THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH

Annual Financial Report

As of and for the Year Ended

December 31, 2016

With Comparatives for 2015

KEITH J. ROVIRA
Certified Public Accountant

C O N T E N T S

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees of
The Employees' Retirement System of Jefferson Parish
Jefferson Parish, Louisiana
A Component Unit of Jefferson Parish

Report on the Financial Statements
I have audited the accompanying financial statements of the Employees' Retirement System of Jefferson Parish, a component unit of Jefferson Parish, as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents

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

Auditor's Responsibility
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic 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 System'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 System's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the financial statements referred to above present fairly, in all material respects, the respective net position of the Employees' Retirement System of Jefferson Parish, as of December 31, 2016 and 2015, and the respective changes in net position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's on the information because the limited procedures do not provide me with sufficient response to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance evidence to express an opinion or provide any assurance.

My audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Employees' Retirement System of Jefferson Parish's basic financial statements. The supplementary information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information schedules listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, I have also issued a report dated May 5, 2017, on my consideration of the Employees' Retirement System of Jefferson Parish's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of my 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 System's internal control over financial reporting and compliance.

Keith J. Rovira

Keith J. Rovira
Certified Public Accountant
Metairie, Louisiana

May 5, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Management's Discussion and Analysis
December 31, 2016 and 2015

The Management's Discussion and Analysis (MD&A) of the Employees' Retirement System of Jefferson Parish's (System) financial performance presents a narrative overview and analysis of the System's financial activities for the years ended December 31, 2016 and 2015. The System is a component unit of Jefferson Parish and is reporting as a single-employer defined benefit pension plan which is closed to newemployee participants. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the basic financial statements. The MD&A is an element of the newreporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" issued June, 1999. Certain comparative information between the current year and prior year has been presented in the MD&A.

FINANCIAL HIGHLIGHTS

The minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by GASB Statement No. 34 are divided into the followingsections:

(a) Management's Discussion and Analysis
(b) Basic Financial Statements
(c) Required Supplementary Information (other than MD&A)

Basic Financial Statements:

The basic financial statements present information for the System as a whole, in a format designed to make the statements easier for the reader to understand. The two statements in this section are the Statement of Fiduciary Net Positions and the Statement of Changes in Fiduciary Net Positions.

The Statement of Fiduciary Net Positions is prepared on the accrual basis of accounting. Plan assets are subdivided into (a) major categories of assets held (for example, cash and cash equivalents, receivables, investments, and assets used in plan operations), and (b) the principal components of the receivables and investment categories. Assets and liabilitiesare presented separately on the statement. Plan liabilities generally consist of regular payables for administrative expenses, retirees' payments and deductions for health insurance premiums payable, federal income tax withholdings, and accrued annual and sick leave. Plan liabilities are recognized on the accrual basis. The difference between total assets and total liabilitiesis called Net Positions

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Management's Discussion and Analysis
December 31, 2016 and 2015

Held in Trust for Pension Benefits. This statement may provide a useful indicator of whether the financial position of the Systemis improvingor deteriorating.

The Statement of Changes in Fiduciary Net Positions presents information showinghow the System's assets changed as a result of currentyearoperationsand activities. Regardless of when cash is affected, all changes in plan net assets are reported when the underlyingtransactionsoccur. As a result, there are transactions included that will not affect cash until future fiscal periods. This is known as accrual basis accounting. This statementpresents information in two principal sections,Additionsand Deductions. Additions are comprised of employer and member contributions and net investment income(loss). The resultingdifferencebetween investment income and net investment expense is net investment income(loss). Deductionsincludebenefit payments to retirees,refunds ofemployeecontributions,and administrativeexpenses. The difference between total additions and total deductions is reported as the Net Increase (Decrease) in Fiduciary Net Positions for the year.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Management'sDiscussionandAnalysis (Continued)
December 31, 2016 and 2015

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Fiduciary Net Assets
As of December 31, 2016 and 2015

	2016	2015
Current and other assets	$ 254,206	$ 280,466
Investments	43,956,007	42,639,604
Capital assets	3,911	3,217
Total Assets	44,214,124	42,923,287
Deferred outflows of resources	77,171	14,483
Current liabilities	131,967	54,194
Long-term liabilities	129,204	69,314
Total Liabilities	261,171	123,508
Deferred inflows of resources	13,641	3,074
Net Positions Held in Trust and Restricted for Pension Benefits	$44,016,483	$42,811,188

All of the System's net assets are essentially held in trust at a local financial institution for the payment of future pension benefits and administrative operations.

Net Positions Held in Trust for Pension Benefits by the System increased by $1,205,295 during the year due to an increase in investment market value.

Statement of Changes in Fiduciary Net Positions
For the years Ended December 31, 2016 and 2015

	2016	2015
Additions	$4,250,993	$2,999,600
Deductions	(3,045,698)	(2,896,429)
Net Increase in Fiduciary Net Position	$1,205,295	$ 103,171

Fiduciary Net Position increased by 1,102,124 due to an increase in investment earnings.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Management's Discussionand Analysis(Continued)
December 31, 2016 and 2015

DEBT ADMINISTRATIONAND CAPITAL ASSETS

Long-term Liabilities:
The System's outstanding liabilities found on its Statement of Fiduciary Net Positions at year-end totaled $261,171. The long-term portion of that liability totaled $129,204, of which $61,544 is for accrued annual and sick leave due to the System's employees, and $67,660 is for the net pension liability of the System due to the implementation of GASB 68.

Capital Assets:
At December 31, 2016, the System had $23,564 invested in office furniture and equipment. This amount represents the total original cost of the capital assets held by the System. Accumulated depreciation for these assets totaled $19,653, leaving capital assets, net of depreciation, totaling $3,911.

ECONOMIC FACTORS AND NEXT YEAR'S RECOMMENDED CONTRIBUTION RATES

The annual actuarial valuation of the System is prepared as of the end of each fiscal year, and reported on by G. S. Curran & Company, Ltd. consulting actuaries. Included in that report is the actuary's recommended employer contribution rate which is needed to meet the System's funding plan. The Board of Trustees reviews each annual report, including the underlying actuarial assumptions. The Board then recommends an employer contribution rate for the following year to the Jefferson Parish Council for inclusion in the Parish's budget. In accordance with the funding policy, the rate recommended by the Board to the Parish Council has never been less than the actuary's recommended rate.

The long-term expected rate of return (discount rate) is the average rate of total return on investments expected in the future, realizing that some years will produce greater returns and some years will produce lesser returns. This assumed rate is one of the actuarial assumptions which most affects current recommended contribution rates. A reduction in this rate will cause contribution rates to increase, and an increase in this rate will cause contribution rates to decrease. The discount rate used to measure the total pension liability was 5.50% for the year.

The Board of Trustees believes that the System will continue to be able to maintain sufficient liquid assets necessary to meet its expected needs and annual pension benefit obligations. The Board's annual review of the actuarial valuation will allow the System to timely adjust to changing conditions so as to provide all members their promised benefits at the least cost to the Parish.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSONPARISH
Management's Discussion and Analysis(Continued)
December 31, 2016 and 2015

CONTACTING THE SYSTEM'S MANAGEMENT

This financial report is designed to provide our retirees, system beneficiaries, citizens, taxpayers, investors and creditors with a general overview of the System's finances, and to show the System's accountability for the moneyit receives. If you have any questions about this report or need additional financial information, please contact the Employees' Retirement System of Jefferson Parish, Louisiana at Suite 4100, P.O. Box 9, Gretna, Louisiana, 70054 or call them at 504-364-2668.

BASIC FINANCIAL STATEMENTS

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Statements of Fiduciary Net Positions
December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash	$ 108,854	$ 117,013
Receivables:		
Employer contributions	32,265	39,712
Members contributions	94	128
Accrued interest and dividends	112,993	123,613
Total Receivables	145,352	163,453
Investments:		
Common stocks	20,583,360	20,772,003
Mutual fund - common stock equities	3,413,005	3,223,703
Mutual fund - money/cash reserve	1,285,508	205,641
Corporate bonds	6,662,549	7,122,329
U. S. Treasury obligations	7,088,704	6,512,154
U. S. Government agencies	4,922,881	4,803,774
Total Investments	43,956,007	42,639,604
Office equipment (net of accumulated depreciation)	3,911	3,217
Total Assets	44,214,124	42,923,287
Deferred Outflows of Resources	77,171	14,483
LIABILITIES		
Accounts payable	29,421	25,949
Accrued annual & sick leave	61,544	62,399
Due to broker	(688)	5,693
Hospitalization premiums payable	23,234	22,552
Legal settlement liability	80,000	-
Net pension liability	67,660	6,915
Total Liabilities	261,171	123,508
Deferred Inflows of Resources	13,641	3,074
Net Positions Held in Trust and Restricted For Pension Benefits	$44,016,483	$42,811,188

The accompanying notes are an integral part of this statement.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH

Statements of Changes in Fiduciary Net Positions
December 31, 2016 and 2015

	2016	2015
ADDITIONS		
Contributions:		
Employer	$2,497,301	$2,387,312
Member	5,609	7,953
Total Contributions	2,502,910	2,395,265
Investment income:		
Net appreciation in the fair value of investments	950,714	(213,515)
Interest	447,133	474,803
Dividends	501,758	463,631
	1,899,605	724,919
Less: Investment expense	(152,224)	(151,525)
Net investment income	1,747,381	573,394
Other income	702	6,365
Total Additions	4,250,993	2,975,024
DEDUCTIONS		
Benefits	2,612,078	2,544,214
Refunds of contributions	27,755	25,539
Administrative expense	405,865	302,100
Total Deductions	3,045,698	2,871,853
Net increase in Fiduciary Net Position	1,205,295	103,171
Net Positions Held in Trust and Restricted For Pension Benefits:		
Beginning of Year	42,811,188	42,708,017
End of Year	$44,016,483	$42,811,188

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Plan Description
The following brief description of the Employees' Retirement System of Jefferson Parish (System), established January 1, 1973, is provided for general information purposes only. Participants should refer to Ordinance No. 11027 and all amendments for more complete information.

The System is a single-employer defined benefit pension plan replacing Social Security for substantially all employees of Jefferson Parish who began their employment prior to December 15, 1979. On that date the System merged with the Parochial Employees' Retirement System of Louisiana (PERS) and became a closed system. All new employees of the Parish after that date are members of PERS only.

The System governing body is comprised of a 7-member Board of Trustees, as follows: (l) TheParish's Finance Director is automatically a member. (2) The Parish's Clerk of Court is automatically a member and remains on the Board until the Parish Council appoints a newClerk. (3) The Parish Council can appoint an additional seat on the Board. (4) The Personnel Director, serves as ex-officio and is appointed by the personnel board and remains on the Board until retirement. (5, 6 & 7) Three Board members are retirees, and are elected by retirees of the System. They serve four-year terms.

The following employee membership data is actuarially determined and is a categorized listing of the total number of members on whom the Jefferson System retains liability as of December 31, 2016:

Retired plan members or beneficiaries currently receiving benefits	379
Retired plan members with contingent survivor benefits	245
Inactive plan members entitled to but not yet receiving benefits	17
Active plan members	7
	648

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

1. Basis of Accounting

The System's financial statements are prepared using the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when incurred. Contributions from the System and the System's employees are recognized as revenue in the period in which employees provide services to the System. Contributions made to the System by Jefferson Parish, the employer, are recognized when due and the employer has made a formal commitment to provide the contributions. Pension benefits and refunds of employee contributions are recognized when due and payable in accordance with the terms of the plan. Investment income is recognized as earned by the plan.

The System has adopted the provisions of Governmental Accounting Standards Board Statement No. 67, "Financial Reporting for Pension Plans." This statement establishes financial reporting standards for state and local governmental pension plans, such as this System's defined benefit pension plan, which is administered through a trust. The statement requires single-employer retirement plans, like this System, to present in Required Supplementary Information the 10 most recent fiscal years of employer and nonemployer contributing entity net pension liability, information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percentage of covered-employee payroll.

2. Reporting Entity

In classifying the reporting entity, certain criteria for defining the organizations, functions and activities of a governmental unit should be included in the general purpose financial statements of the Employees' Retirement System of Jefferson Parish. Such information has been subjected to the auditing procedures applied in the audit of the financial statements of that governmental entity. The criteria considered and evaluated were accountability for fiscal matters, scope of public service and manifestations of oversight. Manifestations of oversight were considered to include the designation of management, the selection of the governing board and the ability to significantly influence operations. Accountability for fiscal matters was considered to include control over surpluses, responsibility for debt, managerial control of fiscal matters, certain revenue characteristics and budgetary approval, or the lack thereof.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

Based on the foregoing criteria, the Employees' Retirement System of Jefferson Parish was determined to be a component unit of Jefferson Parish, the governmental entity with oversight responsibility. The accompanying financial statements present information only on those funds maintained by the System and do not present information on Jefferson Parish, the general government services provided by that governmental entity, or other governmental entities that comprise the governmental reporting entity.

3. Cash Deposits and Investments
All cash deposits are valued and reported at cost, which approximates fair value. Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates at December 31.

4. Capital Assets
Office equipment is valued at cost less accumulated depreciation, calculated on a straight-line basis over estimated useful lives of 5 and 10 years.

5. Annual and Sick Leave
Annual leave (vacation) and sick leave (sick pay) are accrued when incurred for the office employees.

6. Comparative Data
Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the System's financial position and operations.

7. 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.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE B - CONTRIBUTION RATES AND RETIREMENT BENEFITS

Contribution Rates
Contribution rates for plan members are actuarially determined. The required contribution percentages for members depends on which retirement systemthat individual is a member. Employees who are membersof the System contribute 6.05% oftheir salary. Employees who are members of both the System and the Parochial Employees' Retirement System (PERS) or the Firefighters' Retirement System (FRS) contribute an additional 4% of all monthly earnings over $100. The System receives the excess, if any, of these contributions over 9.25% of pay. Member contribution rates may be amended only by the Jefferson Parish Council.

The employer contribution rate for the System isactuarially determined. The System's Board of Trustees canrecommend a change in the employer contribution rate, however the Jefferson Parish Council has to approve the change.

Retirement Benefits
Beginning on January 1, 1980, PERS provided substantially all benefits to new retirees who belonged to both systems. For such retirees, the benefits provided by the Jefferson System are now limited to amounts resulting fromdifferences between benefits provided by thetwo systems: Jefferson's free credit for military service to retirees who did not purchase credit from PERS, Jefferson's automatic one-half benefit to a surviving spouse, and Jefferson's guarantee that combined retirement benefits at least equal the benefits a member would have received had they remained under only Social Security and PERS until the date of their retirement, death ordisability.

The System permits retirement at age 60 with at least 10 years of service; members with 25 years of service may retire at age 55; members with 30 years of service may retire regardless of age.Members terminating before rendering 10 years of service may elect to receive a lump- sum distribution equal to their accumulated contributions at their termination date.

Ten years of credible service are required in order to be eligible fordisability benefits. Members have the option to choose benefits equal to retirement benefits based on service projected to age 60, not to exceed 85% of final average compensation with benefits terminating at death (the "maximum") or accrued retirement benefits paid on the basis of a joint and 50% survivor annuity (the"minimum").

NOTE B - CONTRIBUTION RATES AND RETIREMENT BENEFITS(CONTINUED)

For members who have attained a vested interest in the System, the surviving spouse receives one-half of what the member's retirement benefit would have been on the date when the member would have been eligible for retirement.

NOTE C - CASH DEPOSITS AND INVESTMENTS

Governmental Accounting Standards Board Statement No. 40, "Deposit and Investment Risk Disclosures" establishes and modifies disclosure requirements related to the following deposit and investment risks: credit risk (including custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk, as applicable.

Cash Deposits

At year-end, the carrying amount of the System's cash account was $108,854. The bank balance deposit was $131,040. Federal depository insurance (FDIC) totaling $250,000, and securities pledged as collateral totaling $104,949 held by the pledging institution's agent in the name of the System, secured this bank balance during the year. The inflow and outflow of cash deposits within the System's checking account is monitored by the financial institution frequently in order to make sure all deposits are protected by either FDIC or securities pledged as collateral.

Investments

The System's current Investment Policy Statement, dated October 1, 2014, between the Board of Trustees of the Employees' Retirement System of Jefferson Parish, hereinafter referred to the "System", and its brokerage house, Capital One Asset Management, LLC, hereinafter referred to as the "Broker," sets up certain agreed-upon criteria and assumptions for the active management of the System's investments as follows:

(1) Investment Objective: Long-term growth - to achieve annual returns of 6.50% consistent with actuarial assumptions and expectations.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE C - CASH DEPOSITS AND INVESTMENTS(CONTINUED)

(2) Time Horizon: By the year 2019 all members of the System will be in retirement.

Method used to value investments: Investments are reported at fair market value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

No trustee and no employee on the Board of Trustees shall have any direct interest in the gains or profits of any investment made by the Board of Trustees, nor as such receive any pay or emolument forhis/her service. No trustee or employee of the board shall directly or indirectly, for himself or as an agent in any manner use the same, except to make such current and necessary payments as are authorized by the Board of Trustees; nor shall any trustee or employee of the Board of Trustees become an endorser or surety or in any manner an obliger for moneys loaned or borrowed from the Board ofTrustees.

Risk Tolerance

Investment theory and historical capital markets return data suggest that, over long periods of time, there is a relationship between the level of risk assumed and the level of return that can be expected in aninvestment program. In general, higher risk (e.g., volatility of return) is associated with higher return. Given this relationship between risk and return, a fundamental step in determining the investment policy for the portfolio is the determination of an appropriaterisk tolerance. There are two primary factors that affect the investor's risk tolerance: (1) financial ability to accept risk within the investment program, and; (2) willingness to accept returnvolatility.

Taking these two factors into account, the System has rated its own risk tolerance as, above average. The System is also willing to accept an above average risk tolerance and a high level of portfoliovolatility.

A "target allocation" of equity holdings of 55% and fixed income/bond holdings of 45% is to be maintained in the portfolio. This allocation was principally agreed upon in the Investment Policy between the System and theBroker.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of the System's investment in a single issuer.

NOTE C - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Equity Portfolio:
The System's investment policy states that the equity portfolio should be diversified to avoid undue exposure to any single economic sector, industry group, or individual security: (1) no more than 5% of total equity assets can be invested in any one stock or issuing corporation at the time of purchase; (2) no more than 20% of the market value of the equities should be invested in any one industry at the time of purchase; (3) investments in any corporation should not exceed 5% of the outstanding shares of the corporation; (4) Domestic Real Estate Investment Trusts (REIT) shall be limited to 3% of the total fund; (5) Master Limited Partnerships (MLPs) shall be limited to 3% of the total fund.

Long-term Fixed IncomePortfolio:
Excluding U.S. government securities, or securities guaranteed by the U.S. government, no more than 4% of assets will be held in securities of anyone entity. Anysecurity which receives a rating of less than Ba3 by Moody's or BB- by Standard and Poors shall be sold within 90 days at the manager's discretion. Fixed income assets may only be U.S. Dollar denominated assets, but may include entities that are domiciled outside of the U.S. Corporate notes, debentures, asset backed and pass-through securities rated between Baa-1 and Baa-3 by Moody's and BBB+ and BBB- by Standard & Pear's shall be limited to 15% of the fixed income of the portfolio.

Credit Risk
Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Any security which receives a rating of less than Ba3 by Moody's or BB- by Standard and Poors shall be sold within 90 days at the manager'sdiscretion.

The System also invests in obligations guaranteed or explicitly guaranteed by the U.S. Government and these investments are not considered to have credit risk.

These obligations include debt securities with the Federal Home Loan Mortgage/Bank, Federal National Mortgage Association, and U.S. Treasury Notes.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE C - CASH DEPOSITS AND INVESTMENTS(CONTINUED)

Custodial Credit Risk
Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

On the Broker's books, the System's investments are segregated from the Broker's assets while being held in trust in the name of the System.

Among other duties and responsibilities as listed in the System's Investment Policy Statement, the Broker is responsible for the following: act as the custodian to safeguard the System's assets; design, recommend and implement an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints of the policy statement; advise on allocation of asset categories; monitor asset performance; recommend changes to the policy; monitor its compliance with the guidelines of the investment policy and provide a certification of the same on a quarterly basis.

Interest Rate Risk
Interest rate risk is defined as the risk that changes in the interest rate will adversely affect the fair value of an investment. As of December 31, 2016, the System had the following investments in long-term debt (fixed income) securities and maturities:

Investment Type	Fair Value	Than 5 Year	5 to 10 Years	More Than 10 Years
Fixed Income Securities:				
Federal Home Loan Mtg.	$2,937,925	$289,770	$115,348	$2,532,807
Federal Nat'l Mtg. Assoc.	1,984,956	76	-	1,984,880
U.S. Treasury Notes	7,088,704	2,955,758	4,132,946	-
Corporate Bonds	4,675,649	3,008,510	1,667,139	-
Federated Ultrashort Bond Fund	1,986,900	1,986,900	-	-
	$18,674,134	$8,241,014	$5,915,433	$4,517,687

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE C - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

The interest rate risk of the fixed income portfolio should normally be no more or no less than 20% of the comparable benchmark duration.

Foreign Currency Risk
Foreign currency risk is defined as the risk that changes in exchange rates will adversely affect the fair value of an investment. All of the System's foreign investments are traded on United States exchanges.

NOTE D - OFFICE EQUIPMENT

A summary of changes in capital assets and accumulated depreciation during the fiscal year is listed as follows:

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
Office furniture and equipment	$21,813	$1,751	-	$23,564
Total	$21,813	$1,751	-	$23,564
Less Accumulated Depreciation:				
Office furniture and equipment	$18,596	$1,057	-	$19,653
Total	$18,596	$1,057	-	$19,653

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE E - POST-EMPLOYMENT BENEFITS

Health and Life Insurance Benefits

Plan Description: The System provides health care and life insurance benefits to its employees upon retirement, as authorized by Jefferson Parish Council Resolution No. 74791, and through the Parish's post-employment benefit plan already in effect. Health coverage includes a fully insured group health maintenance organization plan (HMO) together with Medicare 65 plans for those eligible. Life insurance coverage is continued after retirement, but with a reduced amount of coverage. Medical benefits are provided to employees upon retirement according to the retirement eligibility provisions as follows: for employees hired prior to January 1, 2007, 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service; for employees hired after January 1, 2007, age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service basis. The plan is a fully insured, single-employer defined benefit plan. Life insurance is provided in the amount of $10,000 for retirees under age 70 and $5,000 to retirees age 70 and older.

Funding Policy: The System has implemented Government Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions (GASB 45). The System recognizes its portion of the cost of providing post-employment medical and life insurance benefits for its retirees as an expense when the benefit premiums are due and thus finances the cost of the post-employment benefits on a pay-as-you-go basis. In the current year, the System paid $10,578 for its portion of health care and life insurance funding costs for retired employees. The remaining amount of the required Annual Required Contribution (ARC) is funded by the System based on its contributions for each employee's health and life benefits.

Annual Required Contribution (ARC): The System's annual required contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years, the maximum amortization period allowed by GASB 43/45, has been used for the medical and life insurance benefits.

NOTE E - POST-EMPLOYMENT BENEFITS(CONTINUED)

The System's total ARC for the current year is $16,548, as set forth below:

Normal cost	$3,533
30-year AAL amortization amount	12,762
Interest	253
Annual required contribution (ARC)	$16,548

These amounts were arrived by multiplying the Parish's figures in those respective categories by a multiplier of .0014, which was determined by dividing the System's annual covered payroll for the current year of $159,623 by the Parish's annual covered payroll of $114,490,734 (Parish's covered payroll). This is the same multiplier used in calculating the System's amounts as listed in the additional tables below.

Net Post-employment Benefit Obligation: The following table shows the components of the System's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the System's net OPEB obligation to the plan:

Annual required contribution (ARC)	$16,548
Less: ARC adjustment	(3,379)
Interest earned on investments (net of fees)	2,292
Annual post-employment benefit cost	15,461
Contributions:	
Current-year retiree premiums paid by the System	(10,578)
Increase in net OPEB obligation	4,883
Net OPEB at beginning of year	-0-
Net OPEB at end of year	$4,883

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE E - POST-EMPLOYMENT BENEFITS(CONTINUED)

The Net OPEB obligation at the end of year will be $0. Therefore, no net OPEB liability will be recorded on the financial statements.

The following table shows the System's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation:

Fiscal Year Ended	Annual OPEB Cost	% of Annual Cost Contributed	Net OPEB Obligation
12/31/14	$11,674	100%	-0-
12/31/15	$15,610	80%	-0-
12/31/16	$15,461	68%	-0-

Funding Status and Funding Progress: The System by itself is currently not funding the actuarial accrued liability (AAL) totaling $220,674 as of December 31, 2016. However, the Parish has established an internal service fund as a dedicated reserve for the outstanding post-employment benefit obligation on a Parish-wide basis. The System's estimated portion of this dedicated reserve is $57,815, which was calculated using the same multiplier as mentioned previously.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
12/31/14	-0-	$153,952	$153,952	0%	$139,539	110%
12/31/15	-0-	$216,251	$216,251	0%	$151,276	143%
12/31/16	-0-	$220,674	$220,674	0%	$159,623	138%

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE E - POST-EMPLOYMENT BENEFITS(CONTINUED)

Actuarial Methods and Assumptions: Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The actuarial calculations are based on the type of benefits provided under the terms of the substantive plan (the plan as understood by the System and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the System and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the System and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method: The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the health care cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover. Actuarial Value of Plan Assets are based on actuarial valuations, a smoothed market value consistent with Actuarial Standards ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate: The following age related turnover scale was used:

Age	%Turnover
18 - 25	31.7 - 35%
26 - 40	23.3 - 31%
41 - 54	16.0 - 23%
55+	0.0 - 10%

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE E - POST-EMPLOYMENT BENEFITS(CONTINUED)

Post-employment Benefit Plan Eligibility Requirements: It is assumed that entitlement to benefits will commence three years after earliest eligibility for retirement. Eligibility for retirement has been assumed to be the earliest of: (1) 30 years of service at any age, (2) age 55 and 25 years of service, (3) age 60 and 10 years of service, (4) age 65 and 7 years of service. Entitlements to benefits continue through Medicare up to death.

Investment Return Assumption (Discount Rate): Based on the assumption that the ARC will be funded, a 4% annual investment return has been used in this valuation.

Future Cost Increase (Trend) Rate: The expected rate of increase in medical cost is based on 11% graded uniformly to 5% over 12 years. Retiree life insurance premiums are paid 100% by the Parish. The rate for retirees is $1.84 per $1,000 of insurance in force per month. The same actuarial assumptions as those used for medical benefits were used to value life insurance post-employment except that a zero trend factor assumption was used.

Mortality Rate: The RP-2014 Combined Mortality Table (fully generational), projected using Projection Scale AA. This mortality table is required and approved by the Internal Revenue Code Section 430, defining minimum required contributions for a defined benefit plan.

Method of Determining Value of Benefits: The portion of the total retiree medical premium which would be paid by the System is determined according to a "vesting" schedule based on the number of years of service at retirement date. There are different schedules for retiree coverage and for dependent coverage. It has been assumed that enrollee will retain the same coverage types after retirement date as they had during employment.

Cost of Living Plan: In addition to the health care and life insurance benefits noted above, the System also provides a supplement to retirees' pensions as authorized by Ordinance No. 18176. This benefit is available to retirees who have been retired for at least one year. This additional benefit is paid once a year and is calculated as 2% of the monthly benefit times the number of months the person has been retired including partial years. The minimum additional payment is $350 and the maximum is $1,200.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES RETIREMENT SYSTEM **(PERS)**

The System's employees are members of the Parochial Employees Retirement System of Louisiana (PERS), a cost sharing, multiple-employer, defined benefit pension plan administered by a separate board of trustees. The PERS is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. The System's employees are members of Plan A.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees Retirement System of Louisiana and additions to/deductions from the PERS's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description: The PERS was established and provided for by R.S.11:1901-2025 of the Louisiana Revised Statutes (LRS). The PERS provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement PERS and which elect to become members of the PERS.

Eligibility requirements: All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the PERS.

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES **(PERS)**

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service
2. Age 62 with 10 years of service
3. Age 67 with 7 years of service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three Percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor benefits: Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit as outlined in the statutes.

DROP benefits: Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the PERS. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts all amounts which remain credited to the individuals subaccount after termination in the Plan will be placed in liquid asset money market investments at the

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES **(PERS)**

discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or at the option of the PERS, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the PERS, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits: For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007 and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

Cost of living increases: The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer contributions: According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2015, the actuarially determined contribution rate was 10.04% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2014 was 14.50% for Plan A.

According to state statute, the PERS also receives one-fourth of one percent of ad valorem taxes collected within respective parishes, except for Orleans and East Baton

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES **(PERS)**

Rouge parishes. The PERS also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Employer allocations: The schedule of employer allocations reports the required projected employer contributions, in addition to the employer allocation percentage. The required projected employer contributions are used to determine the proportionate relationship of each employer to all employers of the PERS. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the plan during the fiscal year ended December 31, 2015, as compared to the total of all employers' contribution received by the plan during fiscal year ended December 31, 2015.

Pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources related to pensions: At December 31, 2016, the System reported a liability of $67,660 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2015, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The System's proportion of the Net Pension Liability was based on a projection of the System's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2015, the System's proportion was .025704%.

For the year ended December 31, 2016, the System recognized pension expense of $39,130.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES **(PERS)**

At December 31, 2016, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of resources	Deferred Inflows of resources
Difference between expected and actual experiences	-	$10,753
Net difference between projected and actual earnings on pension plan investments	$61,911	-
Changes of assumptions	15,076	-
Change in proportion and differences between employer contributions and proportionate share contributions	19,772	54
	$96,759	$10,807

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	
2016	$27,355
2017	$27,355
2018	$18,507
2019	$12,735

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES (**PERS**)

Contributions – proportionate share: Differences between contributions remitted to the PERS and the employer's proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the PERS and contributions reported by the participating employer.

Actuarial assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was then assigned credibility weighting and combined with a standards table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the PERS'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.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2015 are as follows:

Valuation Date: December 31, 2015

Actuarial Cost Method: Plan A - Entry Age Normal

Investment Rate of Return: 7.00% (Net of investment expense)

Expected Remaining Service lives: 4 years

Projected Salary Increases: Plan A - 5.25% (2.75% Merit/2.50% Inflation)

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES (**PERS**)

Cost of Living Adjustments: The present value of future retirement benefits is based on benefits currently being paid by the PERS and includes previously granted cost of living increases. The present values do not include provisions for potential future increase 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.

Discount rate: The discount rate used to measure the total pension liability was 7.00% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contributions rates and contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution 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 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.

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate: The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

Changes in the Discount Rate

	1.00% Decrease 6.00%	Current Discount Rate 7.00%	1.00% Increase 8.00%
Employer's proportionate share of the net pension liability	$169,514	$67,660	$(18,418)

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE F - PENSION PLAN (GASB 68) ON THE SYSTEM'S EMPLOYEES (PERS)

Change in net pension liability: The changes in the net pension liability for the year ended December 31, 2015 were recognized in the current reporting period except as follows:

a. Differences between expected and actual experience:
Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual resulted in a deferred inflow of resources in the amount of $10,753.

b. Differences between projected an actual investment earnings:
Differences between projected an actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected an actual investment earnings resulted in a deferred outflow of resources in the amount of $61,911.

c. Change in employer proportion: Changes in the employer's proportionate shares of the collective net pension liability and collected deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The change in proportion was $19,772 for deferred outflows and $54 for deferred inflow of resources.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE G - LEGAL SETTLEMENT AND LITIGATION

There is one lawsuit against the System as of the date of this report. It is possible that the System may have an unfavorable outcome in this case in the amount of approximately $297,000. However, at this time no liability should be set up on the financial statements due to the uncertainty of the outcome of the lawsuit.

In addition to that lawsuit, the System is involved with the Parish on a claim against the Parish. A Legal Settlement Liability of $80,000 is recorded on the Statement of Fiduciary Net Position and a corresponding Legal Settlement expense was set up as of December 31, 2016.

NOTE H - RISK MANAGEMENT

The System is exposed to risks of loss in the areas of general and auto liability and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current year, nor have there been any settlements which have exceeded the insurance coverages maintained for the past three years. See Schedule of Insurance Policies in Force found in the Other Supplementary Information section.

NOTE I - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 5, 2017, the date which the financial statements were available to be issued.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE J - NET PENSION LIABILITY

The components of the net pension liability of the System at December 31, 2016, were as follows:

Total Pension Liability	$46,405,336
Plan Fiduciary Net Position	44,016,483
Net Pension Liability	$2,388,853

The total pension liability was determined by an actuarial valuation as of the valuation date using the actuarial assumptions and methods as described below.

The total pension liability for the System is based on the Individual Entry Age Normal actuarial cost method as described in GASB Statement No. 67. Actuarial calculations were made as of December 31, 2016, and were based on December 31, 2016, data. The current year actuarial assumptions utilized for this report are based on the assumptions used in the December 31, 2016, actuarial funding valuation unless otherwise specified. All assumptions were determined to be reasonable.

The Collective Pension Expense for the year ended December 31, 2016, is $1,448,122.

The following actuarial assumptions apply to all periods included in the measurement of total pension liability as of December 31, 2016:

Inflation:	2.50%
Salary increases, including inflation and merit increases:	5.00%
Investment rate of return: (Discount Rate)	5.50%, net of pension plan investment expense, including inflation

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Notes to the Financial Statements (Continued)
December 31, 2016 and 2015

NOTE J - NET PENSION LIABILITY (CONTINUED)

The discount rate, or the long-term expected rate of return, used to measure the total pension liability was 5.50%. It is the average rate of total return on investments expected in the future, realizing that some years will produce greater returns and some years will produce lesser returns. This assumed rate is one of the actuarial assumptions which most affects current recommended contribution rates. A reduction in this rate will cause contribution rates to increase, and an increase in this rate will cause contribution rates to decrease. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the employer will be made at actuarially determined contribution rates, which are calculated in accordance with relevant ordinances and policies and approved by the Board of Trustees. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan'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.

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality table for annuitants and beneficiaries, and the RP-2000 Employee Mortality table for active members. The RP-2000 Disabled Lives Mortality table was also used.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the System calculated using the discount rate of 5.50%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1.00% point lower (4.50%) or 1.00% point higher (6.50%) than the current rate (assuming all other assumptions remain unchanged):

	1.00% Decrease (4.50%)	Current Discount Rate (5.50%)	1.00% Increase (6.50%)
Net Pension Liability(Asset)	$7,957,046	$2,388,853	$(2,262,025)

REQUIRED SUPPLEMENTARY INFORMATION

For Employers who are Contributing Members of the System's Plan

and

On the Retirement System's Employees who are Members in the Parochial Employees Retirement System **(PERS)**

Note: 10-year information has not been presented in the following schedules because the data necessary to make the actuarial calculations for these schedules is not available in the required GASB format.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSONPARISH

Required Supplementary Information (Continued)
For Employers who are Contributing Members of the System'sPlan

Schedule of Changes in Net Pension Liability and Related Ratios

	2016	2015	2014	N/A
Total Pension Liability:				
Service Cost	$ 20,045	$ 19,260	$ 23,266	
Interest	2,474,064	2,817,938	2,835,082	
Changes of Benefit Terms	0	0	0	
Differences Between Expected and Actual Experience	285,538	(367,601)	(555,723)	
Changes of Assumptions	0	1,763,465	0	
Benefit Payments	(2,612,078)	(2,544,214)	(2,497,001)	
Refunds of Member Contributions	(27,755)	(25,539)	(64,382)	
Other	702	6,365	0	
Net Change in Total Pension Liability	$ 140,516	$ 1,669,674	$ (258,758)	
Total Pension Liability – Beginning	$ 46,264,820	$ 44,595,146	$ 44,853,904	
Total Pension Liability – Ending (a)	$ 46,405,336	$ 46,264,820	$ 44,595,146	
Plan Fiduciary Net Position:				
Contributions – Member	$ 5,609	$ 7,953	$ 9,663	
Contributions – Employer	2,497,301	2,387,312	2,323,478	
Contributions – Nonemployer Contributing Entities	0	0	0	
Net Investment Income	1,747,381	573,394	2,379,009	
Benefit Payments	(2,612,078)	(2,544,214)	(2,497,001)	
Refunds of Member Contributions	(27,755)	(25,539)	(64,382)	
Administrative Expenses*	(405,865)	(302,100)	(319,817) †	
Other	702	6,365	0	
Net Change in Plan Fiduciary Net Position	$ 1,205,295	$ 103,171	$ 1,830,950 †	
Plan Fiduciary Net Position – Beginning	$ 42,811,188	$ 42,708,017	$ 40,877,067	
Plan Fiduciary Net Position – Ending (b)	$ 44,016,483	$ 42,811,188	$ 42,708,017 †	
Net Pension Liability (Asset) – Ending (a) – (b)	$ 2,388,853	$ 3,453,632	$ 1,887,129 †	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.85%	92.54%	95.77%	
Covered-Employee Payroll	$ 618,467	$ 988,525	$ 1,184,353	
Net Pension Liability (Asset) as a Percentage of Covered-Employee Payroll	386.25%	349.37%	159.34% †	

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSONPARISH

Required Supplementary Information (Continued)
For Employers who are Contributing Members of the System'sPlan

Schedule of Net Pension Liability

	2016	2015	2014	2013
Total Pension Liability	$ 46,405,336	$ 46,264,820	$ 44,595,146	$ 44,853,904
Plan Fiduciary Net Position	44,016,483	42,811,188	42,708,017 †	40,877,067
Net Pension Liability (Asset)	$ 2,388,853	$ 3,453,632	$ 1,887,129 †	$ 3,976,837
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.85%	92.54%	95.77%	91.13%
Covered-Employee Payroll	$ 618,467	$ 988,525	$ 1,184,353	$ 1,416,931
Net Pension Liability (Asset) as a Percentage of Covered-Employee Payroll	386.25%	349.37%	159.34% †	280.67%

Schedule of Contributions

	2016	2015	2014	N/A
Actuarially Determined Contribution (Determined as of the Prior Fiscal Year)	$ 1,201,826	$ 1,880,008	$ 1,771,652	
Contributions in Relation to the Actuarially Determined Contribution	2,497,301	2,387,312	2,323,478	
Contribution Deficiency (Excess)	$ (1,295,475)	$ (507,304)	$ (551,826)	
Covered-Employee Payroll	$ 618,467	$ 988,525	$ 1,184,353	
Contributions as a Percentage of Covered Employee Payroll	403.79%	241.50%	196.18%	

† Plan Fiduciary Net Position for 2014 was restated

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSONPARISH

Required Supplementary Information (Continued)

For Employers who are Contributing Members of the System's Plan

Schedule of Pension Expense

For the Year Ended December 31, 2016

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) – (b)	Collective Deferred Inflows (d)	Collective Deferred Outflows (e)	Collective Pension Expense* (f) = (c) + (d) – (e) + (g)	Revenue Excluded from Pension Expense* (g)
Beginning Balance:	$ 46,264,820	$ 42,811,188	$ 3,453,632	$ 0	$1,906,381	N/A	N/A
Service Cost	20,045		20,045			$ 20,045	
Interest on Total Pension Liability	2,474,064		2,474,064			2,474,064	
Changes in Benefit Terms	0		0			0	
Differences Between Expected and Actual Experience with Regard to Economic or Demographic Assumptions	285,538		285,538	0	285,538		
Current Year Amortization				0	(285,538)	285,538	
Changes in Assumptions About Future Economic or Demographic Factors or Other Inputs	0		0	0	0		
Current Year Amortization				0	0	0	
Benefit Payments	(2,612,078)		(2,612,078)			(2,612,078)	
Refunds of Contributions	(27,755)		(27,755)			(27,755)	
Other	702		702			702	
Contributions – Member		5,609	(5,609)			(5,609)	
Contributions – Employer*		2,497,301	(2,497,301)				$ 2,497,301
Contributions – Nonemployer Contributing Entities*		0	0				0
Projected Earnings on Pension Plan Investments		2,339,908	(2,339,908)			(2,339,908)	
Difference Between Projected and Actual Earnings on Pension Plan Investments		(592,527)	592,527	0	592,527		
Current Year Amortization				0	(608,127)	608,127	
Benefit Payments		(2,612,078)	2,612,078			2,612,078	
Refunds of Contributions		(27,755)	27,755			27,755	
Administrative Expenses**		(405,865)	405,865			405,865	
Other		702	(702)			(702)	
Net Increase (Decrease)	$ 140,516	$ 1,205,295	$ (1,064,779)	$ 0	$ (15,600)	$ 1,448,122	$ 2,497,301
Ending Balance	$ 46,405,336	$ 44,016,483	$ 2,388,853	$ 0	$ 1,890,781	N/A	N/A

For the year ended December 31, 2016, the Collective Pension Expense for the system is $1,448,122.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSONPARISH
Required Supplementary Information (Continued)
For the Year Ended December 31, 2016

Schedule of Employer's Share of Net PensionLiability
[On the Retirement System's Employees (PERS)]

Year Ended Dec.31,	Employer Proportion of the Net Pension Liability (Asset)	Employer proportionate Share of the NetPension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.12269%	$6,915	$151,276	4.57%	99.15%
2016	0.25704%	$67,660	$159,623	42.39%	94.85%

This schedule is intended to show information of 10 years.
Additional years will be displayed as they become available.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSONPARISH
Required Supplementary Information (Continued)
For the Year Ended December 31, 2016

Schedule of Employer Contributions
(On the Retirement System's Employees (PERS))

Year Ended Dec. 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer Covered Employee Payroll	Contributions as % of Covered Employee Payroll
2015	$21,552	$21,552	-	$151,276	14.5%
2016	$21,370	$21,370	-	$159,623	13.4%

This schedule is intended to show information of 10 years.
Additional years will be displayed as they become available.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Required Supplementary Information (Continued)
For theYear Ended December 31, 2016

Notes to the Required Supplementary Information

(1) Budgets

The PERS adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for the year ending December 31, 2016.

(2) Pension Plan

Changes of Assumptions - Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

OTHER SUPPLEMENTARY INFORNMATION

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Other Supplementary Information
For the Year Ended December 31, 2016

SCHEDULE OF ADMINISTRATIVE EXPENSES

Salaries	$159,623
Retirement contributions	23,338
Group insurance	34,728
Legal settlement	80,000
Unemployment contributions	640
Depreciation	1,057
Membership dues & publications	200
Postage	3,185
Office expenses	6,074
Insurance	16,455
Actuarial fees	29,700
Audit and consulting fees	17,040
Legal fees	7,841
Telephone	1,342
Expense allowance	8,100
Security	7,228
Deferred inflows, deferred outflows, and pension expense (GASB 68)	8,674
Travel and seminar expenses	640
Total	$405,865

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Other Supplementary Information (Continued)
December 31, 2016

SCHEDULE OF INSURANCE POLICIES IN FORCE

Insurance Policies in Force

The following insurance policies were in force on December 31, 2016:

Type of Coverage	Amount of Coverage
General liability, $500 deductible	$1,000,000 each occurrence; $2,000,000 general aggregate
Employees non-owned and hired vehicles liability, combined bodily injury and property damage, no deductible	$1,000,000 each occurrence;
Errors and omissions, $10,000 deductible	$2,000,000 aggregate Limit for defense costs; $25,000 limit for Hippa privacy provision violations
Workers compensation, no deductible	$100,000 each occurrence; $500,000 general aggregate
Employee theft and forgery Coverage, $5,000 deductible	$500,000

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Other Supplementary Information (Continued)
December 31, 2016

SUMMARY OF HISTORICAL DATA

The Employees' Retirement System of Jefferson Parish began operating on January 1, 1973, after the employees of Jefferson Parish voted 87.8% in favor of such retirement system to replace Social Security.

The Parish paid all retirement benefits and other expenses of the System from January 1, 1973, through December 31, 1974, from its General Fund. Contributions to the System began on January 1, 1975.

The System was funded initially by contributions of 5.85% oftotal wages by both the employee and the employer from January 1, 1975, through January6, 1978. The rate was increased to6.05% each, effective with the January 30, 1978,payroll.

In 1979 the Louisiana Legislature amended the ParochialEmployees' Retirement System law to require Jefferson Parish to pay an additional 4.3% contribution (from 1%) or abandon Jefferson Parish's supplemental system and join the revised PERS effective January 1, 1980.

On December 12, 1979, the Jefferson Parish System agreed to merge its supplemental system with PERS, effective December15, 1979. As a result of this, the 4.3% increase in cost wasavoided.

After advice by its actuary, confirmed by its legal counsel, and with a written opinion from the Louisiana Attorney General, the Employees' Retirement System of Jefferson Parish decided to join PERS' supplemental system before January 1, 1980, at no added cost to the Parish or itsemployees.

All of the employees who were members of the Employees' Retirement System of Jefferson Parish's separate supplemental plan on December 14, 1979 will be guaranteed all of the benefits offered by that plan, and all retirees entitled to benefits under that plan will continue to receivethose benefits. The accumulated assets and funds of the Employees' Retirement System of Jefferson Parish were retained forthat purpose. All persons employed after December 14, 1979 are members of the PERS only.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Required Supplementary Information (Continued)
For the Year 2016

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD

All Members of the Board of Trustees of the Employees' Retirement System of Jefferson Parish are considered "agency heads" as mentioned in Act 706 of the 2014 Regular LouisianaLegislative Session. No Trustee has received any form of compensation. Registration fees listed below were paid directly to the Louisiana Association of Public Employees' Retirement System (LAPERS) for attendance to the annual seminar.

Trustee	Registration Fees	Travel Reimbursement for Conference
Gary L.Duker	$100	$44
Linda A. Roy	100	46
Eula A. Lopez	100	-
Timothy J. Palmatier	100	-
Joy B. Armstrong	100	-
Ned A. Pitre	100	65
JohnDumas	-	-

INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHERMATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTSPERFORMED IN ACCORDANCE WITH *GOVERNEMENT AUDITING STANDARDS*

The Board of Trustees of
The Employees' Retirement System of Jefferson Parish
Jefferson Parish, Louisiana
A Component Unit of Jefferson Parish

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Employees' Retirement System of Jefferson Parish, as of and for the year ended May 5, 2017, and the related notes to the financial statements, which collectively comprise the Employees' Retirement System of Jefferson Parish's basic financial statements and have issued my report thereon dated May 5, 2017.

Internal Control over Financial Reporting
In planning and performing my audit of the financial statements, I considered the Employees' Retirement System of Jefferson Parish's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Employees' Retirement System of Jefferson Parish's internal control. Accordingly, I do not express an opinion on the effectiveness of the Employees' Retirement System of Jefferson Parish's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying of finding and responses, I identified a certain deficiency in the internal control over financial reporting that I consider to be a material weaknesses and significant deficiency.

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 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. I consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness (Finding No. 1)

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. I consider the deficiency described in the accompanying schedule of findings and responses to be a significant deficiency (Finding No. 1).

Compliance and Other Matters
As a part of obtaining reasonable assurance about whether the Employees' Retirement Systemof JeffersonParish's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

The Employees' Retirement System of Jefferson Parish's Responseto Finding
TheEmployees' Retirement Systemof Jefferson Parish's response to thefinding identified (FindingNo.1)inour audit is described in the accompanying schedule of prior and current audit findings and management's corrective action plan. The System's response was not subjected to the auditing procedures applied in the audit of the financialstatements and,accordingly,we express no opinion on it.

Purpose of this Report
The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control

and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Keith J. Rovira

Keith J. Rovira
Certified Public Accountant
Metairie, Louisiana

May 5, 2017

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH

Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan
For the Year Ended December 31, 2016 and 2015

I have audited the accompanying basic financial statements of the Employees' Retirement Systemof JeffersonParish as of and for the year ended December 31, 2016, and have issued my report thereon dated May 5, 2017. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. My audit of the financial statements resulted in an unqualified opinion.

I. Prior Year Audit Finding:

Compliance

There were no findings on compliance that were required to be reported.

Internal Control over Financial Reporting

Finding No. 1 - Inadequate Segregation of Accounting Functions:

Due to the small number of employees in the accounting department, the System did not have adequate segregation of duties and functions with the accounting system.

Management's Corrective Action Plan

The System has determined that it is not cost effective to achieve complete segregation of duties and functions within the accounting department. No plan is considered necessary at this time.

Management Letter

No management letter was issued for the prior year.

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
Schedule of Prior and Current Year Audit Findings and
Management's Corrective Action Plan (Continued)
For the Year Ended December 31, 2016 and 2015

II. Current Year Audit Finding:

Compliance

There were no findings on compliance that were required to be reported.

Internal Control over Financial Reporting

Finding No. 1 - Inadequate Segregation of Accounting Functions:

Due to the small number of employees in the accounting department, the System did not have adequate segregation of duties and functions with the accounting system.

Management's Corrective Action Plan

The System has determined that it is not cost effective to achieve complete segregation of duties and functions within the accounting department. No plan is considered necessary at this time.

Management Letter

No management letter was issued for the current year.