

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH  
SCHOOL BOARD  
ARCADIA, LOUISIANA**

Annual Financial Report

June 30, 2021



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## Independent Auditor's Report

To the Board Members of the  
Bienville Parish Tax Custodial Fund  
of the Bienville Parish School Board  
Arcadia, Louisiana

### Report on the Financial Statement

We have audited the accompanying statement of fiduciary net position and the statement of changes in fiduciary net position of the Bienville Parish Tax Custodial Fund of the Bienville Parish School Board, as of and for the year ended June 30, 2021, and the related notes to the basic financial statement, as listed in the table of contents.

### Management's Responsibility for the Financial Statement

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

### Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

## **Opinion**

In our opinion, the financial statements referred to above presents fairly, in all material respects, the fiduciary net position and changes in fiduciary net position of the Bienville Parish Tax Custodial Fund of the Bienville Parish School Board as of June 30, 2021 and for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statement. Such missing information, although not a part of the basic financial statement, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. Our opinion on the basic financial statement is not affected by this missing information.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statement of the Bienville Parish Tax Custodial Fund of the Bienville Parish School Board. The other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statement.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2021 on our consideration of the Bienville Parish Tax Custodial Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bienville Parish Tax Custodial Fund's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Baton Rouge, LA  
November 18, 2021

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA  
Statement of Fiduciary Net Position  
June 30, 2021**

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**Assets**

Cash and Cash Equivalents	\$ 885,167
Accounts Receivable - Sales Tax Vendors	831,976
Cash Restricted for Taxes Paid Under Protest	<u>7,740</u>

**Total Assets** \$ 1,724,883

**Liabilities**

Accounts Payable	\$ 30,855
Deposits Due Others	1,686,288
Taxes Paid Under Protest from Restricted Assets	<u>7,740</u>

**Total Liabilities** \$ 1,724,883

The accompanying notes are an integral part of this financial statement.

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA  
Statement of Changes in Fiduciary Net Position  
June 30, 2021**

<b>Balance, Beginning</b>	<b>\$ 1,657,916</b>
Additions	
Sales Tax Collections	<u>9,651,847</u>
Deductions	
Taxes Distributed to Others	
Bienville Parish School Board	2,412,163
Bienville Parish School Board Special	2,412,130
Bienville Parish Police Jury	2,412,142
City of Arcadia	1,702,996
Town of Gibsland	115,752
Town of Ringgold	456,555
Village of Castor	71,651
Village of Saline	<u>40,086</u>
Total Deductions	<u>9,623,475</u>
<b>Balance, Ending</b>	<b><u><u>\$ 1,686,288</u></u></b>

The accompanying notes are an integral part of this financial statement.

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 1. Summary of Significant Accounting Policies**

The accompanying financial statements of the Bienville Parish Tax Custodial Fund of the Bienville Parish School Board has been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. Reporting Entity**

The Bienville Parish Tax Custodial Fund (the Tax Custodial Fund) has been formed under joint agreement of the Bienville Parish School Board (the School Board), the Bienville Parish Police Jury (the Parish), the City of Arcadia, the Town of Gibsland, the Town of Ringgold, and the Village of Castor for the collection of sales and use taxes and other fees, in accordance with Louisiana Revised Statute (R.S.) 33:2844. The Bienville Parish Tax Custodial Fund charges the joint governments a collection fee of 1.5% of total collections to cover its operating costs.

For financial reporting purposes, in conformity with GASB standards, the Bienville Parish Tax Custodial Fund is a custodial fund of the Bienville Parish School Board. Accordingly, the accompanying financial statements presents only the accounts of the Tax Custodial Fund and is not intended to present the financial position and results of operations of the Bienville Parish School Board in conformity with accounting principles generally accepted in the United States of America. The Bienville Parish Tax Custodial Fund is included as part of the financial statements of the Bienville Parish School Board.

**B. Basis of Presentation - Fund Accounting**

A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Bienville Parish Tax Custodial Fund is a fiduciary fund.

**Fiduciary Funds**

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the government.

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

**Fiduciary Funds (Continued)**

*The Bienville Parish Tax Custodial Fund* - This fund accounts for the collection and distribution of sales and use taxes imposed by the various taxing authorities within Bienville Parish. The Tax Custodial Fund is custodial in nature and does not present results of operations or have a measurement focus. The Tax Custodial Fund is accounted for using the accrual basis of accounting.

**C. Cash and Cash Equivalents**

Cash includes amounts in demand deposits and interest-bearing demand deposits and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Tax Custodial Fund may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**D. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires 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 and expenditures during the reporting period. Actual results could differ from those estimates.

**Note 2. Deposits**

At June 30, 2021, the Bienville Parish Tax Custodial Fund had cash and cash equivalents (book balance) totaling \$892,907. Included in this amount is \$7,740 of restricted assets. See Note 7 - Taxes Paid Under Protest for further disclosure.

Deposits are stated at cost, which approximates fair value. 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.

*Interest Rate Risk:* The School Board's policy does not address interest rate risk.

*Custodial Credit Risk:* The School Board's policy regarding custodial credit risk is that funds on deposit shall be collateralized in an amount at all times equal to 100% by pledged "approved securities" as specified by R.S. 39:1225 as amended to adequately protect the funds of the School Board.



**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 3. Accounts Receivable**

At June 30, 2021, the Bienville Parish Tax Custodial Fund had \$831,976 in accounts receivable which represents sales tax collections in July 2020 for June 2020 sales. No allowance for doubtful accounts has been established as the Tax Custodial Fund expects to collect these balances in full.

**Note 4. Sales Tax Collections and Disbursements (Cash Basis)**

The following is a schedule of the sales tax collections and disbursements on a cash basis collected on behalf of payments made to local governmental entities for the fiscal year ended June 30, 2021:

	Total Collections	Collection Fees	Attorney and Audit Fees	Total Disbursements
Town of Arcadia (2.5%)				
Town of Arcadia 1993 (1%)	\$ 688,776	\$ 10,173	\$ 429	\$ 678,174
Town of Arcadia 2013 (1.5%)	1,033,165	15,259	644	1,017,262
	<u>1,721,941</u>	<u>25,432</u>	<u>1,073</u>	<u>1,695,436</u>
Town of Gibsland (2%)				
Town of Gibsland 1983 (1%)	55,474	819	30	54,625
Town of Gibsland 2013 (1%)	55,474	819	30	54,625
	<u>110,948</u>	<u>1,638</u>	<u>60</u>	<u>109,250</u>
Town of Ringgold (2%)				
Town of Ringgold 1972 (1%)	230,477	3,404	124	226,949
Town of Ringgold 1992 (1%)	230,477	3,404	124	226,949
	<u>460,954</u>	<u>6,808</u>	<u>248</u>	<u>453,898</u>
Bienville Parish School Board (2%)				
School Board 1978 (1%)	2,446,445	36,130	1,637	2,408,677
School Board Special 1994 (1%)	2,446,445	36,130	1,637	2,408,676
	<u>4,892,890</u>	<u>72,260</u>	<u>3,276</u>	<u>4,817,353</u>
Bienville Parish Police Jury (1%)	2,446,434	36,130	1,637	2,408,667
Village of Castor (1%)	72,974	1,078	38	71,858
Village of Saline (1%)	39,918	590	21	39,308
<b>Total</b>	<u>\$ 9,746,059</u>	<u>\$ 143,936</u>	<u>\$ 6,353</u>	<u>\$ 9,595,770</u>

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 5. Litigation and Claims**

At June 30, 2021, the Tax Custodial Fund was involved in two litigations. These lawsuits are in regard to vendors requesting tax refunds in the amount of \$17,082. It is the opinion of legal counsel for the Tax Custodial Fund that the ultimate resolution of these suits is uncertain. No liability is recorded for this contingency.

**Note 6. Taxes Paid Under Protest**

There is currently \$7,740 in taxes paid under protest attributable to vendors, including interest accrued, recorded in accounts payable. Taxes paid under protest are being held in a separate bank account pending the outcome of the cases.

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA  
Schedule of Compensation, Benefits, and Other Payments  
to Agency Head  
For the Year Ended June 30, 2021**

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The Bienville Parish Tax Custodial Fund is a custodial fund of the Bienville Parish School Board. The schedule of compensation, benefits, and other payments to agency head for the Bienville Parish School Board is included in the audit report for the Bienville Parish School Board.

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

Independent Auditor's Report

To the Board Members of the  
Bienville Parish Tax Custodial Fund  
of the Bienville Parish School Board  
Arcadia, Louisiana

We have audited, 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, the statement of fiduciary net position and the statement of changes in fiduciary net position of the Bienville Parish Tax Custodial Fund (the Tax Custodial Fund) of the Bienville Parish School Board as of and for the year ended June 30, 2021, and the related notes to the financial statements and have issued our report thereon dated November 18, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Tax Custodial Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Tax Custodial Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Custodial Fund's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Tax Custodial Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Custodial Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA  
November 18, 2021

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA  
Schedule of Findings and Responses  
For the Year Ended June 30, 2021**

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**Part I. SUMMARY OF AUDITOR'S RESULTS**

Financial Statements

- |  |               |
|--|---------------|
| 1. Type of auditor's report  | Unmodified    |
| 2. Internal control over financial reporting                                     |               |
| a. Material weaknesses identified?   | None Reported |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| c. Noncompliance material to the financial statements noted?                     | None Reported |

Federal Awards

Not applicable.

**Part II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

None.

**BIENVILLE PARISH TAX CUSTODIAL FUND  
OF THE BIENVILLE PARISH SCHOOL BOARD  
ARCADIA, LOUISIANA  
Summary Schedule of Prior Year Findings and Responses  
For the Year Ended June 30, 2021**

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None.