

GRANT PARISH POLICE JURY

Colfax, Louisiana

Annual Financial Report

For the year ended December 31, 2016

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June 20, 2017

INDEPENDENT AUDITORS' REPORT

The Grant Parish Police Jury
Colfax, Louisiana 71417

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grant Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Police Jury's primary government 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 error or fraud.

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 of 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 unmodified and adverse audit opinions.

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

Grant Parish Police Jury

June 20, 2017

Summary of Opinions

Opinion Unit:	Type of Opinion:
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Unmodified
Parish Road Maintenance	Unmodified
Sales Tax Fund	Unmodified
Head Start	Unmodified
Courthouse and Jail Maintenance	Unmodified
Utility System	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are excluded from the Police Jury's financial statements.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Grant Parish Police Jury as of December 31, 2016, or the changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Grant Parish Police Jury, as of December 31, 2016, and the respective changes in financial position and cash flows, where applicable, thereof 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.

- Management's discussion and analysis
- Budgetary comparison information
- Schedule of net pension liability data
- Schedule of employer contributions

Grant Parish Police Jury
June 20, 2017

Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in 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 assurance.

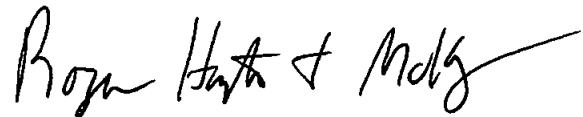
Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The other supplemental information listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to 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 of the themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2017 on our consideration of the Grant Parish Police Jury, Louisiana internal control over financial reporting and 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 the Parish's internal control over financial reporting and compliance.



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June 20, 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 Grant Parish Police Jury
Colfax, Louisiana 71417

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, the business-type activities, each major fund, and the aggregate remaining fund information of the Grant Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 20, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Grant Parish Police Jury'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 Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Grant Parish Police Jury'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.

-Members-

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Grant Parish Police Jury

June 20, 2017

Page 2

Compliance and Other Matters

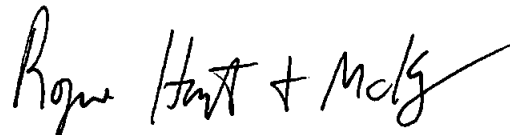
As part of obtaining reasonable assurance about whether the Grant Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material 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 test disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item **Finding 2016-01**.

Response to Findings

The Grant Parish Police Jury's response to the findings identified in our audit report is described in the accompanying schedule of findings and questioned costs. The Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

This section of the Grant Parish Police Jury's annual financial report presents our discussion and analysis of the Parish's financial performance during the fiscal year ended December 31, 2016.

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 Parish'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 Parish as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Parish's assets and all of the Parish's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including general government; public works; health and human services are reported as governmental activities. The governmental activities are financed by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** – Expenses associated with providing utility services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with these services are reported as business type activities.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Parish's most significant activities and are not intended to provide information for the Parish as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Parish has two types of funds that are described as follows:

- **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 Parish'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.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Parish's utility services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

FINANCIAL ANALYSIS OF THE PARISH AS A WHOLE

Net Position

A condensed version of the government-wide Statement of Net Position is presented as follows:

	For the Year Ended December 31, 2016			For the Year Ended December 31, 2015
	Gov- ern- men- tal Acti- vities	Busi- ness- Type Acti- vities	Total	
<u>Assets:</u>				
Current and Other Assets	\$ 3,365,775	\$ 424,945	\$ 3,790,720	\$ 3,585,511
Capital Assets	5,919,026	326,338	6,245,364	6,448,974
Total Assets	9,284,801	751,283	10,036,084	10,034,485
<u>Deferred Outflows:</u>				
	809,729	116,809	926,538	366,922
<u>Liabilities:</u>				
Current and Other Liabilities	473,471	102,781	576,252	713,219
Long-term Liabilities	783,812	94,536	878,348	313,915
Total Liabilities	1,257,283	197,317	1,454,600	1,027,134
<u>Deferred Inflows:</u>				
	141,420	13,074	154,494	104,724
<u>Net Position:</u>				
Invested in Capital Assets (Net)	5,640,160	326,338	5,966,498	6,168,642
Restricted	2,272,706	-	2,272,706	1,815,365
Unrestricted	782,961	331,363	1,114,324	1,285,542
Total Net Position	\$ 8,695,827	\$ 657,701	\$ 9,353,528	\$ 9,269,549

As the presentation appearing above demonstrates, the largest portion of the net position is invested in capital assets. Net position invested in capital assets consist of land, construction in process, buildings, equipment, and infrastructure less any debt used to acquire the assets that remains outstanding. The Parish uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

An additional portion of the net position represent resources that are subject to restrictions that are imposed by agreements with the Parish's taxpayers or requirements imposed by various revenue sources.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2016

The remaining balance of unrestricted assets may be used to meet the Parish's ongoing obligations to citizens and creditors.

Changes in Net Position

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

	<u>For the Year Ended December 31, 2016</u>			<u>For the Year Ended December 31, 2015</u>
	<u>Govern- mental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	
<u>Revenues:</u>				
Program Revenue:				
Charges for Services	\$ 414,454	\$ 444,871	\$ 859,325	\$ 886,062
Operating Grants and Contributions	1,175,068	----	1,175,068	1,163,109
Capital Grants and Contributions	----	----	----	349,600
General Revenue:				
Property Taxes	940,193	----	940,193	920,617
Sales Taxes	1,243,310	----	1,243,310	1,192,643
Severance Taxes	420,028	----	420,028	469,018
Other Taxes	167,197	----	167,197	164,747
Revenue Sharing	78,007	----	78,007	75,646
Gain on Sale of Assets	----	----	----	24,430
Payment in Lieu of Taxes	96,118	----	96,118	----
Other	67,834	2,470	70,304	149,137
Total Revenue	4,602,209	447,341	5,049,550	5,395,009
<u>Program Expenses:</u>				
General Government	1,330,640	----	1,330,640	1,219,164
Public Safety	423,900	----	423,900	279,977
Public Works	2,535,592	----	2,535,592	2,893,435
Health & Welfare	116,008	----	116,008	225,200
Culture and Recreation	21,054	----	21,054	9,678
Utility Service	----	538,377	538,377	550,611
Total Expenses	4,427,194	538,377	4,965,571	5,178,065
Change in Net Position	175,015	(91,036)	83,979	216,944
Net Position Beginning:	8,520,812	748,737	9,269,549	9,052,605
Net Position Ending	\$ 8,695,827	\$ 657,701	\$ 9,353,528	\$ 9,269,549

Governmental activities increased the Parish's net position by \$175,015. This increase is attributable to the Parish receiving operating grants and contributions.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

Business-type activities decreased the Parish's net position by \$91,036. This decrease is attributable to the decrease in natural gas prices.

FINANCIAL ANALYSIS OF THE PARISH'S FUNDS

An analysis of significant matters affecting the Parish's funds is presented as follows:

- The Parish's governmental funds reported combined fund balances of \$3,001,214, which represents an increase of \$431,262 in comparison to the previous balance. This increase is due to prudent use of the Police Jury's resources.
- In addition, the Parish's general fund, reported a fund balance of \$577,460. The general fund balance decreased by \$66,710. This decrease is attributable to an increase public safety expenditures.
- Amounts reported for business-type activities in the Parish's individual funds are identical to the business-type activities reported in the government-wide presentation.

BUDGET HIGHLIGHTS

The Parish's general fund and each special revenue fund are required to adopt budgets. Budgets were amended to address actual experiences that deviated from expectations that existed when the original budget was adopted.

CAPITAL ASSET ADMINISTRATION

Highlights of the Parish's capital asset administration are provided as follows:

- Work has continued on the rehabilitation of the Old Bank Building
- Work has continued on upgrading of the natural gas system.
- Equipment purchases for business-type activities include a new pickup truck.
- Equipment purchases for the governmental activities are a freightliner, two bush hogs, a dozer, and a pickup truck.

DEBT ADMINISTRATION

A capital lease was issued for \$98,500 to finance a new dozer for the road fund. The remaining debt activity was limited to payment of principal and interest.

FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

There are no events or conditions that are expected to have a significant influence on future operations.

Grant Parish Police Jury

STATEMENT OF NET POSITION

December 31, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,870,181	\$ 357,868	\$ 2,228,049
Receivables (net)	1,495,594	67,077	1,562,671
Capital assets			
Non depreciable capital assets			
Construction in Process	410,009	20,000	430,009
Land	203,250	-	203,250
Depreciable capital assets, net	<u>5,305,767</u>	<u>306,338</u>	<u>5,612,105</u>
Total assets	<u>9,284,801</u>	<u>751,283</u>	<u>10,036,084</u>
<u>DEFERRED OUTFLOWS</u>	<u>809,729</u>	<u>116,809</u>	<u>926,538</u>
<u>LIABILITIES</u>			
Accounts and Other Payables	331,691	23,091	354,782
Retainage Payable	32,870	-	32,870
Deposits Due Others	-	79,690	79,690
Long-term liabilities			
Compensated Absences	49,511	12,272	61,783
Notes Payable			
Due within one year	108,910	-	108,910
Due in more than one year	137,086	-	137,086
Aggregate Net Pension Liability	<u>597,215</u>	<u>82,264</u>	<u>679,479</u>
Total liabilities	<u>1,257,283</u>	<u>197,317</u>	<u>1,454,600</u>
<u>DEFERRED INFLOWS</u>	<u>141,420</u>	<u>13,074</u>	<u>154,494</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	5,640,160	326,338	5,966,498
Restricted:			
Maintenance	2,169,674	-	2,169,674
Judicial	51,253	-	51,253
Construction	51,779	-	51,779
Unrestricted	<u>782,961</u>	<u>331,363</u>	<u>1,114,324</u>
Total net position	<u>\$ 8,695,827</u>	<u>\$ 657,701</u>	<u>\$ 9,353,528</u>

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

Grant Parish Police Jury

STATEMENT OF ACTIVITIES

December 31, 2016

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants & Contributions</u>	
<u>Governmental Activities:</u>					
General Government					
Legislative	\$ 225,823	\$ -	\$ -	\$ -	\$ (225,823)
Judicial	592,588	279,283	147,556	-	(165,749)
Finance & Administrative	255,179	-	-	-	(255,179)
Other General Government	257,050	-	-	-	(257,050)
Public Safety	423,900	-	-	-	(423,900)
Public Works					
Road Maintenance	1,196,054	-	893,553	-	(302,501)
Landfill Maintenance	1,247,921	110,095	63,882	-	(1,073,944)
CDBG South Grant Sewer System	81,962	-	66,859	-	(15,103)
Other Public Works	9,655	-	3,218	-	(6,437)
Health & Welfare	116,008	11,031	-	-	(104,977)
Culture & Recreation	21,054	14,045	-	-	(7,009)
Total Governmental Activities	<u>4,427,194</u>	<u>414,454</u>	<u>1,175,068</u>	<u>-</u>	<u>(2,837,672)</u>
<u>Business-Type Activities:</u>					
Utility System	<u>538,377</u>	<u>444,871</u>	<u>-</u>	<u>-</u>	<u>(93,506)</u>
Total Business-Type Activities	<u>538,377</u>	<u>444,871</u>	<u>-</u>	<u>-</u>	<u>(93,506)</u>
Total	<u>\$ 4,965,571</u>	<u>\$ 859,325</u>	<u>\$ 1,175,068</u>	<u>\$ -</u>	<u>\$ (2,931,178)</u>

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

Grant Parish Police Jury

STATEMENT OF ACTIVITIES (continued)

December 31, 2016

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Net (Expense) Revenue (Continued From Previous Page)	\$ (2,837,672)	\$ (93,506)	\$ (2,931,178)
<u>General Revenues:</u>			
Taxes:			
Ad Valorem	940,193	-	940,193
Sales	1,243,310	-	1,243,310
Severance	420,028	-	420,028
Other	167,197	-	167,197
Revenue Sharing	78,007	-	78,007
Payment in Lieu of Taxes	96,118	-	96,118
Other	67,834	2,470	70,304
Total General Revenues	<u>3,012,687</u>	<u>2,470</u>	<u>3,015,157</u>
Change in Net Position	175,015	(91,036)	83,979
Net Position - Beginning	<u>8,520,812</u>	<u>748,737</u>	<u>9,269,549</u>
Net Position-Ending	<u>\$ 8,695,827</u>	<u>\$ 657,701</u>	<u>\$ 9,353,528</u>

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

Grant Parish Police Jury

Balance Sheet

Governmental Funds - December 31, 2016

	General Fund	Parish Road Maintenance	Sales Tax Fund	Head Start	Courthouse and Jail Maintenance	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and Cash Equivalents	\$ 175,465	\$ 549,263	\$ 471,430	\$ 74,993	\$ 15,793	\$ 583,237	\$ 1,870,181
Receivables (net)	378,831	469,451	228,772	-	163,013	255,527	1,495,594
Interfund Receivables	175,929	43,350	3,016	-	479	5,000	227,774
Total assets	\$ 730,225	\$ 1,062,064	\$ 703,218	\$ 74,993	\$ 179,285	\$ 843,764	\$ 3,593,549
Liabilities and Fund Balance							
Liabilities							
Accounts payable	\$ 147,765	\$ 21,406	\$ 43,776	\$ 74,993	\$ 8,020	\$ 35,731	\$ 331,691
Retainage Payable	-	-	-	-	-	32,870	32,870
Interfund Payables	5,000	1,172	109,846	-	76,519	35,237	227,774
Total liabilities	152,765	22,578	153,622	74,993	84,539	103,838	592,335
Fund Balance							
Restricted for:							
Maintenance	-	1,039,486	549,596	-	94,746	485,846	2,169,674
Judicial	-	-	-	-	-	51,253	51,253
Construction	-	-	-	-	-	51,779	51,779
Committed To:							
Maintenance	-	-	-	-	-	17,440	17,440
Construction	-	-	-	-	-	85,608	85,608
Litter Abatement	-	-	-	-	-	695	695
General Purposes	-	-	-	-	-	47,403	47,403
Unassigned	577,460	-	-	-	-	(98)	577,362
Total Fund Balances	577,460	1,039,486	549,596	-	94,746	739,926	3,001,214
Total Liabilities and Fund Balance	\$ 730,225	\$ 1,062,064	\$ 703,218	\$ 74,993	\$ 179,285	\$ 843,764	\$ 3,593,549

Reconciliation of Fund Balance on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position.		
Total Fund Balances - Governmental Funds		\$ 3,001,214
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		
Compensated Absences	(49,511)	
Long-Term Debt	(245,996)	
Net Pension Liability	(597,215)	(892,722)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land	203,250	
Construction in Process	410,009	
Depreciable Assets (net)	5,305,767	5,919,026
Deferred inflows and outflows of resources that do not meet criteria for inclusion in the Governmental Funds Balance Sheet		
Deferred Outflows	809,729	
Deferred Inflows	(141,420)	668,309
Net Position of Governmental Activities		\$ 8,695,827

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

Grant Parish Police Jury

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds - Year Ended December 31, 2016

	General Fund	Parish Road Maintenance	Sales Tax Fund	Head Start	Courthouse and Jail Maintenance	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes:							
Ad Valorem	\$ 222,491	\$ 412,483	\$ -	\$ -	\$ 153,996	\$ 151,223	\$ 940,193
Sales	-	-	1,243,310	-	-	-	1,243,310
Other	61,505	-	-	-	-	105,692	167,197
Federal Funds	96,118	495,930	13,161	-	-	-	605,209
State Funds:							
Parish Transportation Funds	-	318,615	-	-	-	-	318,615
State Revenue Sharing	19,534	36,241	-	-	13,531	8,701	78,007
Severance Taxes	420,028	-	-	-	-	-	420,028
Facility Planning and Control	-	-	-	-	-	66,859	66,859
Other State Funds	12,946	40,932	-	-	-	-	53,878
Local Funds	93,834	-	-	-	-	42,979	136,813
Fees and Charges for Service	75,369	-	110,095	-	-	-	185,464
Fines and Forfeitures	41,825	-	-	-	-	238,473	280,298
Rental of Properties	14,045	37,683	-	-	-	11,031	62,759
Refunds	-	38,076	50,721	-	-	-	88,797
Other	12,163	10,386	1,358	-	3,991	2,252	30,150
Total Revenues	1,069,858	1,390,346	1,418,645	-	171,518	627,210	4,677,577
Expenditures:							
Current:							
General Government							
Legislative	225,800	-	-	-	-	-	225,800
Judicial	329,874	-	-	-	-	251,457	581,331
Finance & Administrative	242,136	-	-	-	-	-	242,136
Other General Government	40,025	-	-	-	196,402	-	236,427
Public Safety	400,897	-	-	-	-	-	400,897
Public Works							
Road Maintenance	-	951,273	-	-	-	-	951,273
Landfill Maintenance	-	-	1,150,736	-	-	-	1,150,736
South Grant Sewer Construction	-	-	-	-	-	81,962	81,962
Other Public Works	-	-	-	-	-	9,655	9,655
Health & Welfare	-	-	-	-	-	94,844	94,844
Culture & Recreation	11,832	-	-	-	-	-	11,832
Capital Expenditures	-	128,490	99,689	-	-	24,099	252,278
Debt Service	-	26,044	79,600	-	-	-	105,644
Total Expenditures	1,250,564	1,105,807	1,330,025	-	196,402	462,017	4,344,815
Excess (Deficiency) of Revenues Over Expenditures	(180,706)	284,539	88,620	-	(24,884)	165,193	332,762
Other Financing Sources (Uses):							
Debt Proceeds	-	98,500	-	-	-	-	98,500
Operating Transfers In (Out)	113,996	-	-	-	(39,371)	(74,625)	-
Total other financing sources (uses)	113,996	98,500	-	-	(39,371)	(74,625)	98,500
Net Change in Fund Balance	(66,710)	383,039	88,620	-	(64,255)	90,568	431,262
Fund Balance (Deficit) - Beginning	644,170	656,447	460,976	-	159,001	649,358	2,569,952
Fund Balance (Deficit) - Ending	\$ 577,460	\$ 1,039,486	\$ 549,596	\$ -	\$ 94,746	\$ 739,926	\$ 3,001,214

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

Grant Parish Police Jury

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Year Ended December 31, 2016

Net change in fund balances of Governmental Funds		\$	431,262
Amounts reported for governmental activities in the statement of activities are different because:			
Capital outlays are reported in the 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 the Governmental Funds	252,278		
Depreciation expense reported on a government-wide basis	<u>(449,629)</u>	(197,351)	
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds.		(1,452)	
Governmental funds report pension expense based on contributions required for the current year; however, pension expense reported on the government wide basis is influenced by actuaries considerations		(58,910)	
Debt service expenditures reported by the governmental funds are reported as repayment of debt in the government-wide presentation.		<u>1,466</u>	
Change in net position of governmental activities		\$	<u>175,015</u>

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

Grant Parish Police Jury

Statement of Net Position

Proprietary Funds - December 31, 2016

	<u>Business-Type Activities</u>
	<u>Utility System</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and cash equivalents	\$ 357,868
Receivables (net)	<u>67,077</u>
Total current assets	424,945
Noncurrent Assets	
Construction in process	20,000
Depreciable capital assets, net	<u>306,338</u>
Total assets	<u>751,283</u>
<u>DEFERRED OUTFLOWS:</u>	
Pension funding deferrals	<u>116,809</u>
<u>LIABILITIES:</u>	
Current Assets:	
Accounts and other payables	23,091
Deposits due others	<u>79,690</u>
Total current liabilities	<u>102,781</u>
Noncurrent Liabilities:	
Net pension liability	82,264
Compensated absences	<u>12,272</u>
Total liabilities	<u>197,317</u>
<u>DEFERRED INFLOWS:</u>	
Pension funding deferrals	<u>13,074</u>
<u>NET POSITION:</u>	
Invested in capital assets, net of related debt	326,338
Unrestricted	<u>331,363</u>
Total net position	<u>\$ 657,701</u>

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

Grant Parish Police Jury

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds - December 31, 2016

	<u>Business-Type Activities</u>
	<u>Utility System</u>
<u>Operating Revenues:</u>	
Service Fees	\$ 438,386
Other	6,485
Total Operating Revenues	<u>444,871</u>
<u>Operating Expenses:</u>	
Purchases of Natural Gas	80,356
Salaries	180,292
Employee Benefits & Payroll Taxes	112,322
Professional Services	31,212
Depreciation	36,430
Repairs & Maintenance - Distribution System	39,375
Equipment Maintenance and Rental	21,926
Telephone & Utilities	11,217
Office Supplies and Expense	10,012
Other	15,235
Total Operating Expenses	<u>538,377</u>
Operating Income (Loss)	(93,506)
<u>Nonoperating Revenues (Expenses):</u>	
Interest Revenue	<u>2,470</u>
Change in net position	(91,036)
Total net position - beginning	<u>748,737</u>
Total net position - ending	<u>\$ 657,701</u>

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

Grant Parish Police Jury

Statement of Cash Flows

Proprietary Funds - Year Ended December 31, 2016

	<u>Business-Type Activities</u>
	<u>Utility System</u>
<u>Cash flow from operating activities:</u>	
Cash received from customers	\$ 431,271
Cash payments to suppliers of goods and services	(313,952)
Cash payments to employees for services	(180,244)
Net cash provided (used) by operating activities	<u>(62,925)</u>
<u>Cash flows from capital and related financing activities:</u>	
Acquisition of capital assets	<u>(30,171)</u>
Net cash provided (used) by capital and related financing activities	<u>(30,171)</u>
<u>Cash flows from investing activities:</u>	
Interest and other income	<u>2,470</u>
Net cash provided (used) by investing activities	<u>2,470</u>
Net increase (decrease) in cash	(90,626)
Beginning cash balance	<u>448,494</u>
Ending cash balance	<u>\$ 357,868</u>
<u>Reconciliation of operating income (loss) to net cash</u>	
Operating income (loss)	\$ (93,506)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	36,430
(Increase) decrease in accounts receivable	(14,144)
(Decrease) increase in accounts and other payables	754
(Decrease) increase in compensated absences	48
(Decrease) increase in meter deposits	545
(Decrease) increase in net pension liability	6,948
Net cash provided (used) by operating activities	<u>\$ (62,925)</u>

Supplemental disclosures of cash flow information:

During the year ended December 31, 2016, there were no investing, capital, or financing activities that did not result in cash receipts or payments.

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

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

NOTE 1 –INTRODUCTION AND SIGNIFICANT ACCOUNTING POLICIES:

The Grant Parish Police Jury is the governing authority for Grant Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by eight jurors representing the various districts within the Parish. The jurors serve four-year terms which expire on January 1, 2020.

State Law gives the Police Jury various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of these are the powers to pass regulations affecting parish government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the Parish. Funding to accomplish these tasks is provided primarily by ad valorem taxes, sales and use taxes, state revenue sharing, various state and federal grants, and interest earnings.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Grant Parish Police Jury is the financial reporting entity for Grant Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on these criteria, the Police Jury has determined that the following component units are part of the Grant Parish Police Jury reporting entity:

Constables - Districts A, B, C, D, E	Gas Utility District
Justices of the Peace – Districts A, B, C, D, E	Recreation District No. 2
Fire Protection Districts 1, 2, 3, 4, 5, 6, 7	Sewer District No. 1
Ward Seven Hospital District	Grant Parish Coroner
Ward One Hospital District	Grant Parish Library
Health Unit	

Considered in the determination of component units of the reporting entity was the Grant Parish School Board, Sheriff's Office, Tax Assessor, Clerk of Court, District Attorney, Judges for the Thirty-Fifth Judicial District, and various municipalities in the Parish. It was determined that these governmental entities are not component units of the Grant Parish reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Grant Parish Police Jury.

The accompanying financial statements are not intended to present financial position, results of operation and proprietary fund cash flows for the reporting entity as a whole. Data of component units that are financially accountable to the Police Jury has been excluded from the financial statements. Due to the absence of component unit data, the financial statements do not address the entire reporting entity.

The accompanying financial statements present data that is limited to funds, organizations, institutions, agencies, departments, and offices that are managed by the Grant Parish Police Jury. These organizations include Ward One Hospital District, the Health Unit, and the Gas Utility District. The Ward One Hospital District is reported in the financial statements as a special revenue fund and a capital projects fund as the medical clinic.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises.

The government-wide and fund financial statements present the Parish'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 Parish as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities that may be 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 or business-type activity. Program revenues include charges for services, contributions associated with a particular function 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. Separate financial statements are provided for governmental funds and business-type (enterprise) funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Parish's major funds are described as follows:

Major Governmental Funds

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.

Parish Road Maintenance – The road fund is a special revenue fund used to account for the proceeds of funds received dedicated to the repair and maintenance of Parish roads.

Sales Tax Fund – The sales tax fund is a special revenue fund used to account for the proceeds dedicated to the pick up and disposal of garbage and repair and maintenance of roads within the Parish boundaries.

Head Start Fund – This fund is used to account for funds remaining from the Head Start Program when the program was operated by the Parish.

Courthouse and Jail Maintenance – This fund is a special revenue fund used to account for the proceeds of funds dedicated to the repair and maintenance of the Parish courthouse, jail, and related buildings.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

Major Business-Type Funds

Utility System – The utility fund is used to account for the operation of the Parish’s natural gas system, which is supported by user charges.

Business-Type funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for natural gas.

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:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic 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 considered available if it is collected within 60 days of year-end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims and judgments are recorded as expenses when payment is made. 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 as an other financing source and repayment of long-term debt is reported as an expenditure of funds.

Nonexchange transactions, in which the Police Jury receives value without directly giving equal value in return, include property taxes, sales taxes, and grants. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Parish must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Police Jury on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

Use of Estimates

The preparation of financial statements 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.

Restricted Assets

Any amounts reported as restricted assets, represent resources that must be expended in a specific manner. Restrictions of this nature can be imposed by tax propositions and various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

Budget Practices

Budgets, including any amendments, are prepared in the manner prescribed by Louisiana revised statutes. Police Jury budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles. Budgets are adopted annually for the general fund and each special revenue fund. Furthermore, the budgets are amended as necessary in the manner prescribed by Louisiana revised statutes. The remaining funds are not required to adopt budgets.

Capital Assets

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Police Jury.

Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 4 to 50 years. Useful lives are selected depending on the expected durability of the particular asset.

Cash and Cash Equivalents

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts and certificates of deposit. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposit is typically mitigated by purchasing instruments that mature in one year or less.

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.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

Compensated Absences

Full time and regular part-time employees earn vacation at rates that vary depending on length of service. Unused vacation that employees are allowed to carryforward is reported as long-term debt. Amounts attributable to the utility fund are reported as an expense during the year when leave is earned. Amounts attributable to governmental funds are reported as expenditures when the unused vacation is actually liquidated.

Statement of Cash Flows

For the purpose of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in banks, and certificates of deposit.

Fund Balance Classification

Approval of the majority of the Police Jury is required to approve the commitment of fund balances. In situations where it is permissible to spend restricted or committed resources, the Police Jury typically depletes the available restricted or committed resources before consuming unrestricted resources.

NOTE 2 – TAXES:

Ad Valorem Taxes

Ad valorem taxes are assessed by the Grant Parish Assessor and collected for the Police Jury by the Grant Parish Sheriff's Office. The following is a summary of adjusted authorized and levied ad valorem tax millage:

	<u>Adjusted Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Alimony	4.49	4.49	None
Parish Road Maintenance	8.32	8.32	2027
Courthouse and Jail Maintenance	3.11	3.11	2027
Hospital Service District No. 1	2.31	2.31	2022
Health Unit Maintenance	2.00	2.00	2027

Sales and Use Tax

On November 21, 2015, voters of the parish approved a one per cent sales and use tax with no expiration date, which is dedicated to (1) paying the cost of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities for the Parish, including the cost of enforcing litter laws and the payment of the cost of closing garbage dumps owned or operated by the Parish and (2) for constructing, improving, operating, and/or resurfacing public roads in the Parish including acquiring, operating, and maintaining equipment. In addition, proceeds from the sales and use tax can be used to fund bonds to pay related capital costs. Sales taxes are collected on behalf of the Policy Jury by the Grant Parish Sheriff's Office.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

NOTE 3 - CASH AND CASH EQUIVALENTS:

Deposits are stated at cost, which approximates market value. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2016, the Police Jury has \$2,285,233 in deposits (collected bank balance). These deposits are secured from risk by \$500,000 of federal deposit insurance and \$2,352,337 of pledged securities held by the custodial bank in the name of the fiscal agent bank. State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 – RECEIVABLES:

The following is a summary of receivables at December 31, 2016:

	Governmental Activities	Business- Type Activities	Total
<u>Accounts Receivable</u>			
Utility Accounts	\$ ----	\$ 67,077	\$ 67,077
Other	23,300	----	23,300
Total Accounts Receivable	<u>23,300</u>	<u>67,077</u>	<u>90,377</u>
<u>Due From Other Governmental Units</u>			
Ad Valorem Taxes	939,524	----	939,524
Sales Taxes	228,772	----	228,772
Federal Funds	5,000	----	5,000
State of Louisiana	277,948	----	277,948
Other	21,050	----	21,050
Total Due From Other Governments	<u>1,472,294</u>	<u>----</u>	<u>1,472,294</u>
Total Receivables	<u>1,495,594</u>	<u>67,077</u>	<u>1,562,671</u>

Management considers the amounts listed above to be fully collectible. There is no allowance for doubtful accounts.

NOTE 5 – INTERFUND BALANCES:

In the ordinary course of business, advances are made to various funds in order to provide needed resources on a temporary basis. Balances resulting from transactions of this nature are summarized as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

<u>Governmental Activities</u>	<u>Receivable</u>	<u>(Payable)</u>	<u>Net</u>
General	\$ 175,929	\$ (5,000)	\$ 170,929
Road Fund	43,350	(1,172)	42,178
Sales Tax Fund	3,016	(109,846)	(106,830)
Courthouse and Jail	479	(76,519)	(76,040)
Non-major Funds	5,000	(35,237)	(30,237)
Total Governmental Activities	<u>\$ 227,774</u>	<u>\$ (227,774)</u>	<u>\$ ----</u>

NOTE 6 – TRANSFERS:

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

	<u>Governmental Activities</u>			
	<u>General Fund</u>	<u>Courthouse & Jail</u>	<u>Non-Major</u>	<u>Total</u>
<u>Transfers In</u>				
Transfer of unrestricted resources to help cover expenses.	\$ 218,996	\$ ----	\$ ----	\$ 218,996
Transfer of resources by the general fund to cover necessary expenses.	----	----	105,000	105,000
Total Transfers In	<u>218,996</u>	<u>----</u>	<u>105,000</u>	<u>323,996</u>
<u>Transfers Out</u>				
Transfer of resources to the general fund to help cover expenses.	----	39,371	179,625	218,996
Transfer of resources from the general fund to cover necessary expenses.	105,000	----	----	105,000
Total Transfers Out	<u>105,000</u>	<u>39,371</u>	<u>179,625</u>	<u>323,996</u>
Net Transfers	<u>\$ 113,996</u>	<u>\$ (39,371)</u>	<u>\$ (74,625)</u>	<u>\$ ----</u>

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

NOTE 7 – LONG-TERM LIABILITIES:

Debt attributable to the Police Jury's governmental and business-type activities is summarized as follows:

	Governmental Activities	Business- Type Activities	Total
Capital Leases Payable	\$ 245,996	\$ ---	\$ 245,996
Compensated Absences	49,511	12,272	61,783
Total Long-term Debt	<u>\$ 295,507</u>	<u>\$ 12,272</u>	<u>\$ 307,779</u>

Changes in the Parish's long-term debt for the year ended December 31, 2016, are presented as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental Activities</u>				
Capital Leases Payable	\$ 247,462	\$ 98,500	\$ 99,966	\$ 245,996
Compensated Absences	48,059	1,452	----	49,511
Total	<u>295,521</u>	<u>99,952</u>	<u>99,966</u>	<u>295,507</u>
<u>Business-Type Activities</u>				
Compensated Absences	12,225	47	----	12,272
Total Long-term Debts	<u>\$ 307,746</u>	<u>\$ 99,999</u>	<u>\$ 99,966</u>	<u>\$ 307,779</u>

Capital Leases Payable

The Police Jury has acquired equipment by entering into an installment purchase agreement. Installment purchase obligations outstanding at December 31, 2016 are described as follows:

Capital lease purchase agreement dated September 7, 2012 executed in exchange for a garbage truck, with an original balance of \$198,469, bearing interest of 2.34%, payable in 72 monthly installments of \$2,957.	\$ 60,787
Capital lease purchase agreement dated October 3, 2012 executed in exchange for a dump truck, with an original balance of \$105,250, bearing interest of 3.320%, payable in 60 monthly installments of \$1,906.	16,924
Capital lease purchase agreement dated August 8, 2013 executed in exchange for a garbage truck, with an original balance of \$208,844, bearing interest at a rate of 2.17%, payable in 60 monthly installments of \$3,676.	72,146
Capital lease purchase agreement dated August 22, 2016 executed in exchange for a John Deere dozer, with an original balance of \$98,500, bearing interest at a rate of 4.95%, payable in 72 monthly installments of \$1,584.52.	<u>96,139</u>
Total	245,996
Due within one year	108,910
Due in more than one year	<u>\$ 137,086</u>

Grant Parish Police Jury

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A schedule of maturities for the note is presented as follows:

<u>Year Ended December 31st</u>	
2017	\$ 115,772
2018	75,039
2019	19,014
2020	19,014
2021	19,014
Thereafter	15,817
Total minimum lease payments	<u>263,670</u>
Amounts representing interest	<u>17,674</u>
Present value of future minimum lease payments	<u>\$ 245,996</u>

Compensated Absences

Compensated absences refer to the Policy Jury's obligation to provide vested accrued leave benefits that have been earned by its employees. These liabilities are typically liquidated by the fund responsible for providing the employees compensation.

NOTE 8 - PENSION PLAN:

Substantially all of the Police Jury's employees are members of statewide retirement systems. These systems are cost-sharing, multiple employer defined benefit pension plans administered by separate boards of trustees. A summary of amounts reported in connection with participation in these plans is summarized as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Parochial Employees Retirement System	\$ 594,544	\$ 844,215	\$ 94,489
Registrar of Voters Retirement System	29,067	18,250	25,112
District Attorney Retirement System	55,868	64,073	34,893
Total	679,479	926,538	154,494
Portion Applicable to Business Type Activities	<u>82,264</u>	<u>116,809</u>	<u>13,074</u>
Portion Applicable to Government Type Activities	<u>\$ 597,215</u>	<u>\$ 809,729</u>	<u>\$ 141,420</u>

Further information regarding each of the retirement systems presented above is furnished as follows:

Parochial Employees Retirement System

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the Police Jury are members of Plan A. All permanent employees working at least 28 hours per week and who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable

Grant Parish Police Jury

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service, or at any age with at least 30 years of creditable service, are entitled to a retirement benefit, payable monthly for life, equal to three per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of the final-average salary, plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980, plus three per cent of final average salary for each year of service credited after the revision date. Final-average salary is the employees' average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and who do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Funding Policy - Employees are required to contribute 9.5% of their salaries to the System. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The current rate is 14.50% of annual covered payroll. The contribution requirements of the plan members and the Police Jury are established and may be amended by state statute. In addition, contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. Contributions to the retirement system for the year ended December 31, 2016 and each of the two preceding years have been consistent with the required amounts.

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 financial report that includes financial statements and required supplementary information for the System. That report may be obtained at persla.org.

Plan A's net pension liability was determined at December 31, 2015 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$ 263,228,764
Police Jury's Proportionate Share (Percentage)	0.225866
Police Jury's Proportionate Share (Amount)	<u>\$ 594,544</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Police Jury's proportionate share of Plan A's net pension liability during the measurement period ending December 31, 2015 are provided as follows:

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Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.00% (Net of Investment Expense)
Projected Salary Increases	5.25% (2.75% Merit, 2.50% Inflation)
Expected Remaining Service Lives	4 Years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2010 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 System'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 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan A members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the board of Trustees and the Public Retirement Systems' Actuarial Committee. 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 A members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.55% for the year ended December 31, 2015.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2015 are summarized in the following table:

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Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income	34%	1.06%
Equity	51%	3.56%
Alternatives	12%	0.74%
Real Assets	3%	0.19%
Total	100%	5.55%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.55%

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 6.00% Discount Rate	Current Discount Rate 7.00%	1% Increase 8.00 % Discount
Net Pension Liability	\$ 1,489,549	\$ 594,544	\$ (161,843)

Registrar of Voters Retirement

Plan Description - Any member hired prior to January 1, 2013 is eligible for normal retirement after 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013 are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Final-average salary is the employee's average salary over the 60 consecutive of joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by State statute.

Funding Policy - Employees are required to contribute 7% of their salaries to the System. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The current rate is 22.50% of annual covered payroll. The contribution requirements of the plan members and the Police Jury are established and may be amended by state statute. In addition, contributions to the System also include .0625% of the taxes shown to be collectible by the tax rolls of each parish. Contributions to the retirement system for the year ended December 31, 2016 and each of the two preceding years have been consistent with the required amounts.

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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 financial report that includes financial statements and required supplementary information for the System. That report may be obtained at larovers.com.

The Plan's net pension liability was determined at June 30, 2016 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$ 28,375,170
Police Jury's Proportionate Share (Percentage)	0.102438
Police Jury's Proportionate Share (Amount)	<u>\$ 29,067</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Police Jury's proportionate share of the Plan's net pension liability during the measurement period ending June 30, 2016 are provided as follows:

Beginning Net Pension Liability		\$ 25,402
Employer Contributions		(3,184)
<u>Pension Expense</u>		
Plan Pension Expense	5,851	
Employee Contributions	<u>(2,861)</u>	2,990
Deferred Outflows of Resources		(3,300)
Deferred Inflows of Resources		<u>7,159</u>
Ending Net Pension Liability		<u>\$ 29,067</u>

There were no changes between December 31, 2016 and the Plan's measurement date that are expected to have a significant effect on the Police Jury'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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total (Net)</u>
Differences Between Expected and Actual Experience	\$ ----	\$ (2,930)	\$ (2,930)
Net Difference Between Projected and Actual			
Investment Earnings on Pension Plan Investments	7,994	----	7,994
Changes of Assumptions	979	(1,090)	(111)
Changes in Proportion	7,870	(21,092)	(13,222)
Employer Contributions Made After the Measurement Date	<u>1,407</u>	----	<u>1,407</u>
Total Deferrals	18,250	<u>(25,112)</u>	<u>(6,862)</u>
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>(1,407)</u>	----	<u>(1,407)</u>
Deferrals Subject to Amortization	<u>\$ 16,843</u>	<u>\$ (25,112)</u>	<u>\$ (8,269)</u>

Grant Parish Police Jury

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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	\$ 1,643
June 30, 2018	(5,908)
June 30, 2019	(5,100)
June 30, 2020	1,096
June 30, 2021	----
Total	<u>\$ (8,269)</u>

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.0% (Net of Investment Expense)
Projected Salary Increases	6.0% (3.5% Merit, 2.5% Inflation)
Expected Remaining Service Lives	2016-5 Years 2015-5 Years 2014-4 Years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

The mortality rate assumptions were set after reviewing an experience study performed over the period July 1, 2010 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 System'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 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from the Plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the Fund's

Grant Parish Police Jury

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fiduciary net position was projected to be available to make all projected future benefit payments of current the Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting expected long-term rate of return is 8.37% for the year ended June 30, 2016.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Domestic Equities	40%	3.00%
International Equities	15%	1.28%
Domestic Fixed Income	20%	0.50%
International Fixed Income	10%	0.35%
Alternative Investments	5%	0.29%
Real Estate	10%	0.45%
Total	100%	5.87%
Inflation		2.50%
Expected Arithmetic Nominal Return		8.37%

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 6.0% Discount Rate	Current Discount Rate 7.0%	1% Increase 8.0 % Discount
Net Pension Liability	\$ 40,411	\$ 29,067	\$ 19,294

District Attorney's Retirement System of Louisiana

Plan Description – All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorney's Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits.

Grant Parish Police Jury

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Employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 24 years of creditable service are entitled to a retirement benefit, or have 30 years of service credit regardless of age, payable monthly for life, equal to 3.5 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such refund cancels all accrued rights in the System.

Funding Policy - Plan members are required by state statute to contribute 8 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 3.5%. The contribution requirements of plan members and the Police Jury is established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the plan were equal to the required contributions for the 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 ladars.org.

The plans net pension liability was determined at June 30, 2016 (measurement date and actuarial valuation date) and details are provided as follows:

Net Pension Liability	\$ 19,140,725
Parish's Proportionate Share (Percentage)	0.291880
Parish's Proportionate Share (Amount)	<u>\$ 55,868</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Police Jury's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2016 are provided as follows:

Beginning Net Pension Liability	\$ 15,342
Employer Contributions	(6,205)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	24,455
Employee Contributions	<u>(25,271)</u>
Deferred Outflows of Resources	38,054
Deferred Inflows of Resources	<u>9,493</u>
Ending Net Pension Liability	<u>\$ 55,868</u>

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There were no changes between December 31, 2016 and the Plan's measurement date that are expected to have a significant effect on the Police Jury'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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences Between Expected and Actual Experience	\$ ----	\$ (22,505)	\$ (22,505)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	42,834	----	42,834
Changes of Assumptions	10,538	(12,388)	(1,850)
Changes in Proportion	10,701	----	10,701
Employer Contributions Made After the Measurement Date	----	----	----
Total Deferrals	64,073	(34,893)	29,180
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	----	----	----
Deferrals Subject to Amortization	\$ 64,073	\$ (34,893)	\$ 29,180

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	\$ 2,273
June 30, 2018	2,273
June 30, 2019	17,824
June 30, 2020	8,145
June 30, 2021	(665)
June 30, 2022	(670)
Total	\$ 29,180

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	7.00% net of investment expense
Expected Remaining Service Lives	7 Years
Actuarial Assumptions:	
Investment Rate of Return	June 30, 2016 Entry Age Normal
Projected Salary Increases Including Inflation and Merit	5.50% (2.50% Inflation, 3.00% Merit)

Grant Parish Police Jury

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Mortality Rates

The RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disables Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disabled annuitants. Setbacks in these tables were used to approximate mortality improvement.

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for 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 System'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 the tables used would produce liability values approximating the appropriate generational mortality tables.

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

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2016 are summarized in the following table:

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Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income	33.0%	2.26%
Equity	57.7%	3.56%
Alternatives	4.8%	0.50%
Real Assets	4.5%	0.02%
Total	100%	6.34%
Inflation		2.70%
Expected Arithmetic Nominal Return		9.04%

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 6.0% Discount Rate	Current Discount Rate 7.0%	1% Increase 8.0 % Discount
Net Pension Liability	\$ 210,815	\$ 55,868	\$ (37,674)

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS:

Details regarding other post employment benefits that the Police Jury provides for its workforce are provided as follows:

Plan Description

The Police Jury'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 Police Jury. The Plan provides medical benefits through the Police Jury's group health insurance plan which covers both active and retired members. Benefits under the plan are made available to employees hired prior to January 1, 1993 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 Parochial Employees Retirement System of Louisiana.

Employees do not contribute to their post employment benefit costs until they become retirees and begin receiving those benefits. Until January 1, 2009, the Police Jury recognized the cost of providing post-employment medical benefits (the Police Jury's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. For the year ended December 31, 2016, the Police Jury's portion of health care funding cost for retired employees totaled approximately \$46,364.

Effective with the year beginning January 1, 2009, the Police Jury implemented Government Accounting Standards for Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions. Due to the limited number of current employees and retirees eligible for the Post Employment Benefits, the Police Jury has determined that the Annual Required Contribution approximates premiums paid for retirees. Therefore, no post employment obligation has been recorded.

NOTE 10 – CAPITAL ASSETS:

Changes in governmental and business-type capital assets are presented as follows:

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Non Depreciable Capital Assets				
Construction in Process	\$ 410,009	\$ ----	\$ ----	\$ 410,009
Land	203,250	----	----	203,250
Total	<u>613,259</u>	<u>----</u>	<u>----</u>	<u>613,259</u>
Depreciable Capital Assets				
Buildings and Improvements	2,641,293	----	----	2,641,293
Furniture, Fixtures and Equipment	2,639,064	252,278	----	2,891,342
Infrastructure	4,452,468	----	----	4,452,468
Solid Waste Station	209,647	----	----	209,647
Accumulated Depreciation	(4,439,354)	(449,629)	----	(4,888,983)
Total	<u>5,503,118</u>	<u>(197,351)</u>	<u>----</u>	<u>5,305,767</u>
Total Governmental Activities	<u>\$ 6,116,377</u>	<u>\$ (197,351)</u>	<u>\$ ----</u>	<u>\$ 5,919,026</u>
<u>Business-Type Activities</u>				
Non Depreciable Capital Assets				
Construction in Process	\$ 20,000	\$ ----	\$ ----	\$ 20,000
Depreciable Capital Assets				
Distribution System	1,245,902	----	----	1,245,902
Buildings	7,253	----	----	7,253
Equipment	259,207	30,171	----	289,378
Accumulated Depreciation	(1,199,765)	(36,430)	----	(1,236,195)
Total	<u>312,597</u>	<u>(6,259)</u>	<u>----</u>	<u>306,338</u>
Total Business-Type Activities	<u>\$ 332,597</u>	<u>\$ (6,259)</u>	<u>\$ ----</u>	<u>\$ 326,338</u>

Depreciation expense charged to various functions presented on the statement of activities is presented as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Public Safety	\$ 23,003	\$ ----	\$ 23,003
Road Maintenance	230,620	----	230,620
Landfill Maintenance	136,814	----	136,814
Other General Government	27,865	----	27,865
Finance & Administration	5,376	----	5,376
Health & Welfare	25,951	----	25,951
Utility System	----	36,430	36,430
Total Depreciation Expense	<u>\$ 449,629</u>	<u>\$ 36,430</u>	<u>\$ 486,059</u>

Grant Parish Police Jury

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NOTE 11 – ACCOUNTS AND OTHER PAYABLES:

Details related to amounts reported as accounts and other payables are provided as follows:

	<u>Payable to Vendors</u>	<u>Payroll Liabilities</u>	<u>Total Payables</u>
<u>Governmental Activities</u>			
General Fund	\$ 113,924	\$ 33,841	\$ 147,765
Road Fund	21,406	----	21,406
Sales Tax Fund	43,776	----	43,776
Head Start	74,993	----	74,993
Courthouse and jail	8,020	----	8,020
Non-Major Funds	35,731	----	35,731
Total Governmental Activities	<u>\$ 297,850</u>	<u>\$ 33,841</u>	<u>\$ 331,691</u>
<u>Business-Type Activities</u>			
Utility System	<u>\$ 23,091</u>	<u>\$ ----</u>	<u>\$ 23,091</u>

Contributions that were legally required to be paid to defined benefit pension plans are \$31,264.

NOTE 12 - CONTINGENCIES:

Existing conditions that may have financial consequences in the future are referred to as contingencies. Contingencies existing at December 31, 2016, are described as follows:

Unemployment Claims

The Police Jury managed the local Head Start Program until December 31, 2006 when the program was transferred to a successor. In connection with the Police Jury's tenure as the Head Start sponsor, the Department of Labor is seeking to collect \$166,870 in unemployment claims, plus any accrued interest and penalties. At the present time, the Police Jury has \$74,993 in remaining Head Start Funds that are available to pay unemployment claims. At the present time, outstanding claims exceed available resources by \$91,877. Management is currently seeking resolution that will provide funds from the successor or its funding source to resolve the remaining claims.

Litigation

As the governing authority for Grant Parish, the Police Jury has numerous responsibilities. These responsibilities include maintaining roads and other public facilities as well as disposing of solid waste on a Parishwide basis. Due to the extensive nature of the Police Jury's responsibilities, it is sometimes the target of litigation.

A variety of lawsuits involving the Police Jury are currently pending; however, due to an absence of recent activity, at least some of these cases appear to be dormant. An estimate of potential losses from litigation is not currently available and no provision for losses of this nature is included in the accompanying financial

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2016

statements. In addition, there is no general liability insurance to offset judgments that might arise from lawsuits currently pending.

Judgments Payable

At December 31, 2016, five judgments totaling \$770,320 have been rendered against the Police Jury. These judgments are final and irreversible. Judgments payable do not include deposition costs, expert witness fees, court costs or legal interest from date of judicial demand, which were also assessed.

The Police Jury did not have general liability insurance to cover the amounts of judgments awarded to plaintiffs in lawsuits brought against the Police Jury. Consequently, the \$770,320 in judgments payable at December 31, 2016, plus all related costs and interest from date of judicial demand are the Police Jury's sole responsibility. However, since the beneficiaries of the judgments cannot require the Police Jury to appropriate funds to pay the judgments, no liability has been accrued in connection with the judgments.

NOTE 13 - RISK MANAGEMENT:

The Police Jury 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 Police Jury has not maintained general liability coverage to insure against torts. Judgments resulting from these uninsured risks are disclosed when it is probable that a loss has occurred and the amount can be reasonably estimated. Judgments currently payable attributable to the uninsured risk totaled \$770,320.

The Police Jury insures against the remaining risks by participation in public entity risk pools that operate as common insurance programs 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 14 – LEASES

During the year ended December 31, 2016, the Parish had five ongoing operating leases necessary for the maintenance of the Parish road system. These leases have monthly payments of \$1,577. The lease terms are 60 months ending during 2017. Each unit may be purchased for the fair market value of the unit at the end of the lease term. The future minimum lease payments are as follows:

	<u>Future minimum lease payments</u>
<u>Year Ended December 31st</u>	
2017	31,540
Total	<u>\$ 31,540</u>

For the year ended December 31, 2016, rental expenditures for equipment totaled \$89,580.

Grant Parish Police Jury

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual - Year Ended December 31, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Ad Valorem	\$ 200,000	\$ 192,497	\$ 222,491	\$ 29,994
Other	50,000	39,379	61,505	22,126
Federal Funds	85,000	137,000	96,118	(40,882)
State Funds:				
State Revenue Sharing	15,000	12,346	19,534	7,188
Severance Taxes	450,000	358,000	420,028	62,028
Other State Funds	-	-	12,946	12,946
Local Funds	75,000	70,428	93,834	23,406
Fees and Charges for Service	-	70,000	75,369	5,369
Fines and Forfeitures	40,000	40,400	41,825	1,425
Rental of Properties	17,000	12,320	14,045	1,725
Other	50,000	136,267	12,163	(124,104)
Total Revenues	982,000	1,068,637	1,069,858	1,221
Expenditures:				
Current:				
General Government				
Legislative	200,000	235,606	225,800	9,806
Judicial	340,000	318,530	329,874	(11,344)
Finance & Administrative	240,000	245,907	242,136	3,771
Other General Government	30,000	48,936	40,025	8,911
Public Safety	290,000	463,611	400,897	62,714
Culture & Recreation	12,000	9,593	11,832	(2,239)
Economic Development Assistance	5,000	10,942	-	10,942
Total Expenditures	1,117,000	1,333,125	1,250,564	82,561
Excess (Deficiency) of Revenues Over Expenditures	(135,000)	(264,488)	(180,706)	83,782
Other Financing Sources (Uses):				
Operating Transfers In (Out)	50,000	130,202	113,996	(16,206)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(85,000)	(134,286)	(66,710)	67,576
Fund Balance (Deficit) - Beginning of Year	474,506	644,170	644,170	-
Fund Balance (Deficit) - End of Year	\$ 389,506	\$ 509,884	\$ 577,460	\$ 67,576

Grant Parish Police Jury

Major Special Revenue Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended December 31, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>ROAD FUND:</u>				
Revenues and Other Sources	\$ 1,325,000	\$ 1,357,156	\$ 1,488,846	\$ 131,690
Expenditures and Other Uses	<u>1,550,000</u>	<u>1,299,317</u>	<u>1,105,807</u>	<u>193,510</u>
Excess (Deficiency) of Revenues Over Expenditures	(225,000)	57,839	383,039	325,200
Fund Balance (Deficit) - Beginning of Year	<u>458,736</u>	<u>725,494</u>	<u>656,447</u>	<u>(69,047)</u>
Fund Balance (Deficit) - End of Year	<u>\$ 233,736</u>	<u>\$ 783,333</u>	<u>\$ 1,039,486</u>	<u>\$ 256,153</u>
<u>Sales Tax Fund</u>				
Revenues and Other Sources	\$ 1,241,000	\$ 1,502,021	\$ 1,418,645	\$ (83,376)
Expenditures and Other Uses	<u>1,175,000</u>	<u>1,558,673</u>	<u>1,330,025</u>	<u>228,648</u>
Excess (Deficiency) of Revenues Over Expenditures	66,000	(56,652)	88,620	145,272
Fund Balance (Deficit) - Beginning of Year	<u>455,308</u>	<u>579,540</u>	<u>460,976</u>	<u>(118,564)</u>
Fund Balance (Deficit) - End of Year	<u>\$ 521,308</u>	<u>\$ 522,888</u>	<u>\$ 549,596</u>	<u>\$ 26,708</u>
<u>Courthouse and Jail</u>				
Revenues and Other Sources	\$ 155,000	\$ 185,519	\$ 171,518	\$ (14,001)
Expenditures and Other Uses	<u>150,000</u>	<u>280,696</u>	<u>235,773</u>	<u>44,923</u>
Excess (Deficiency) of Revenues Over Expenditures	5,000	(95,177)	(64,255)	30,922
Fund Balance (Deficit) - Beginning of Year	<u>182,493</u>	<u>159,001</u>	<u>159,001</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 187,493</u>	<u>\$ 63,824</u>	<u>\$ 94,746</u>	<u>\$ 30,922</u>

Grant Parish Police Jury

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Percent	Amount			
Parochial Employees Retirement System					
December 31, 2014	0.23%	63,031	1,299,563	4.9%	99.1%
December 31, 2015	0.23%	594,544	<u>1,304,269</u>	45.6%	92.2%
Registrar of Voters Retirement System					
June 30, 2015	0.10%	25,402	14,140	179.6%	76.9%
June 30, 2016	0.10%	29,067	<u>14,151</u>	205.4%	73.9%
District Attorneys Retirement System					
June 30, 2015	0.28%	15,342	334,400	4.6%	98.5%
June 30, 2016	0.29%	55,868	<u>88,643</u>	63.0%	95.1%

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 Police Jury

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Fiscal Year Ending	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
Parochial Employees Retirement System					
December 31, 2014	207,930	207,930	-	1,299,563	16.00%
December 31, 2015	189,119	189,119	-	<u>1,304,269</u>	14.50%
Registrar of Voters Retirement System					
June 30, 2015	3,429	3,429	-	14,140	24.25%
June 30, 2016	3,184	3,184	-	<u>14,151</u>	22.50%
District Attorneys Retirement System					
June 30, 2015	11,704	11,704	-	334,400	3.50%
June 30, 2016	6,205	6,205	-	<u>88,643</u>	7.00%

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 Police Jury

Combining Balance Sheet

Non Major Governmental Funds

December 31, 2016

	Maintenance Funds	Capital Projects Funds	Litter Fines	Criminal Court	Insurance Premium Tax	Supoena Witness	Aloha Rigolette	Compensation of Criminal Juries	Total Non Major Funds
Assets									
Cash and Cash Equivalents	\$ 356,959	\$ 121,106	\$ 1,138	\$ 13,222	\$ 47,403	\$ 34,908	\$ 6,640	\$ 1,861	\$ 583,237
Receivables (net)	156,265	75,560	-	17,079	-	823	5,800	-	255,527
Interfund Receivables	-	-	-	-	-	-	5,000	-	5,000
Total assets	\$ 513,224	\$ 196,666	\$ 1,138	\$ 30,301	\$ 47,403	\$ 35,731	\$ 17,440	\$ 1,861	\$ 843,764
Liabilities and Fund Balance									
Liabilities									
Accounts payable	\$ 3,286	\$ 25,930	\$ 443	\$ 5,272	\$ -	\$ 800	\$ -	\$ -	\$ 35,731
Retainage Payables	-	32,870	-	-	-	-	-	-	32,870
Interfund Payables	24,092	577	-	10,568	-	-	-	-	35,237
Total liabilities	27,378	59,377	443	15,840	-	800	-	-	103,838
Fund Balance									
Restricted for:									
Maintenance	485,846	-	-	-	-	-	-	-	485,846
Judicial	-	-	-	14,461	-	34,931	-	1,861	51,253
Construction	-	51,779	-	-	-	-	-	-	51,779
Committed to:									
Maintenance	-	-	-	-	-	-	17,440	-	17,440
Construction	-	85,608	-	-	-	-	-	-	85,608
Litter Abatement	-	-	695	-	-	-	-	-	695
General Purposes	-	-	-	-	47,403	-	-	-	47,403
Unassigned	-	(98)	-	-	-	-	-	-	(98)
Total Fund Balances	485,846	137,289	695	14,461	47,403	34,931	17,440	1,861	739,926
Total Liabilities and Fund Balance	\$ 513,224	\$ 196,666	\$ 1,138	\$ 30,301	\$ 47,403	\$ 35,731	\$ 17,440	\$ 1,861	\$ 843,764

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non Major Governmental Funds - Year Ended December 31, 2016

	Maintenance Funds	Capital Projects Funds	Litter Fines	Criminal Court	Insurance Premium Tax	Supoena Witness	Aloha Rigolette	Compensation of Criminal Juries	Other Governmental Funds
Revenues:									
Taxes:									
Ad Valorem	\$ 151,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 151,223
Other	-	-	-	-	105,692	-	-	-	105,692
State Funds:									
State Revenue Sharing	8,701	-	-	-	-	-	-	-	8,701
Facility Planning and Control	-	66,859	-	-	-	-	-	-	66,859
Local Funds									
Fines and Forfeitures	-	-	-	39,761	-	-	3,218	-	42,979
Rental of Properties	-	-	-	223,228	-	14,005	-	1,240	238,473
Other	11,031	-	-	-	-	-	-	-	11,031
Other	1,910	51	100	13	145	33	-	-	2,252
Total Revenues	172,865	66,910	100	263,002	105,837	14,038	3,218	1,240	627,210
Expenditures:									
Current:									
General Government									
Judicial	-	-	10	242,297	-	9,150	-	-	251,457
Public Works									
South Grant Sewer Construction	-	81,962	-	-	-	-	-	-	81,962
Other	-	-	-	-	-	-	9,655	-	9,655
Health & Welfare	94,844	-	-	-	-	-	-	-	94,844
Capital Expenditures	24,099	-	-	-	-	-	-	-	24,099
Total Expenditures	118,943	81,962	10	242,297	-	9,150	9,655	-	462,017
Excess (Deficiency) of Revenues Over Expenditures	53,922	(15,052)	90	20,705	105,837	4,888	(6,437)	1,240	165,193
Other Financing Sources (Uses):									
Operating Transfers In (Out)	(24,625)	100,000	-	-	(155,000)	-	5,000	-	(74,625)
Total other financing sources (uses)	(24,625)	100,000	-	-	(155,000)	-	5,000	-	(74,625)
Net Change in Fund Balance	29,297	84,948	90	20,705	(49,163)	4,888	(1,437)	1,240	90,568
Fund Balance (Deficit) - Beginning of Year	456,549	52,341	605	(6,244)	96,566	30,043	18,877	621	649,358
Fund Balance (Deficit) - End of Year	\$ 485,846	\$ 137,289	\$ 695	\$ 14,461	\$ 47,403	\$ 34,931	\$ 17,440	\$ 1,861	\$ 739,926

Grant Parish Police Jury

Combining Balance Sheet Non Major Maintenance Funds December 31, 2016

	<u>Health Unit Maintenance</u>	<u>Medical Clinic Maintenance</u>	<u>Total Maintenance Funds</u>
Assets			
Cash and Cash Equivalents	\$ 176,418	\$ 180,541	\$ 356,959
Receivables (net)	<u>104,832</u>	<u>51,433</u>	<u>156,265</u>
Total assets	<u><u>\$ 281,250</u></u>	<u><u>\$ 231,974</u></u>	<u><u>\$ 513,224</u></u>
Liabilities and Fund Balance			
<u>Liabilities</u>			
Accounts payable	\$ 2,174	\$ 1,112	\$ 3,286
Interfund Payables	<u>24,092</u>	<u>-</u>	<u>24,092</u>
Total liabilities	<u>26,266</u>	<u>1,112</u>	<u>27,378</u>
<u>Fund Balance</u>			
Restricted for:			
Maintenance	<u>254,984</u>	<u>230,862</u>	<u>485,846</u>
Total Fund Balances	<u>254,984</u>	<u>230,862</u>	<u>485,846</u>
Total Liabilities and Fund Balance	<u><u>\$ 281,250</u></u>	<u><u>\$ 231,974</u></u>	<u><u>\$ 513,224</u></u>

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non Major Maintenance Funds - Year Ended December 31, 2016

	<u>Health Unit Maintenance</u>	<u>Medical Clinic Maintenance</u>	<u>Total Maintenance Funds</u>
<u>Revenues:</u>			
Taxes:			
Ad Valorem	\$ 98,924	\$ 52,299	\$ 151,223
State Funds:			
State Revenue Sharing	8,701	-	8,701
Rental of Properties	-	11,031	11,031
Other	1,732	178	1,910
Total Revenues	<u>109,357</u>	<u>63,508</u>	<u>172,865</u>
<u>Expenditures:</u>			
Current:			
Health & Welfare	79,548	15,296	94,844
Capital Expenditures	24,099	-	24,099
Total Expenditures	<u>103,647</u>	<u>15,296</u>	<u>118,943</u>
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In (Out)	<u>(24,625)</u>	<u>-</u>	<u>(24,625)</u>
Total other financing sources (uses)	<u>(24,625)</u>	<u>-</u>	<u>(24,625)</u>
Excess (Deficiency) of			
Revenues Over Expenditures	(18,915)	48,212	29,297
Fund Balance (Deficit) -			
Beginning of Year	<u>273,899</u>	<u>182,650</u>	<u>456,549</u>
Fund Balance (Deficit) -			
End of Year	<u>\$ 254,984</u>	<u>\$ 230,862</u>	<u>\$ 485,846</u>

Grant Parish Police Jury

**Combining Balance Sheet
Non Major Capital Projects Funds
December 31, 2016**

	<u>Medical Clinic</u>	<u>LCDBG Master Plan</u>	<u>LCDBG Old Bank Building</u>	<u>South Grant Sewer</u>	<u>Total Capital Projects Funds</u>
Assets					
Cash and Cash Equivalents	\$ 51,779	\$ 154	\$ 5,116	\$ 64,057	\$ 121,106
Receivables (net)	-	-	54,009	21,551	75,560
Total assets	<u>\$ 51,779</u>	<u>\$ 154</u>	<u>\$ 59,125</u>	<u>\$ 85,608</u>	<u>\$ 196,666</u>
Liabilities and Fund Balance					
<u>Liabilities</u>					
Accounts payable	\$ -	\$ 154	\$ 25,776	\$ -	\$ 25,930
Retainage Payable	-	-	32,870	-	32,870
Interfund Payable	-	-	577	-	577
Total liabilities	<u>\$ -</u>	<u>\$ 154</u>	<u>\$ 59,223</u>	<u>\$ -</u>	<u>\$ 59,377</u>
<u>Fund Balance</u>					
Restricted for Construction	51,779	-	-	-	51,779
Committed to Construction	-	-	-	85,608	85,608
Unassigned	-	-	(98)	-	(98)
Total Fund Balances	<u>51,779</u>	<u>-</u>	<u>(98)</u>	<u>85,608</u>	<u>137,289</u>
Total Liabilities and Fund Balance	<u>\$ 51,779</u>	<u>\$ 154</u>	<u>\$ 59,125</u>	<u>\$ 85,608</u>	<u>\$ 196,666</u>

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non Major Capital Projects Funds - Year Ended December 31, 2016

	<u>Medical Clinic</u>	<u>LCDBG Master Plan</u>	<u>LCDBG Old Bank Building</u>	<u>South Grant Sewer</u>	<u>Total Capital Projects Funds</u>
Revenues:					
Federal Funds	\$ -	\$ -	\$ -	\$ -	\$ -
State Funds					
Facility Planning and Control	-	-	-	66,859	66,859
Other	51	-	-	-	51
Total Revenues	<u>51</u>	<u>-</u>	<u>-</u>	<u>66,859</u>	<u>66,910</u>
Expenditures:					
Current:					
Public Works	-	-	-	81,962	81,962
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,962</u>	<u>81,962</u>
Other Financing Sources (Uses):					
Operating Transfers In	-	-	-	100,000	100,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Change in Fund Balance	51	-	-	84,897	84,948
Fund Balance (Deficit) - Beginning of Year	<u>51,728</u>	<u>-</u>	<u>(98)</u>	<u>711</u>	<u>52,341</u>
Fund Balance (Deficit) - End of Year	<u>\$ 51,779</u>	<u>\$ -</u>	<u>\$ (98)</u>	<u>\$ 85,608</u>	<u>\$ 137,289</u>

Grant Parish Police Jury

Schedule of Compensation Paid to Police Jurors For the year ended December 31, 2016

Donald Arnold	\$ 14,400
Cephas Bowie	14,013
Britton Carroll	14,400
Cynthia Collins	387
Brandon Dubois	14,400
Tom Hamilton	387
Carl Ray Lasyone	14,013
Robert Martin	387
David Merrell	14,013
Arnold Murrell	14,400
Winston Roberts	<u>14,400</u>
Total	<u>\$ 115,200</u>

Grant Parish Police Jury

***Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
Year Ended December 31, 2016***

Agency Head Name: Arnold Murrell, President

Purpose

Salary	14,400
Benefits	62
Reimbursements	-

Grant Parish Police Jury

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2016

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the financial statements for the Grant Parish Police Jury as of December 31, 2016 and for the year then ended expressed opinions as follows:

Opinion Unit:	Type of Opinion:
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Unmodified
Parish Road Maintenance	Unmodified
Sales Tax Fund	Unmodified
Head Start	Unmodified
Courthouse and Jail	Unmodified
Utility System	Unmodified
Aggregate Remaining Fund Information	Unmodified

- The results of the audit disclosed an instance of noncompliance (**Finding 2016-1**) that is considered to be material to the financial statements of the Grant Parish Police Jury.
- The audit did not disclose an audit finding which is required to be reported as a significant deficiency in internal control over financial reporting.

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

- **Finding 2016-1 – Budget Violation**
Louisiana Revised Statutes require local governments to amend the budget of anticipated revenues and expenditures when actual revenues and expenditures exceed an unfavorable variance by more than 5%. It was anticipated that the Sales Tax Fund would have received debt proceeds necessary for the purchase of equipment. These proceeds were budgeted as current year revenues. However, the proceeds were not received until the subsequent period. Also, budgeted ad valorem tax receipts in the Courthouse and Jail fund were greater than actual receipts. Through over budgeting revenues on these two funds, actual revenues were less than budgeted revenues resulting in a budget violation. We suggest carefully monitoring revenues and amending the budget accordingly when anticipated revenues are less than budgeted revenues.

PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:

- There are no matters to report.

Grant Parish Police Jury

Management's Corrective Action Plan

For the Year Ended December 31, 2016

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<u>Finding 2016-1 – Budget Violation</u> Louisiana Revised Statutes require local governments to amend the budget of anticipated revenues and expenditures when actual revenues and expenditures exceed an unfavorable variance by more than 5%. It was anticipated that the Sales Tax Fund would have received debt proceeds necessary for the purchase of equipment. These proceeds were budgeted as current year revenues. However, the proceeds were not received until the subsequent period. Also, budgeted ad valorem tax receipts in the Courthouse and Jail fund were greater than actual receipts. Through over budgeting revenues on these two funds, actual revenues were less than budgeted revenues resulting in a budget violation. We suggest carefully monitoring revenues and amending the budget accordingly when anticipated revenues are less than budgeted revenues.	<u>Response:</u> We will closely monitor the revenues and amend the budget as required when budgeted revenues variances are greater than 5% of actual revenues.
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
There are no matters to report.	Not Applicable
<u>SECTION III</u> MANAGEMENT LETTER	
There are no matters to report.	Not Applicable

Grant Parish Police Jury

Summary of Prior Year Findings and Questioned Cost For the Year Ended December 31, 2016

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
There are no matters to report.	Not Applicable.
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
There are no matters to report.	Not Applicable
<u>SECTION III</u> MANAGEMENT LETTER	
There are no matters to report.	Not Applicable