Independent Auditor's Reports on
Internal Control over financial reporting
and on Compliance and Other Matters**

The following Independent Auditor's Reports on Internal Control over financial reporting and on Compliance and Other Matters are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States; the U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the *Single Audit Act Amendments of 1996*, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**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 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, 2011, which collectively comprise the Bienville Parish Police Jury's basic financial statements and have issued my report there on dated May 21, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Bienville Parish Police Jury's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions 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 over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Bienville Parish Police Jury's internal control over financial reporting.

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.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Bienville Parish Police jury
Arcadia, Louisiana
Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters, etc.
December 31, 2011

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 are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, members of Bienville Parish Police Jury, federal awarding agencies and pass-through entities, and the Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513(G), it is issued by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to be 'M. J. ...', is written over the typed name 'Arcadia, Louisiana'.

Arcadia, Louisiana
May 21, 2012

**Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control
Over Compliance in Accordance With OMB Circular A-133**

**Bienville Parish Police Jury
Arcadia, Louisiana**

Compliance

I have audited the compliance of the Bienville Parish Police Jury with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Bienville Parish Police Jury's major federal programs for the year ended December 31, 2011. Bienville Parish Police Jury's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Bienville Parish Police Jury's management. My responsibility is to express an opinion on Bienville Parish Police Jury's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bienville Parish Police Jury's compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Bienville Parish Police Jury's compliance with those requirements.

In my opinion, Bienville Parish Police Jury complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. The results of my auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

Internal Control Over Compliance

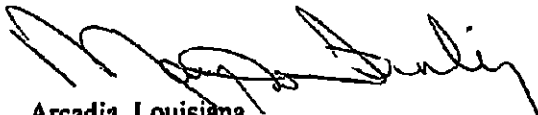
The management of Bienville Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Bienville Parish Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Bienville Parish Police Jury's internal control over compliance.

Bienville Parish Police Jury
Arcadia, Louisiana
Independent Auditor's Report on Compliance
With Requirements Applicable to Each Major
Program and Internal Control Over Compliance, etc.
December 31, 2011

A deficiency in internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, members of Bienville Parish Police Jury, federal awarding agencies and pass-through entities, and the Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513(G), it is issued by the Legislative Auditor as a public document.



Arcadia, Louisiana
May 21, 2012

BIENVILLE PARISH POLICE JURY
Arcadia, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011

A. SUMMARY OF AUDIT RESULTS

- 1 The auditor's report expresses an unqualified opinion on the primary government financial statements of Bienville Parish Police Jury.
- 2 No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
- 3 No instances of noncompliance material to the financial statements of Bienville Parish Police Jury were disclosed during the audit.
- 4 No significant deficiencies relating to the audit of the major federal award program are reported in the Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance.
- 5 The auditor's report on compliance for the major federal award program for Bienville Parish Police Jury expresses an unqualified opinion
- 6 No audit findings relative to the major federal award program for Bienville Parish Police Jury are reported
- 7 The United States Department of Housing and Urban Development's Lower Income Housing Assistance - Choice Vouchers Program (CFDA 14.871) was tested as a major program.
- 8 The threshold for distinguishing Type A and B programs was \$300,000
- 9 Bienville Parish Police Jury was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

**Bienville Parish Police Jury
Arcadia, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2011**

The audit report for the year ended December 31, 2010, contained no audit findings.