



**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017**



**Rozier Harrington
& McKay** | CERTIFIED PUBLIC
ACCOUNTANTS |

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**Rozier Harrington
& McKay** | CERTIFIED PUBLIC
ACCOUNTANTS |

December 1, 2017

Independent Auditors' Report

The Honorable Steven McCain
Grant Parish Sheriff

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Grant Parish Sheriff, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Grant Parish Sheriff's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 statements.

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

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Grant Parish Sheriff, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the information listed below to supplement the basic financial statements.

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- Management's Discussion and Analysis
- Statements of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual)
- Schedule of Funding Progress – Retiree Healthcare Plan
- Schedule of Net Pension Liability Data – Cost Sharing Retirement Systems
- Schedule of Employer Contributions – Cost Sharing Retirement Systems

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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grant Parish Sheriff's basic financial statements. The other supplemental information listed below is presented for purposes of additional analysis and are not a required part of the basic financial statements.

- Combining Schedules – Non Major Governmental Funds
- Combining Statement of Fiduciary Net Position – Agency Funds
- Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer

The other supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARD

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2017, on our consideration of the Grant Parish Sheriff'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 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 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 Grant Parish Sheriff's internal control over financial reporting and compliance.


ROZIER, HARRINGTON & McKAY
Certified Public Accountants

GRANT PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

This section of the annual financial report presents our discussion and analysis of the Grant Parish Sheriff's financial performance during the fiscal year ended June 30, 2017.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Grant Parish Sheriff's financial position and results of operations from differing perspectives which are described as follows:

Government –Wide Financial Statements

The government-wide financial statements report information about the Grant Parish Sheriff as a whole using accounting methods similar to those used by private-sector companies. The government-wide financial statements report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Grant Parish Sheriff's assets and all liabilities. All of the Sheriff's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by property taxes, sales taxes and grants.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Grant Parish Sheriff's most significant activities and are not intended to provide information for the Sheriff's Office as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Grant Parish Sheriff's funds are Governmental Funds. These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Grant Parish Sheriff's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

FINANCIAL ANALYSIS OF THE GRANT PARISH SHERIFF AS A WHOLE

An analysis of the government-wide Statement of Net Position is presented as follows:

	June 30,	
	2017	2016
<u>Assets:</u>		
Cash and Cash Equivalents	\$ 3,947,669	\$ 4,292,671
Receivables	403,545	334,312
Due from Fiduciary Funds	162,448	158,013
Capital Assets – Land	53,454	45,501
Capital Assets	3,872,639	3,494,277
Total Assets	8,439,755	8,324,774
Deferred Outflow of Resources	1,572,218	812,690
<u>Liabilities:</u>		
Accounts Payable and Other Payables	94,496	34,091
Delayed Revenues	---	56,250
Long Term Debt		
Compensated Absences	67,404	53,378
Net Other Post Employment Benefits	1,769,319	1,606,232
Net Pension Liability	2,371,282	1,579,013
Capital Lease Obligation	225,753	177,129
Total Liabilities	4,528,254	3,506,093
Deferred Inflow of Resources	248,721	371,039

GRANT PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

Net Position:		
Invested in Capital Assets	3,700,340	3,716,907
Restricted	628,544	653,828
Unrestricted	906,114	889,597
Total Net Position	\$ 5,234,998	\$ 5,260,332

As the presentation appearing above demonstrates, a substantial portion of the Grant Parish Sheriff's net position (17.3%) is unrestricted and may be used to meet the Grant Parish Sheriff's ongoing obligations. An additional portion (12.0%) is restricted for emergency communication expenditures. The remaining net position (70.7%) is invested in capital assets that are used to conduct public safety operations.

An analysis of the government-wide Statement of Activities is presented as follows:

	For the Year Ended June 30,	
	2017	2016
Revenues:		
Program Revenue:		
Charges for Services	\$ 1,832,904	\$ 1,700,953
Operating Grants and Contributions	353,601	333,138
Capital Grants and Contributions	347,963	----
General Revenue:		
Property Taxes	2,422,890	2,310,183
Sales Taxes	1,293,976	1,255,192
Revenue Sharing	111,664	107,735
Other	110,235	109,751
Total Revenue	6,473,233	5,816,952
Program Expenses:		
Public Safety	6,490,306	5,874,823
Interest on Long-Term Debt	8,261	6,160
Total Program Expenses	6,498,567	5,880,983
Change in Net Position	(25,334)	(64,031)
Net Position Beginning	5,260,332	5,324,363
Net Position Ending	\$ 5,234,998	\$ 5,260,332

As the accompanying presentation demonstrates, the Sheriff's Office has maintained its financial position by careful budgeting and managing costs. Net position has decreased by \$25,334 representing a change of 0.5% over the net asset balance for the previous year.

FINANCIAL ANALYSIS OF THE GRANT PARISH SHERIFF'S FUNDS

For the year ended June 30, 2017, governmental fund balances decreased by \$275,489. Differences between the decrease in fund balances and the decrease in government-wide net position are attributable to including capital assets, debts and costs associated benefits that employees have earned in the government wide presentation. These items do not meet the criteria for being reported in the fund financial statements.

BUDGET HIGHLIGHTS

Budgets for the General Fund and the Major Special Revenue Funds have been amended to respond to circumstances, make minor changes to revenue projections and make other modifications to address matters that were not anticipated when the initial budget was prepared.

GRANT PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

CAPITAL ASSET ADMINISTRATION

For the year ended June 30, 2017, capital asset acquisitions included replacing existing equipment that has reached the end of its useful life, acquiring watercraft to enhance responses to flooding disasters, and adding facilities. Additions to facilities consisted of office space for detective operations and storage space for rescue equipment.

DEBT ADMINISTRATION

Debt is limited to long-term lease agreements that were executed to acquire new vehicles.

FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS

At the present time, management is not aware of factors that are expected to affect future operations.

Grant Parish Sheriff

Statement of Net Position

June 30, 2017

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 3,947,669
Receivables (net)	403,545
Due From Fiduciary Funds	162,448
Capital Assets - Land	53,454
Capital Assets - Depreciable	<u>3,872,639</u>
Total Assets	<u>8,439,755</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension Funding Deferrals	<u>1,572,218</u>
<u>LIABILITIES</u>	
Accounts Payable and Other Payables	94,496
Long-Term Liabilities	
Compensated Absences	67,404
Net Other Post Employment Benefits	1,769,319
Net Pension Liability	2,371,282
Capital Lease Obligation	
Due within one year	66,930
Due in more than one year	<u>158,823</u>
Total Liabilities	<u>4,528,254</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension Funding Deferrals	<u>248,721</u>
<u>NET POSITION</u>	
Invested in Capital Assets, Net of Related Debt	3,700,340
Restricted	628,544
Unrestricted	<u>906,114</u>
Total Net Position (deficit)	<u><u>\$ 5,234,998</u></u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff

Statement of Activities

For the Year Ended June 30, 2017

	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expenses) Revenue and Changes in Net Position</u>	
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
<u>Governmental Activities</u>					
Public Safety					
Law Enforcement	\$ 6,490,306	\$ 1,832,904	\$ 353,601	\$ 347,963	\$ (3,955,838)
Interest on Long-Term Debt	<u>8,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,261)</u>
Total Governmental Activities	<u>6,498,567</u>	<u>1,832,904</u>	<u>353,601</u>	<u>347,963</u>	<u>(3,964,099)</u>
<u>General Revenues</u>					
Taxes					
					2,422,890
					1,293,976
					111,664
					110,235
					<u>3,938,765</u>
					(25,334)
					<u>5,260,332</u>
					<u>\$ 5,234,998</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff

Balance Sheet - Governmental Funds

June 30, 2017

	<u>General</u>	<u>Emergency 911 Fund</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and Cash Equivalents	\$ 3,021,061	\$ 593,500	\$ 295,603	\$ 37,505	\$ 3,947,669
Receivables	375,628	27,917	-	-	403,545
Due From Fiduciary Funds	162,448	-	-	-	162,448
Due From Other Funds	121,616	7,127	-	-	128,743
Total assets	\$ 3,680,753	\$ 628,544	\$ 295,603	\$ 37,505	\$ 4,642,405
Liabilities and Fund Balance					
<u>Liabilities</u>					
Accounts Payable	\$ 54,368	\$ -	\$ 32,816	\$ 7,312	\$ 94,496
Due to Other Funds	-	-	123,722	5,021	128,743
Total liabilities	54,368	-	156,538	12,333	223,239
<u>Fund Balance</u>					
Restricted For:					
Emergency Communications	-	628,544	-	-	628,544
Committed To:					
Capital Expenditures	-	-	139,065	25,172	164,237
Unassigned	3,626,385	-	-	-	3,626,385
Total Fund Balances	3,626,385	628,544	139,065	25,172	4,419,166
Total Liabilities and Fund Balance	\$ 3,680,753	\$ 628,544	\$ 295,603	\$ 37,505	\$ 4,642,405

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff

Reconciliation of the Governmental Funds Balance

Sheets to the Statement of Net Position

June 30, 2017

Total Fund Balances - Governmental Funds	\$ 4,419,166
Amounts reported for governmental activities in the statement of net position are different because:	
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(4,433,758)
Deferred inflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	(248,721)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,926,093
Deferred outflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	<u>1,572,218</u>
Net Position of Governmental Activities	<u>\$ 5,234,998</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff

Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds For the Year Ended June 30, 2017

	General	Emergency 911 Fund	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes					
Property Taxes	\$ 2,422,890	\$ -	\$ -	\$ -	\$ 2,422,890
Sales Taxes	1,293,976	-	-	-	1,293,976
Intergovernmental	878,009	-	-	-	878,009
Fees, Charges, Fines and Forfeitures	1,507,543	212,919	-	-	1,720,462
Other	129,690	3,421	1,519	23,266	157,896
Total revenues	<u>6,232,108</u>	<u>216,340</u>	<u>1,519</u>	<u>23,266</u>	<u>6,473,233</u>
Expenditures:					
Current					
Public Safety					
Personnel Services	4,168,031	-	-	-	4,168,031
Operating Services	934,708	-	-	-	934,708
Materials and Supplies	693,989	23,128	24	1,654	718,795
Other Expenses	161,082	-	-	-	161,082
Capital Expenditures	528,448	68,496	209,525	-	806,469
Debt Service	71,429	-	-	-	71,429
Total expenditures	<u>6,557,687</u>	<u>91,624</u>	<u>209,549</u>	<u>1,654</u>	<u>6,860,514</u>
Excess (Deficiency) of Revenues Over Expenditures	(325,579)	124,716	(208,030)	21,612	(387,281)
Other Financing Sources (Uses)					
Transfers In	173,266	-	-	-	173,266
Transfers Out	-	(150,000)	-	(23,266)	(173,266)
Capital Lease Proceeds	111,792	-	-	-	111,792
Net Change in Fund Balances	(40,521)	(25,284)	(208,030)	(1,654)	(275,489)
Fund balance - Beginning of Year	<u>3,666,906</u>	<u>653,828</u>	<u>347,095</u>	<u>26,826</u>	<u>4,694,655</u>
Fund balance - End of Year	<u>\$ 3,626,385</u>	<u>\$ 628,544</u>	<u>\$ 139,065</u>	<u>\$ 25,172</u>	<u>\$ 4,419,166</u>

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities For the Year Ended June 30, 2017

Change in Fund Balances - Governmental Funds \$ (275,489)

Some transactions reported in the statement of activities do not require the use of current financial resources. Accordingly, a timing difference exist between when transactions affect the governmental funds and government-wide activities. (87,537)

Governmental funds report debt proceeds as income and repayment of debt as an expenditure; however, these transactions increase and decrease liabilities reported in the statement of net position. The effect of debt proceeds and repayment are presented as follows:

Debt proceeds	(111,792)	
Repayment of debt principal	<u>63,169</u>	(48,623)

Capital outlays are reported in Governmental Funds as expenditures; however, in the Government-Wide Statement of Activities, the cost is reported as an asset and allocated over estimated useful lives as depreciation expense. Amounts reported as capital expenditures and depreciation expense are provided as follows:

Capital expenditures reported by Governmental Funds	806,469	
Depreciation expense reported on a government-wide basis	<u>(420,154)</u>	<u>386,315</u>

Change in Net Position - Government-Wide Statement of Activities \$ (25,334)

The accompanying notes are an integral part of the financial statements.

Grant Parish Sheriff

Statement of Fiduciary Net Position June 30, 2017

	<u>Agency Funds</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$ 888,675
Receivables	-
Total Assets	<u>\$ 888,675</u>
<u>Liabilities</u>	
Due to Taxing Bodies and Others	\$ 726,227
Due to Other Funds	162,448
Total Liabilities	<u>\$ 888,675</u>

The accompanying notes are an integral part of the financial statements.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

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

As the ex-officio tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, sales taxes, state revenue sharing funds, fines, costs, and bond forfeitures imposed by the district court.

The accompanying policies conform to generally accepted accounting principles for governmental units.

Financial Reporting Entity

The Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of a financial reporting entity. The basic criterion for including a potential component unit within a reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the reporting entity 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 reporting entity.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.
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.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Based on the previous criteria, the Grant Parish Sheriff's Office is considered a primary government. Furthermore, based on application of the criteria presented above, the Sheriff's Office has no component units.

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize all of the Grant Parish Sheriff's operations as governmental activities. Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.

The government-wide and fund financial statements present the Grant Parish Sheriff's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Grant Parish Sheriff as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include charges for services and most grants.

Fund Financial Statements

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. The Sheriff's funds include governmental funds and fiduciary funds described as follows:

Governmental Funds

Major individual funds are reported as separate columns in the fund financial statements. Sheriff's major funds are described as follows:

General Fund – The general fund is the primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Emergency 911 Fund – This fund is used to account for funds dedicated to the providing emergency communications.

Fiduciary Funds

Fiduciary funds utilized by the Sheriff's Office are limited to agency funds that account for assets held as an agent on behalf of individuals and organizations. The agency funds are custodial in nature and does not measure of results of operations.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements	Modified Accrual Basis	Current Financial Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is generally considered available if it is collected within 60 days of year end or may otherwise be available to finance current expenditures. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure of funds. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported other financing sources and repayment of long-term debt is reported as an expenditure of funds.

Use of Estimates

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget Practices

Budgets are adopted on the modified accrual basis of accounting, as discussed in the Governmental Funds. Annual appropriated budgets are usually adopted for the General and Special Revenue Funds. All annual appropriations lapse at the end of the fiscal year. Budgets for capital projects are adopted on a project-length basis. Because these non-operating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document.

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Sheriff prepares a proposed budget no later than fifteen days prior to the beginning of each fiscal year.
- A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, the date of the public hearing is published.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

- A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- After the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- All budgets are controlled at the fund level, and are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts shown in the financial statements are as originally adopted or as amended from time to time by the Sheriff.

Capital Assets

Capital assets include buildings, equipment and vehicles that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives range from 3 to 40 years depending on the nature of the capital asset.

Cash

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments.

Accrued Leave

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure of funds and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported in the Fund Financial Statements. The full liability and related costs are reported in the Government-Wide Financial Statements. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Internal Activity

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded. In preparing the government-wide financial statements, internal activity is eliminated.

Prepaid Items

The unused portion of insurance premiums and other expenses that are paid in advance are reported as prepaid items in the government-wide and fund financial statements.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Delayed Revenues

Certain grant funds have been collected but are not earned until qualified purchases have been completed. These amounts are reported as delayed revenues.

Supplemental Wages

Certain employees receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenues and salaries and related benefits.

NOTE 2 – TAXES

Operations of the Sheriff's Office are supported by both property and sales taxes. Details regarding both sources are presented as follows:

Property Taxes

Property taxes are assessed based on values determined by the Grant Parish Tax Assessor. These taxes are billed and collected by the Sheriff's civil office. For the year ended June 30, 2017, the Sheriff has levied property taxes as follows:

	<u>Millage</u>	<u>Expiration</u>
Millage for general operations authorized by Louisiana Revised Statutes.	27.79	N/A
Millage for the purpose of constructing, improving, maintaining and operating jail facilities	19.02	2020

Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from ad valorem taxes are recognized as revenue in the year billed.

Sales Taxes

The Sheriff's Office levies a 1% sales tax for general operations including the following matters:

- Paying salaries and related benefits.
- Acquiring, leasing, operating and maintaining vehicles, furniture, fixtures and equipment.

NOTE 3 - CASH AND CASH EQUIVALENTS

The Grant Parish Sheriff's cash balances at June 30, 2017 are summaries as follows:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash on Hand	\$ 1,100	\$ ----	\$ 1,100
Demand Deposits	1,686,795	888,675	2,575,470
Certificates of Deposit	2,259,774	----	2,259,774
Total	<u>\$ 3,947,669</u>	<u>\$ 888,675</u>	<u>\$ 4,836,344</u>

Deposits in financial institutions totaled \$5,048,975 (collected book balance). These deposits are secured from risk by \$1,331,294 in Federal Deposit Insurance, pledged securities with a market value of \$1,310,976, and a irrevocable standby letter of credit from the Federal Home Loan Bank of Dallas. The pledged securities are held by a custodial bank in the name of the pledging institution (fiscal agent). However, State Law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

The Grant Parish Sheriff limits credit risk by requiring pledged securities in the manner described above. In addition, interest rate risk is minimized by acquiring only those certificates of deposit that have an original maturity of two years or less.

NOTE 4 - RECEIVABLES

Receivables at year end are summarized as follows:

	<u>General Fund</u>	<u>Emergency 911 Fund</u>	<u>Total</u>
<u>Accounts Receivable</u>			
Sales Taxes	\$ 127,895	\$ ----	\$ 127,895
Other	41,332	27,917	69,249
Total	<u>169,227</u>	<u>27,917</u>	<u>197,144</u>
<u>Due From Governments</u>			
Feeding and Housing Prisoners	135,713	----	135,713
Mowing Fees	49,188	----	49,188
State Supplemental Pay	21,500	----	21,500
Total	<u>206,401</u>	<u>----</u>	<u>206,401</u>
Total Receivables	<u>\$ 375,628</u>	<u>\$ 27,917</u>	<u>\$ 403,545</u>

NOTE 5 - CAPITAL ASSETS

A summary of the Grant Parish Sheriff's capital assets is provided as follows:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land	\$ 45,501	\$ 7,953	\$ ----	\$ 53,454
<u>Capital Assets Being Depreciated:</u>				
Buildings and Improvements	4,027,652	70,000	----	4,097,652
Improvements in Process	----	185,068	----	185,068
Equipment	892,794	302,048	121,356	1,073,486
Vehicles	1,197,760	241,400	201,702	1,237,458
Less Accumulated Depreciation	(2,623,929)	(409,040)	(311,944)	(2,721,025)
Total Subject to Depreciation	<u>3,494,277</u>	<u>389,476</u>	<u>11,114</u>	<u>3,872,639</u>
Total Net of Depreciation	<u>\$ 3,539,778</u>	<u>\$ 397,429</u>	<u>\$ 11,114</u>	<u>\$ 3,926,093</u>

NOTE 6 – PAYABLES

Accounts payable at year end are summarized as follows:

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Payable to Venders	\$ 53,653	\$ 32,816	\$ ----	\$ 86,469
Miscellaneous	715		7,312	8,027
Total Payables	<u>\$ 54,368</u>	<u>\$ 32,816</u>	<u>\$ 7,312</u>	<u>\$ 94,496</u>

NOTE 7 – ACCRUED LEAVE

The obligation to provide vacation leave to employees is referred to as accrued leave. Resources provided by the general fund are used to liquidate the accrued leave balances. Accrued leave balances and activity are presented as follows:

Beginning Balance	\$ 53,378
Net Increase (Decrease)	<u>14,026</u>
Ending Balance	<u>\$ 67,404</u>

NOTE 8 - RISK MANAGEMENT

The Grant Parish Sheriff is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Grant Parish Sheriff insures against these risks by participating in a public entity risk pool that operates as a common insurance

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 9 – RETIREMENT PLAN

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

Eligible employees are entitled to benefits upon retirement amounting to 3⅓% of average final compensation for each year of creditable service. Eligibility is based on hire dates and lengths of service. Retirement benefit cannot exceed 100% of their final-average salary. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Funding Policy - Plan members are required by state statute to contribute 10.25% of their annual covered salary and the Grant Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 13.25% of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Grant Parish Sheriff are established and may be amended by state statute. The Grant Parish Sheriff's contributions to the System for the previous three years were equal to the required contributions for each year.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at [lla.state.la.us](http://la.state.la.us). The plan's fiduciary net position and net pension liability was determined at June 30, 2016 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 3,545,155,452
Plan Fiduciary Net Position	<u>2,910,465,956</u>
Net Pension Liability	634,689,496
Sheriff's Office's Proportionate Share (Percentage)	<u>0.373613</u>
Sheriff's Office's Proportionate Share (Amount)	<u>\$ 2,371,282</u>

The Sheriff's Office's share of the net pension liability was determined based on its proportionate share of employer contributions. The net pension liability presented above was not affected by any special funding situations. Changes in the Sheriff's Office's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2016 are provided as follows:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Beginning Net Pension Liability	\$ 1,579,013
Employer Contributions	(496,314)
Pension Expense	404,220
Change in Deferred Outflows of Resources	762,045
Change in Deferred Inflows of Resources	122,318
	<hr/>
Ending Net Pension Liability	\$ 2,371,282

There were no changes between June 30, 2017 and the Plan's measurement date that are expected to have a significant effect on the Sheriff's Office's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total (Net)
Differences Between Expected and Actual Experience	\$ ----	\$ 248,721	\$ (248,721)
Net Difference Between Projected and Actual			
Investment Earnings on Pension Plan Investments	593,888	----	593,888
Changes of Assumptions	193,726	----	193,726
Changes in Proportion	186,699	----	186,699
Employer Contributions Made After the Measurement Date	597,905	----	597,905
	<hr/>	<hr/>	<hr/>
Total Deferrals	1,572,218	248,721	1,323,497
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	(597,905)	----	(597,905)
	<hr/>	<hr/>	<hr/>
Deferrals Subject to Amortization	\$ 974,313	\$ 248,721	\$ 725,592

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
June 30, 2017	\$ 106,076
June 30, 2018	106,076
June 30, 2019	279,064
June 30, 2020	195,488
June 30, 2021	19,447
June 30, 2022	19,441
	<hr/>
Total	\$ 725,592

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.6% net of investment expense
Projected Salary Increases	5.5% (2.875% Inflation, 2.625% Merit)
Expected Remaining Service Lives	6-7 Years
Mortality Rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table for active members, healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

Estimates of arithmetic real rates of return for each major asset class based on target asset allocation are presented as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Expected Real Rate of Return</u>
Equity Securities	60%	6.4%	3.9%
Bonds	25%	1.9%	0.5%
Alternative Investments	15%	4.3%	0.6%
Totals	100%		5.0%
Inflation			2.7%
Expected Arithmetic Nominal Return			7.7%

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

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

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	1% Decrease 6.5% Discount Rate	Current Discount Rate 7.6%	1% Increase 8.5 % Discount
Net Pension Liability	\$ 4,023,122	\$ 2,371,282	\$ 1,007,885

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS

Details regarding other post employment benefits that the Sheriff's Office provides for its workforce are provided as follows:

Plan Description

The Sheriff's Office's established policies and procedures include providing certain healthcare benefits for retirees. This policy amounts to a single-employer defined benefit healthcare plan (the Plan) administered by the Sheriff's Office. The Plan provides medical benefits through the Sheriff's group health insurance plan which covers both active and retired members. Benefits under the plan are made available to employees upon actual retirement. The Plan does not issue a publicly available financial report. Plan participants are typically eligible for healthcare benefits when they become eligible for benefits from the Louisiana Sheriffs Pension and Relief Fund.

Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. Until July 1, 2008, the Sheriff's Office recognized the cost of providing post-employment medical benefits (the Sheriff's Office's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. For the year ended June 30, 2017, the Sheriff's Office's portion of health care funding cost for retired employees totaled approximately \$81,166.

Annual Required Contribution

The Sheriff's Office's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with Governmental Accounting Standards Board (GASB) Pronouncements. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level percent of payroll amortization method applied of a period of 27 years has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2017 is \$257,193, as set forth below:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Normal Cost	\$ 138,128
30-year UAL amortization amount	<u>119,065</u>
Annual required contribution (ARC)	<u>\$ 257,193</u>

Net Post Employment Benefit Obligation (Asset)

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

Annual required contribution	\$ 257,193
Interest on Net OPEB Obligation	64,249
ARC Adjustment	<u>(77,188)</u>
OPEB Cost	244,254
Current year retiree premium	<u>(81,167)</u>
Change in Net OPEB Obligation	163,087
Beginning Net OPEB Obligation	<u>1,606,232</u>
Ending Net OPEB Obligation	<u>\$ 1,769,319</u>

The following table shows the Sheriff's Office's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
June 30, 2015	\$ 266,549	25.9%	\$ 1,415,701
June 30, 2016	\$ 266,549	28.5%	\$ 1,606,232
June 30, 2017	\$ 244,254	33.2%	\$ 1,769,319

Funded Status and Funding Progress

In the fiscal year ending June 30, 2017, the Sheriff's Office made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2017, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$2,429,061, which is defined as that portion, as determined by a particular actuarial cost method (the Sheriff's Office uses the Alternative Measurement Method in accordance with GASB methodology), of the actuarial present value of post employment plan benefits and expenses which is

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

not provided by normal cost. Since the plan was not funded in fiscal year 2017, the entire actuarial accrued liability of \$2,429,061 was unfunded.

Actuarial Accrued Liability (AAL)	\$ 2,429,061
Actuarial Value of Plan Assets	----
<hr/>	
Unfunded Act. Accrued Liability (UAAL)	\$ 2,429,061
Funded Ratio	0%
<hr/>	
Covered Payroll (active plan members)	\$ 2,093,165
UAAL as a percentage of covered payroll	116.0%

Actuarial Methods and Assumptions

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

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

Actuarial Cost Method

The ARC is determined using the Alternative Measurement Method in accordance with GASB methodology. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

The plan has not been funding accordingly there are no plan assets.

Turnover Rate

Actuarial assumptions are based on standard turnover assumptions published by GASB.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Post employment Benefit Plan Eligibility Requirements

Eligibility for benefits begins at retirement and entitlement to benefits continues through to death.

Investment Return Assumption (Discount Rate)

Generally Accepted Accounting Principles state that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual discount rate has been used in this valuation. This discount rate is consistent with the Sheriff's Office's typical return on short term investments.

Health Care Cost Trend Rate

The expected rate of increase in medical cost is based on trends that are expected to evolve over time. The initial rate and the ultimate rate expected take effect within ten years are presented as follows:

	<u>Initial Rate</u>	<u>Ultimate Rate</u>
Health	3.50%	3.00%
Pharmacy	9.00%	4.70%
Dental	1.00%	1.00%
Vision	3.00%	3.00%

Mortality Rate

The expected rate of mortality is based on published rate tables (RP2000 Mortality Table for Males and Females).

NOTE 11 – INTERNAL BALANCES

Internal balances include interfund receivables and payables as well as operating transfers. These various types of internal balances are presented as follows:

Interfund Receivables and Payables

In the ordinary course of business funds engage in transactions on behalf of other funds resulting in various interfund obligations that are summarized as follows:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

	Governmental Funds				Total	Fiduciary Funds	Total
	General Fund	Emergency 911 Fund	Capital Projects	Non-Major Funds			
<u>Interfund Receivables</u>							
The General Fund is legally entitled to resources held by various special revenue funds	\$121,616	\$ 7,127	\$ ---	\$ ---	\$ 128,743	\$ ---	\$ 128,743
Certain resources held by fiduciary funds were collected on behalf of the general fund	162,488	---	---	---	162,488	---	162,488
Total	\$ 284,104	\$ 7,127	\$ ---	\$ ---	\$ 291,231	\$ ---	\$ 291,231

<u>Interfund Payables</u>							
These funds currently hold resources that the general fund is legally entitled to receive.	\$ ---	\$ ---	\$ 123,722	\$ 5,021	\$ 128,743	\$ ---	\$ 128,743
Certain resources held by fiduciary funds were collected on behalf of the general fund	---	---	---	---	---	162,488	162,488
Total	\$ ---	\$ ---	\$ ---	\$ 5,021	\$ 128,743	\$ 162,488	\$ 291,231

Operating Transfers

In the ordinary course of business, resources are transferred between funds for various reasons. A description of the transfers and the purpose for the transfers is presented as follows:

	General Fund	Emergency 911 Fund	Non-Major Funds	Total
<u>Transfers In</u>				
The Emergency 911 Fund has transferred resources to the general fund in order to offset cost incurred by the General Fund that benefit 911 operations	\$ 150,000	\$ ---	\$ ---	\$ 150,000
Excess Funds remaining in the inmate fund were transferred to the General Fund	23,266	---	---	23,266
Total Transfers In	\$ 173,266	\$ ---	\$ ---	\$ 173,266

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

	<u>General Fund</u>	<u>Emergency 911 Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>
<u>Transfers Out</u>				
The Emergency 911 Fund has transferred resources to the general fund in order to offset cost incurred by the General Fund that benefit 911 operations	\$ ----	\$ 150,000	\$ ----	\$ 150,000
Excess Funds remaining in the inmate fund were transferred to the General Fund	----	----	23,266	23,266
Total Transfers Out	<u>\$ ----</u>	<u>\$ 150,000</u>	<u>\$ 23,266</u>	<u>\$ 173,266</u>

NOTE 12 – CONTINGENCIES:

Existing conditions that may have financial consequences are referred to as contingencies. Contingencies existing at June 30, 2017 are described as follows:

Litigation:

Like most governmental units with extensive and diverse operations, the Sheriff's Office is occasionally named as a defendant in litigation. The Sheriff's Office has insurance to protect against the possibility of unfavorable judgments and at year end management does not expect any financial exposure related to litigation.

Grant Compliance:

The Sheriff's Office receives state and federal assistance through various grant programs. Management is confident that all significant grant conditions have been met; however, grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

NOTE 13 – EX-OFFICIO TAX COLLECTOR (AD VALOREM TAX COLLECTIONS AND DISTRIBUTIONS)

Disclosures related to the Sheriff's function as ex officio tax collector required by Louisiana Law are presented as follows:

- The amount of cash on hand in the tax collector account at June 30, 2017 was \$38,544.
- Taxes collected and taxes assessed that remain uncollected are provided below:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Taxing Authority	Taxes Collected	Taxes Assessed and Uncollected
Grant Parish Police Jury	\$ 1,464,859	\$ ----
Grant Parish School Board	3,138,602	----
Grant Parish Assessor	391,555	----
Grant Parish Sheriff	2,408,502	----
Red River Waterway Commission	117,252	----
Nineteenth Louisiana Levee District	74,254	----
Grant Parish Hospital District Number 1	54,145	----
Grant Parish Hospital District Number 7	16,592	----
Grant Parish Recreational District Number 2	19,166	----
Louisiana Department of Agriculture and Forestry	14,513	----
Grant Parish Fire District Number 1	303,539	----
Grant Parish Fire District Number 2	38,366	----
Grant Parish Fire District Number 3	80,465	----
Grant Parish Fire District Number 4	23,121	----
Grant Parish Fire District Number 5	202,223	----
Grant Parish Fire District Number 6	119,399	----
Grant Parish Fire District Number 7	18,599	----
Louisiana Tax Commission	6,450	----
	<u>\$ 8,491,602</u>	<u>\$ ----</u>

NOTE 14 – OTHER TAX COLLECTIONS AND DISTRIBUTIONS)

In addition to the ad valorem taxes described in the preceding note, the Grant Parish Sheriff's Office collects various taxes on behalf of an assortment of taxing authorities. An analysis of collections and distributions attributable to these taxes is presented as follows:

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Refunds</u>	<u>Final Distribution</u>
<u>Sales Taxes:</u>				
Grant Parish School Board	\$ 1,320,035	\$ 30,876	\$ 1,067	\$ 1,288,092
Grant Parish Police Jury	1,320,035	30,876	1,067	1,288,092
Town of Colfax	333,863	7,816	----	326,047
Town of Pollock	63,427	1,485	----	61,942
Village of Georgetown	20,865	488	----	20,377
Village of Georgetown – Sewer	20,865	488	----	20,377
Village of Creola	60,832	1,424	----	59,408
Town of Montgomery	54,525	1,276	----	53,249
GPSB Transportation	1,320,035	30,876	1,067	1,288,092
Village of Dry Prong	56,256	1,317	----	54,939
Total Sales Taxes	<u>\$ 4,570,738</u>	<u>\$ 106,922</u>	<u>\$ 3,201</u>	<u>\$ 4,460,615</u>
<u>Alcohol Permits</u>				
Grant Parish Police Jury	<u>\$ 3,257</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 3,257</u>
<u>Hotel / Motel Tax</u>				
Grant Parish Police Jury	<u>\$ 2,398</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 2,398</u>

NOTE 15 – FUND EQUITY

Subdivisions of fund equity are described as follows:

- Restrictions - Amounts reported as restricted represents resources accumulated from sources restricted for emergency communications. Restricted resources are typically utilized whenever expenditures are incurred and both restricted and unrestricted resources are available.
- Commitments - Amounts reported as committed to capital expenditures represents amounts set aside in a special account by management to fulfill future capital needs. Authority to make commitments of this nature is vested in the Sheriff. Discretion is used on a case by case basis in determining whether committed or unrestricted resources are used to complete capital purchases.

NOTE 16 – CAPITAL LEASE OBLIGATIONS

Long-term debt activity is limited to capital lease obligations that were executed in order to acquire vehicles for law enforcement activities. Details related to these obligations are provided as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Lease Obligations	\$ 177,129	\$ 111,792	\$ 63,168	\$ 225,753

The capital lease obligations included in the summary presented above consist of the agreements described below.

GRANT PARISH SHERIFF

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Revolving lease arrangement to acquire vehicles from a fleet management program, payable in varying monthly installments with the final payment due in 2022. \$ 205,338

\$48,337 lease to acquire two police interceptors, payable in 48 monthly installments of \$1,128, beginning March, 2015 with the final installment due February, 2019. 20,415

Total 225,753

Current Portion 66,930

Long Term Portion \$ 158,823

Future minimum lease payments associated with the lease obligations described above are presented as follow:

<u>Year Ended December 31st</u>	
2018	\$ 73,162
2019	69,777
2020	58,291
2021	33,230
2022	4,021
Total Minimum Lease Payments	<u>238,481</u>
Amounts Representing Interest	12,728
Present Value of Future Minimum Lease Payments	<u>\$ 225,753</u>

Grant Parish Sheriff

Statement of Revenue, Expenditures and Changes in Fund Balance - Budget vs Actual

General Fund

For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Taxes	\$ 3,651,000	\$ 3,775,503	\$ 3,716,866	\$ (58,637)
Intergovernmental	1,225,000	1,068,016	878,009	(190,007)
Fees, Charges, Fines and Forfeitures	795,000	1,207,504	1,507,543	300,039
Other	62,000	78,101	129,690	51,589
Total revenues	<u>5,733,000</u>	<u>6,129,124</u>	<u>6,232,108</u>	<u>102,984</u>
<u>Expenditures:</u>				
Current				
Public Safety				
Grant Parish				
Personnel Services	3,900,000	4,166,042	4,168,031	(1,989)
Operating Services	805,000	914,169	934,708	(20,539)
Materials and Supplies	591,000	549,040	693,989	(144,949)
Other Expenses	80,000	98,717	161,082	(62,365)
Capital Expenditures	325,000	648,874	528,448	120,426
Debt Service	-	165	71,429	(71,264)
Total expenditures	<u>5,701,000</u>	<u>6,377,007</u>	<u>6,557,687</u>	<u>(180,680)</u>
Excess (Deficiency) of Revenues Over Expenditures	32,000	(247,883)	(325,579)	(77,696)
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	173,266	173,266
Capital Lease Proceeds	-	-	111,792	111,792
Net Change in Fund Balances	<u>\$ 32,000</u>	<u>\$ (247,883)</u>	<u>\$ (40,521)</u>	<u>\$ 207,362</u>

Grant Parish Sheriff

Statement of Revenue, Expenditures and Changes in Fund Balance - Budget vs Actual

Major Special Revenue Funds

For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Emergency 911 Fund</u>				
<u>Revenues:</u>				
Fees, Charges, Fines and Forfeitures	\$ 240,000	\$ 165,000	\$ 212,919	\$ 47,919
Other	38,780	33,100	3,421	(29,679)
Total revenues	<u>278,780</u>	<u>198,100</u>	<u>216,340</u>	<u>18,240</u>
<u>Expenditures:</u>				
Public Safety				
Materials and Supplies	1,000	825	23,128	(22,303)
Capital Expenditures	-	96,000	68,496	27,504
Total expenditures	<u>1,000</u>	<u>96,825</u>	<u>91,624</u>	<u>5,201</u>
Excess (Deficiency) of Revenues Over Expenditures	277,780	101,275	124,716	23,441
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(225,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 52,780</u>	<u>\$ (48,725)</u>	<u>\$ (25,284)</u>	<u>\$ 23,441</u>

Grant Parish Sheriff

Schedule of Funding Progress **Retiree Healthcare Plan**

	Actuarial Valuation Date June 30, 2011	Actuarial Valuation Date June 30, 2014	Actuarial Valuation Date June 30, 2017
Actuarial Value of Assets	\$ -	\$ -	\$ -
Actuarial Accrued Liability	\$ 2,584,362	\$ 1,903,017	\$ 2,429,061
Unfunded Actuarial Accrued Liability	\$ 2,584,362	\$ 1,903,017	\$ 2,429,061
Funded Ratio	0.00%	0.00%	0.00%
Covered Payroll	\$ 1,707,530	\$ 1,917,646	\$ 2,093,165
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	151.4%	99.2%	116.0%

Supplemental Disclosures:

At June 30, 2017, management was not aware of any factors expected to significantly affect the identification of trends in the amounts reported

Grant Parish Sheriff

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Net Pension Liability				
	Percent	Amount			
Louisiana Sheriffs Pension and Relief Fund					
June 30, 2014	0.34%	1,336,027	2,115,656	63.1%	87.3%
June 30, 2015	0.35%	1,579,013	2,169,207	72.8%	86.6%
June 30, 2016	0.37%	2,371,282	2,525,062	93.9%	82.1%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Grant Parish Sheriff

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Measurement Date	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Louisiana Sheriffs Pension and Relief Fund					
June 30, 2014	301,481	301,481	-	2,115,656	14.25%
June 30, 2015	301,481	334,741	(33,260)	2,192,589	15.27%
June 30, 2016	347,196	351,182	(3,986)	2,525,060	13.91%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Grant Parish Sheriff

Combining Balance Sheet - Non-Major Governmental Funds June 30, 2017

	<u>Chapel</u>	<u>Inmate Fund</u>	<u>Total Other Governmental Funds</u>
Assets			
Cash and Cash Equivalents	\$ 25,172	\$ 12,333	\$ 37,505
Receivables	-	-	-
Due From Fiduciary Funds	-	-	-
Due From Other Funds	-	-	-
Total assets	<u>\$ 25,172</u>	<u>\$ 12,333</u>	<u>\$ 37,505</u>
Liabilities and Fund Balance			
<u>Liabilities</u>			
Accounts Payable	\$ -	\$ 7,312	\$ 7,312
Due to Other Funds	-	5,021	5,021
Total liabilities	<u>-</u>	<u>12,333</u>	<u>12,333</u>
<u>Fund Balance</u>			
Committed To:			
Capital Expenditures	<u>25,172</u>	<u>-</u>	<u>25,172</u>
Total Fund Balances	<u>25,172</u>	<u>-</u>	<u>25,172</u>
Total Liabilities and Fund Balance	<u>\$ 25,172</u>	<u>\$ 12,333</u>	<u>\$ 37,505</u>

Grant Parish Sheriff

Combining Statement of Revenue, Expenditures and Changes in Fund Balance - Non-Major Governmental Funds For the Year Ended June 30, 2017

	Chapel	Inmate Fund	Total Other Governmental Funds
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Other	-	23,266	23,266
Total revenues	<u>-</u>	<u>23,266</u>	<u>23,266</u>
Expenditures:			
Current			
Public Safety			
Personnel Services	-	-	-
Operating Services	-	-	-
Materials and Supplies	1,654	-	1,654
Capital Expenditures	-	-	-
Total expenditures	<u>1,654</u>	<u>-</u>	<u>1,654</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,654)	23,266	21,612
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	(23,266)	(23,266)
Net Change in Fund Balances	(1,654)	-	(1,654)
Fund balance - Beginning of Year	26,826	-	26,826
Fund balance - End of Year	<u>\$ 25,172</u>	<u>\$ -</u>	<u>\$ 25,172</u>

Grant Parish Sheriff

Combining Statement of Fiduciary Net Position - Agency Funds

June 30, 2017

	Agency Funds						
	Bonds and Fines Fund	Cash Bonds Fund	Civil Fund	Property Tax Collections	Sales Tax Collections	Toys For Kids	Total
<u>Assets</u>							
Cash and Cash Equivalents	\$ 67,715	\$ 122,626	\$ 47,270	\$ 135,035	\$ 503,276	\$ 12,754	\$ 888,676
Receivables	-	-	-	-	-	-	-
Total Assets	<u>\$ 67,715</u>	<u>\$ 122,626</u>	<u>\$ 47,270</u>	<u>\$ 135,035</u>	<u>\$ 503,276</u>	<u>\$ 12,754</u>	<u>\$ 888,676</u>
<u>Liabilities</u>							
Due to Taxing Bodies and Others	\$ 56,449	\$ 120,565	\$ 45,509	\$ 106,065	\$ 384,886	\$ 12,754	\$ 726,228
Due to Other Funds	11,266	2,061	1,761	28,970	118,390	-	162,448
Total Liabilities	<u>\$ 67,715</u>	<u>\$ 122,626</u>	<u>\$ 47,270</u>	<u>\$ 135,035</u>	<u>\$ 503,276</u>	<u>\$ 12,754</u>	<u>\$ 888,676</u>

Grant Parish Sheriff

**Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the year ended June 30, 2017**

Agency Head (Sheriff) - Steven McCain

Purpose:

Compensation \$ 156,119

Benefits

Health Insurance

9,712

Retirement

40,357

50,069

Travel Reimbursements

615



December 1, 2017

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

The Honorable Steven McCain
Grant Parish Sheriff

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Grant Parish Sheriff's Office, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Grant Parish Sheriff's basic financial statements, and have issued our report thereon dated December 1, 2017.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Grant Parish Sheriff Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Grant Parish Sheriff Office's internal control. Accordingly, we do not express an opinion on the effectiveness of The Grant Parish Sheriff Office'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 Grant Parish Sheriff Office'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 determination of financial statement amounts. 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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

GRANT PARISH SHERIFF

SCHEDULE OF FINDINGS AND QUESTIONED COST For the Year Ended June 30, 2017

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the basic financial statements of the Grant Parish Sheriff as of June 30, 2017 and for the year then ended expressed an unmodified opinion.
- The audit did not disclose any audit findings which are considered to be significant deficiencies or material weaknesses.
- The results of the audit disclosed no instances of noncompliance required to be reported in the Schedule of Findings and Questioned Cost.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

- None

GRANT PARISH SHERIFF

MANAGEMENT'S CORRECTIVE ACTION PLAN For the Year Ended June 30, 2017

SECTION I Internal Control And Compliance Material To The Financial Statements.	
No findings were reported in the schedule of findings and questioned costs.	Response – N/A
SECTION II Internal Control and Compliance Material to Federal Awards	
No findings were reported in the schedule of findings and questioned costs.	Response – N/A
SECTION III Management Letter	
No management letter was issued with this report.	Response – N/A

GRANT PARISH SHERIFF

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COST For the Year Ended June 30, 2017

SECTION I Internal Control And Compliance Material To The Financial Statements.	
No findings were reported in the schedule of findings and questioned costs.	Response – N/A
SECTION II Internal Control and Compliance Material to Federal Awards	
No findings were reported in the schedule of findings and questioned costs.	Response – N/A
SECTION III Management Letter	
No management letter was issued with this report.	Response – N/A

APPENDIX

Information Required By Louisiana Revised Statute 24:513B(1)

STATE OF LOUISIANA, PARISH OF GRANT

AFFIDAVIT

Steven McCain, Sheriff of Grant Parish

BEFORE ME, the undersigned authority, personally came and appeared, Steven McCain, the Sheriff of Grant Parish, State of Louisiana, who after being duly sworn, deposed and said:

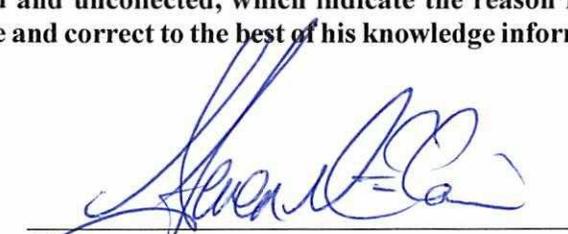
The following information is true and correct, to the best of his knowledge, information and belief:

\$38,544 is the amount of cash on hand in the tax collector account on June 30, 2017.

He further deposed and said:

All itemized statements of the amount of taxes collected for the tax year 2016, by taxing authority are true and correct, to the best of his knowledge, information and belief.

All itemized statements of all taxes assessed and uncollected, which indicate the reason for the failure to collect, by taxing authority are true and correct to the best of his knowledge information and belief.



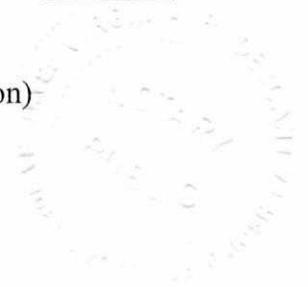
Signature
Sheriff of Grant Parish

Sworn to and subscribed before me, Notary this 12 day of December, 2017, in my office in Colfax, Louisiana.

 (Signature)

Virginia R Descant Print # 60343

Grant Parish, LA (Commission)



APPENDIX B
Statewide Agreed-Upon Procedures



**Rozier Harrington
& McKay** | CERTIFIED PUBLIC
ACCOUNTANTS |

Independent Accountant's Report
On Applying Agreed-Upon Procedures

The Honorable Steven McCain
Grant Parish Sheriff

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

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

The procedures and associated results are presented in the accompanying Schedule of Procedures, Results and Managements' Response.

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

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

Rozier, Harrington and McKay
Certified Public Accountants
Alexandria, Louisiana
December 1, 2017

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Written Policies and Procedures		
Agreed-Upon Procedure	Results	Managements' Response
1 Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions: <ul style="list-style-type: none">• Budgeting• Purchasing• Disbursements• Receipts• Payroll/Personnel• Contracting• Credit Cards• Travel and expense reimbursements• Ethics• Debt	Written policies and procedures address the issues referenced in the agreed-upon procedures with the following exceptions: <ul style="list-style-type: none">• Contracting – No policy was available.• Travel and Expense Reimbursement – No policy was available.• Ethics – The policy refers only to law sworn law enforcement personnel.	Based on an assessment of our needs, the policies in place are sufficient to administer our operations. The matters not specifically addressed in written from are clearly understood by the Office's personnel and the process is functioning properly. However, we will reevaluate the matter and determine whether further written procedures are necessary.

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and review the board/committee minutes for the fiscal period, and:</p> <p>a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation</p> <p>b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis)</p> <p>➤ If budgets are adopted that increase an existing deficit, is there a formal written plan to eliminate deficit spending and do the minutes indicate periodic monitoring of the plan?</p> <p>c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.</p>	<p>Procedures related to board and committee activities were not applicable because the Sheriff independently governs operations without input from any board or committee.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Bank Reconciliations		
Agreed-Upon Procedure	Results	Managements' Response
<p>3 Obtain a listing of client bank accounts from management</p>	<p>Management provided a list that has been confirmed with the applicable financial institutions.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>4 Using the listing provided by management, select a minimum of five (5) bank accounts and report whether:</p> <p>a) Bank reconciliations have been prepared;</p> <p>b) Bank reconciliations include evidence that a member of management or a board member has reviewed each bank reconciliation</p>	<p>Reconciliations were provided.</p> <p>No evidence of review by management was included on the reconciliation documents.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p> <p>Bank reconciliations were completed by an independent consultant with no access to the Offices money. Management has periodically evaluated the reconciliations but the process was not documented. In the future, efforts will be made to document the evaluations.</p>
<p>c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.</p>	<p>The accounts selected reported a small amount and volume of reconciling items but there was no effort to research the older items.</p>	<p>Due to the modest amount of older reconciling items, engaging in a research process was not considered to be a priority for utilizing our limited administrative resources.</p>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Collections		
Agreed-Upon Procedure	Results	Managements' Response
<p>5 Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.</p>	<p>Management provided the list along with written assurances that the list is complete.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>6 Using the listing provided by management, select a minimum of five (5) cash collection locations, obtain written documentation and report whether:</p> <p>a) Each person responsible for collecting cash is:</p> <ul style="list-style-type: none"> • bonded, • not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account • not required to share the same cash register or drawer with another employee. <p>b) The entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.</p>	<p>The employees are each bonded and there is segregation between collections, depositing, recording and reconciliation. Approximately 4 employees share a single register, but each transaction includes are receipt that identifies the party responsible for the collection and allows responsibility for any shortages to be determined.</p> <p>The formal process is conducted under the supervision of the Chief Civil Debuty</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p> <p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections		
Agreed-Upon Procedure	Results	Managements' Response
<p>c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:</p> <ul style="list-style-type: none"> • Report whether the deposits were made within one day of collection. • Verify that daily cash collections are completely supported by documentation 	<p>The highest dollar week was determined to be from December 26 through December 30, 2016. For this period deposits were daily and documentation was available to support the amounts collected.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>7 Obtain existing written documentation and report whether the entity has a process specifically defined to determine completeness of all collections by a person who is not responsible for collections.</p>	<p>Records indicate that a verification is performed by the Chief Civil Deputy.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
10 Using entity documentation report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.	Personnel responsible for initiating payments have access necessary to add vendors	Due to the size of the staff and design of the computer system, it is not considered practical to restrict access to adding vendors. Management compensates for this limitation by monitoring purchasing to detect any unauthorized activity.
11 Using entity documentation report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.	Personnel with signature authority have the ability to approve purchases and record certain transactions.	Due to the size of the staff and limited resources, it is not practical to assign separate people to each individual task. This limitation is addressed by monitoring of purchasing activity to ensure purchases are authorized.
12 Inquire of management and observe whether the supply of unused checks or blank check stock is maintained in a locked location, with access restricted to those persons that do not have signatory authority.	Unused check stock is stored in a secure location but persons with signature authority do have access to the documents.	Management compensates for access to checks by parties with signature authority by contracting with a consultant to perform bank reconciliations and evaluate transactions.
13 If a signature stamp or signature machine is used, inquire of the signer whether his or her signature and any signed checks is maintained under his or her control or is used only with the knowledge and consent of the signer.	No signature stamps or mechanical devices are in uses.	<i>N/A – Results did not include any findings or issues requiring a response.</i>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
14 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards).	Management provided the necessary list.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
15 Select the monthly statement or combined statement with the largest dollar activity for each card and: a) Is there evidence that the monthly statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. b) Report whether finance charges and/or late fees were assessed on the selected statements	10 cards were selected and the documentation demonstrated review and approval by the Chief Civil Deputy. The statements included no finance charges or late fees.	<i>N/A - Results did not include any findings or issues requiring a response.</i> <i>N/A - Results did not include any findings or issues requiring a response.</i>
16 Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the cards selected (i.e. each of the cards should have one month of transactions subject to testing). a) Obtain supporting documentation for all transactions for each of the 10 cards selected by: <ul style="list-style-type: none"> • An original itemized receipt • Documentation of the business/public purpose • Other documentation that may be required by written policy 	Based on examination of the documentation, all of the purchases were for fuel used in law enforcement vehicles. The available documentation included original receipt data demonstrating valid business purpose.	<i>N/A - Results did not include any findings or issues requiring a response.</i>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
b) Compare the transaction's detail to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law	Purchases were consistent with established policies and none of the purchases were subject to bidding requirements.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution	There were no apparent violations of Article 7, Section 14.	<i>N/A - Results did not include any findings or issues requiring a response.</i>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
17 Obtain from management a listing of all travel and related expense reimbursements, by person.	Management provided the necessary list.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
18 Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration and report any amounts that exceed GSA rates.	Travel and expense reimbursements are not subject to a formal policy.	Despite the absence of a formal policy travel and expense reimbursements are generally conducted in a manner consistent with GSA rates and State Travel Policies. In addition, we will consider whether further written procedures are necessary.
19 Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected: a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.	For two of the transaction selected, a rate exceeding the GSA daily rate by \$28 was approved.	The amount in excess of the GSA rate for the area was necessary to have access to an important educational opportunity.

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Schedule of Procedures, Results and Managements' Response (Continued)

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
<p>b) Report whether each expense is supported by:</p> <ul style="list-style-type: none"> • An original itemized receipt that identifies precisely what was purchased. • Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating). • Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance) 	<p>The necessary supporting documentation was provided.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.</p>	<p>Each of the transactions selected had an apparent business purpose.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.</p>	<p>Payments were approved by Civil Office personnel that were not recipients of reimbursements.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>

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Schedule of Procedures, Results and Managements' Response (Continued)

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
<p>20 Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments.</p>	<p>Management provided a list of payments by payee in an Excel format.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>21 Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:</p> <p>a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.</p> <p>b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:</p> <ul style="list-style-type: none"> • If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements. • If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice. <p>c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract</p>	<p>For three of the five selections, formal written contracts were applicable. For the remaining two selections, the nature of the transactions were not of a type or character that typically conform to a formal written contract.</p> <p>Three of the five selections involved contracts awarded in the manner required by the public bid law. The remaining two transactions were not subject to the public bid law and no bids or quotes were required.</p> <p>None of the contracts evaluated were subject to amendments.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p> <p><i>N/A - Results did not include any findings or issues requiring a response.</i></p> <p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>

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Schedule of Procedures, Results and Managements' Response (Continued)

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
terms contemplated or provided for such an amendment. d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract. e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).	The invoices and related payments were consistent with the terms of the contracts. N/A – operations of the Sheriff's Department are not subject to approval by any Governing Board.	<i>N/A – Results did not include any findings or issues requiring a response.</i> <i>N/A – Results did not include any findings or issues requiring a response.</i>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
<p>22 Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:</p> <p>a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.</p> <p>b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.</p>	<p>Rates of pay are at the Sheriff's discretion.</p> <p>Changes in pay rates are documented by written instructions from the Sheriff retained by Chief Civil Deputy.</p>	<p><i>N/A - Results did not include any findings or issues requiring a response.</i></p> <p><i>N/A - Results did not include any findings or issues requiring a response.</i></p>
<p>23 Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:</p>		

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
<p>a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)</p>	<p>Employees are not required to document attendance. However, when a shift is missed supervisors require leave documentation to be completed. The process is monitored by the civil office.</p>	<p>Based on our evaluation , the process utilized for monitoring attendance is functioning properly and all payments have been made in connection with work that was properly performed.</p>
<p>b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.</p>	<p>For each employee selected a file was retained containing leave documentation</p>	<p><i>N/A – Results did not include any findings or issues requiring a response.</i></p>
<p>c) Report whether there is written documentation that the entity maintained (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.</p>	<p>Each employee has a leave file containing the necessary documentation.</p>	<p><i>N/A – Results did not include any findings or issues requiring a response.</i></p>
<p>24 Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.</p>	<p>Employees were compensated for unused vacation pay in a manner consistent with Office policy.</p>	<p><i>N/A – Results did not include any findings or issues requiring a response.</i></p>

Grant Parish Sheriff's Office

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
25 Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.	Payroll taxes were remitted directly by the payroll service provider. Furthermore, based on files containing supporting documentation, retirement contributors were remitted by the required deadlines.	<i>N/A – Results did not include any findings or issues requiring a response.</i>

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Schedule of Procedures, Results and Managements' Response

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
26 Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.	Certificates demonstrating that ethics training was completed have been provided for each of the employees selected.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
27 Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.	No violations were reported.	<i>N/A - Results did not include any findings or issues requiring a response.</i>

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Schedule of Procedures, Results and Managements' Response

Debt Service		
Agreed-Upon Procedure	Results	Managements' Response
28 If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.	Debt was limited to leases that are subject to non-appropriation clauses. Due to the presence of the non-appropriation clauses, Bond Commission approval is not required.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
29 If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.	Payments were made on the schedule required by the lease agreement.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
30 If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.	There were no millages related to debt service.	<i>N/A - Results did not include any findings or issues requiring a response.</i>

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Schedule of Procedures, Results and Managements' Response

Other		
Agreed-Upon Procedure	Results	Managements' Response
31 Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.	No misappropriations were reported.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
32 Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.	The notice was prominently displayed in the Sheriff's Civil Office.	<i>N/A - Results did not include any findings or issues requiring a response.</i>
33 If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.	No exceptions were observed.	<i>N/A - Results did not include any findings or issues requiring a response.</i>