

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
BELL CITY, LOUISIANA

ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Year Ended December 31, 2016

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## CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

### Management's Discussion and Analysis

Within this section of the Cameron Parish Gravity Drainage District No. 4's (District) annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the fiscal year ended December 31, 2016. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### Financial Highlights

- The District's assets exceeded its liabilities by \$1,131,572 (net position) for the fiscal year reported.
- Total revenues of \$70,029 exceeded total expenditures of \$50,902, which resulted in a current year excess of \$19,127, compared to prior year excess of \$64,576.
- Total net position are comprised of the following:
  - (1) Net investment in capital assets of \$192,509 include property and equipment, net of accumulated depreciation.
  - (2) Unrestricted net position of \$939,063 represent the portion available to maintain the District's continuing obligations to customers and creditors.
- Overall, the District continues to maintain a strong financial position and is continuing to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

#### Overview of the Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include the financial statements and notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is presented.

#### Government-Wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may

## CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

### Management's Discussion and Analysis (Continued)

serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base, or the condition of District infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by property taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include principally general government and maintenance.

The government-wide financial statements are presented on pages 11 and 12 of this report.

### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The District has one kind of fund:

*Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 14 through 17 of this report.

### **Notes to the Basic Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 18 of this report.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

Management's Discussion and Analysis (Continued)

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the District's budget presentations. Budgetary comparison statements are included as "required supplemental information" for the general fund. These statements and schedules demonstrate compliance with the District's adopted and final revised budget. Required supplemental information can be found on page 26 of this report.

**Financial Analysis of the District as a Whole**

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as a whole. The District's net position at fiscal year-end are \$1,131,572. The following table provides a summary of the District's net position:

	<u>2016</u>	<u>2015</u>
Current assets	\$ 965,934	\$ 1,020,758
Capital assets	192,509	92,837
Total assets	<u>1,158,443</u>	<u>1,113,595</u>
Total liabilities	<u>26,871</u>	<u>1,150</u>
Net position:		
Net Investment in capital assets	192,509	92,837
Unrestricted	939,063	1,019,608
Total net position	<u>\$ 1,131,572</u>	<u>\$ 1,112,445</u>

The District reported positive balances in net position, which increased by \$19,127. The District's overall financial position improved during the fiscal year 2016.

The following table provides a summary of the District's changes in net position:

	<u>2016</u>	<u>2015</u>
Revenues	\$ 70,029	\$ 105,386
Expenses		
General Government	<u>50,902</u>	<u>40,810</u>
Change in Net Position	19,127	64,576
Beginning Net Position	<u>1,112,445</u>	<u>1,047,869</u>
Ending Net Position	<u>\$ 1,131,572</u>	<u>\$ 1,112,445</u>

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

Management's Discussion and Analysis (Continued)

**Governmental Revenues**

The District is heavily reliant on property taxes to support governmental operations. Property taxes provided 96% (99% for 2015) of the District's total revenues. As a result, the general economy and the local businesses have a major impact on the District's revenue streams.

**Budgetary Highlights**

The General Fund – When the original budget was adopted, it was anticipated that the total revenues were going to be \$481 less than the prior year, mainly due to ad valorem tax income and expenditures were anticipated to be \$430,166 more than the previous fiscal year's budget, mainly due to capital outlay. The budget was amended once during the year.

The actual revenues were less than the final budget by \$7,251, mainly due ad valorem taxes, and the actual expenditures were less than the final budget by \$12,371, mainly due to operating and maintenance.

**Capital Assets and Debt Administration**

Capital Assets

The District's investment in capital assets, net of accumulated depreciation as of December 31, 2016, was \$192,509. See Note D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	<u>2016</u>	<u>2015</u>
Nondepreciable assets:		
Construction in progress	\$ 106,047	\$ -
Depreciable assets:		
Drainage & improvements	\$ 289,762	\$ 289,762
Less accumulated depreciation	<u>203,300</u>	<u>196,925</u>
Book value-depreciable assets	<u>\$ 86,462</u>	<u>\$ 92,837</u>
Percentage depreciated	<u>70%</u>	<u>68%</u>
Book value-all assets	<u>\$ 192,509</u>	<u>\$ 92,837</u>

At December 31, 2016 the depreciable capital assets were 70% depreciated. This compares slightly more than the December 31, 2015 percentage. This comparison indicates that the District depreciates its assets at a higher rate than they are replaced.

Additions for the year consists of \$106,047 in construction in progress for the Oak Grove Water Relief Structure Project. Completion is expected early in the year ending December 31, 2017.

Debt

The District has no financing debt.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4

Management's Discussion and Analysis (Continued)

**Economic Conditions Affecting the District**

Since the primary revenue stream for the District is property taxes, the District's property tax revenues are subject to changes in the economy.

**Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the District's office, Bonnie Conner, Secretary at (337) 990-5596.



**Gragson, Casiday & Guillory, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

RAYMOND GUILLORY, JR., C.P.A.  
COY T. VINCENT, C.P.A.  
MICHELLE LEE, C.P.A.  
BRADLEY J. CASIDAY, C.P.A., C.V.A.  
GRAHAM A. PORTUS, E.A.  
KATHRYN BLESSINGTON, C.P.A.  
JACKLYN BARLOW, C.P.A.  
BRIAN MCCAIN, C.P.A.

April 6, 2017

Board of Commissioners  
Cameron Parish Gravity Drainage District No. 4  
Bell City, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and major fund of the Cameron Parish Gravity Drainage District No. 4, a component unit of the Cameron Parish Police Jury, which collectively comprise Cameron Parish Gravity Drainage District No. 4's financial statements as listed in the table of contents as of and for the year ended December 31, 2016, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

**Supplemental Information**

The accompanying schedule of compensation, benefits, and other payments to the chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplemental information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

**Required Supplemental Information**

Accounting principles generally accepted in the United States of America require that the following supplemental information be presented to supplement the basic financial statements:

Budgetary Comparison Schedule  
Management's Discussion and Analysis

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have not audited or reviewed the information and accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

*Gragson, Casiday & Guillory*

145 East Street • Lake Charles, LA 70601  
Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847  
phone: 337.439.1986 • fax: 337.439.1366 • [www.gcgcpa.com](http://www.gcgcpa.com)



BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Statement of Net Position

December 31, 2016

ASSETS	
Cash	\$ 869,096
Receivables	
Ad valorem taxes, net	96,773
State revenue sharing	65
Capital assets, net	<u>298,556</u>
TOTAL ASSETS	<u>1,264,490</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>
LIABILITIES	
Accounts payable	<u>26,871</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>
NET POSITION	
Net investment in capital assets	298,556
Net position - unrestricted	<u>939,063</u>
	<u>\$ 1,237,619</u>

The accompanying notes and independent accountants' compilation report are an integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Statement of Activities

Year Ended December 31, 2016

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenues (Expenses) and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ (50,902)	\$ -	\$ -	\$ (50,902)
		General Revenues:		
				67,019
				2,500
				230
				280
				<u>70,029</u>
				19,127
				<u>1,112,445</u>
				<u>\$ 1,131,572</u>

The accompanying notes and independent accountants' compilation report are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Balance Sheet - Governmental Fund

December 31, 2016

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash	\$ 869,096	\$ 916,052
Receivable - ad valorem taxes, net	96,773	104,706
Receivable - state revenue sharing	65	-
Total Assets	<u>965,934</u>	<u>1,020,758</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	<u>\$ 965,934</u>	<u>\$ 1,020,758</u>
LIABILITIES		
Liabilities		
Accounts payable	\$ 26,871	\$ 1,150
Total Liabilities	<u>26,871</u>	<u>1,150</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCES		
Assigned	400,000	-
Unassigned	539,063	1,019,608
Total Fund Balances	<u>939,063</u>	<u>1,019,608</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 965,934</u>	<u>\$ 1,020,758</u>

The accompanying notes and independent accountants' compilation report are an integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Reconciliation of the Balance Sheet-Governmental Fund to the  
Statement of Net Position

December 31, 2016

Total fund balance for governmental fund at December 31, 2016:	\$ 939,063
Total net assets reported for governmental activities in the Statement of Net Assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net of \$203,300 accumulated depreciation	<u>298,556</u>
Total net assets of governmental activities at December 31, 2016	<u><u>\$ 1,237,619</u></u>

The accompanying notes and independent accountants' compilation report are an  
integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Governmental Fund

Year Ended December 31, 2016

	2016	2015
REVENUES		
Ad valorem taxes (net)	\$ 67,019	\$ 104,870
State revenue sharing	230	238
Lease income	2,500	-
Interest	280	278
TOTAL REVENUES	70,029	105,386
EXPENDITURES		
General Government		
Bank charges	-	35
Contract labor	-	4,320
Operating and maintenance	29,180	10,967
Per diem	3,380	3,575
Professional fees	4,767	8,337
Salaries	7,200	7,200
Capital outlay	106,047	-
TOTAL EXPENDITURES	150,574	34,434
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(80,545)	70,952
FUND BALANCE - BEGINNING	1,019,608	948,656
FUND BALANCE - ENDING	\$ 939,063	\$ 1,019,608

The accompanying notes and independent accountants' compilation report are an  
integral part of these financial statements.



CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

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

Year Ended December 31, 2016

Total net changes in fund balance at December 31, 2016 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ (80,545)
The change in net assets reported for governmental activities in the in the Statement of Activities is different because from the Statement of Revenues, Expenditures and Changes in Fund Balance However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 106,047	
Depreciation expense for the year ended December 31, 2016	<u>(6,375)</u>	<u>99,672</u>
Total changes in net assets at December 31, 2016 per Statement of Activities		<u>\$ 19,127</u>

The accompanying notes and independent accountants' compilation report are an  
integral part of these financial statements.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cameron Parish Gravity Drainage District No. 4 was created as a political subdivision of the State of Louisiana under the provisions of Louisiana Revised Statutes 38:1751-1802, and was established for the purpose of opening and maintaining all natural drains in the District where drainage is accomplished using the natural force of gravity. The District is governed by a board of 5 commissioners who are appointed by the Cameron Parish Police Jury.

1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Cameron Parish Gravity Drainage District No. 4 includes all funds, account groups, et cetera, that are within the oversight responsibility of the Cameron Parish Gravity Drainage District No. 4.

As the governing authority, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Cameron Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability.

The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
  - a. The ability of the Cameron Parish Police Jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Cameron Parish Police Jury.
2. Organizations for which the Cameron Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Cameron Parish Police Jury.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature of significance of the relationship.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Based upon the application of these criteria, Cameron Parish Gravity Drainage District No. 4 is a component unit of the Cameron Parish Police Jury's reporting entity.

2. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", issued in June 1999.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the District; and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The District has one fund, the General Fund, which is therefore considered its major fund.

3. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus

On the government-wide statement of net position and the statement of activities, the activities are presented using the economic resources measurement focus. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

4. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2016, the District had \$888,223 in deposits (collected bank balances), of which \$250,000 was secured from risk by federal deposit insurance and \$638,223 of pledged securities held by the custodial bank in the name of the fiscal agent.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

5. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

6. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Drainage & improvements	25 years
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In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the government fund upon acquisition.

7. Budgets

A budget is adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the government's Board of Commissioners for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

Expenditures may not legally exceed budgeted appropriations at the activity level.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Equity Classification

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets, net of related debt".

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as restricted, assigned and unassigned.

- a. Restricted fund balance – Includes fund balance amounts that are intended to be used for specific purposes based on generally outside actions.
- b. Assigned fund balance – Includes fund balance amounts that are intended to be used for specific purposes based on internal (Board) actions. On August 26, 2016 the board assigned \$400,000 toward the Kings Bayou Project. The project is expected to be completed in 2017.
- c. Unassigned fund balance – Includes positive fund balance within the general fund which has not been classified within the above mentioned categories.

When an expense is incurred that can be paid using either restricted (assigned) or unrestricted (unassigned) resources (net assets), the District's policy is to first apply the expenses toward restricted (assigned) resources and then toward unrestricted (unassigned) resources.

9. Use of Estimates

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

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

10. Subsequent Events

Management has evaluated subsequent events through April 4, 2017, the date the financial statements were available to be issued.

NOTE B – AD VALOREM TAXES

For the year ended December 31, 2016, taxes were levied on taxable assessed valuations of \$21,017,193 at a millage of 3.68.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15<sup>th</sup> of the current year, and become delinquent after December 31<sup>st</sup>. Property taxes not paid by the end of February are subject to lien.

NOTE C – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE D – CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2016 are as follows:

	<u>Beginning of Year</u>	<u>Net Additions</u>	<u>End of Year</u>
Governmental Activities:			
Construction in progress	\$ -	\$ 106,047	\$ 106,047
Drainage & improvements	<u>289,762</u>	<u>-</u>	<u>289,762</u>
	289,762	106,047	395,809
Less accumulated Depreciation	<u>196,925</u>	<u>6,375</u>	<u>203,300</u>
	<u>\$ 92,837</u>	<u>\$ 99,672</u>	<u>\$ 192,509</u>

Depreciation expense was \$6,375 for the year ended December 31, 2016.

Construction in progress of \$106,047 at December 31, 2016 is the Oak Grove Water Relief Structure Project. Completion will be in January 2017 at additional cost of \$10,727.

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Notes to Financial Statements

December 31, 2016

NOTE E – PER DIEM

Per diem paid to commissioners for the year consisted of the following:

Shane Broussard	\$ 780
Leslie Griffith	715
Stephen Landry	845
Dan Nunez	520
Michael Semien	520
	<u>\$ 3,380</u>



REQUIRED SUPPLEMENTAL INFORMATION

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Budgetary Comparison Schedule - General Fund

Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Ad valorem taxes (net)	\$ 104,445	\$ 74,280	\$ 67,019	\$ (7,261)
State revenue sharing	225	225	230	5
Lease income	-	2,500	2,500	-
Interest	235	275	280	5
<b>TOTAL REVENUES</b>	<b>104,905</b>	<b>77,280</b>	<b>70,029</b>	<b>(7,251)</b>
<b>EXPENDITURES</b>				
General Government				
Bank charges	-	-	-	-
Contract labor	3,500	-	-	-
Operating and maintenance	30,000	38,000	29,180	8,820
Per diem	3,900	3,445	3,380	65
Professional fees	20,000	84,000	4,767	79,233
Salaries	7,200	7,200	7,200	-
Capital outlay	400,000	30,300	106,047	(75,747)
<b>TOTAL EXPENDITURES</b>	<b>464,600</b>	<b>162,945</b>	<b>150,574</b>	<b>12,371</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(359,695)</b>	<b>(85,665)</b>	<b>(80,545)</b>	<b>5,120</b>
<b>FUND BALANCE - BEGINNING</b>	<b>1,019,608</b>	<b>1,019,608</b>	<b>1,019,608</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 659,913</b>	<b>\$ 933,943</b>	<b>\$ 939,063</b>	<b>\$ 5,120</b>

See independent accountants' compilation report.

OTHER INFORMATION

CAMERON PARISH GRAVITY DRAINAGE DISTRICT NO. 4  
Bell City, Louisiana

Schedule of Compensation, Benefits and Other Payments  
To Chief Executive Officer

Year Ended December 31, 2016

**Chief Executive Officer: Stephen Landry, Board President**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits- cell phone	-
Car allowance	-
Vehicle provided by government	-
Per diem	845
Reimbursements	-
Travel	-
Registration fees	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special Meals	-

See independent accountants' compilation report.