Financial Report

Terrebonne Parish Recreation District No. 10

Theriot, Louisiana

For the year ended December 31, 2016

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For the year ended December 31, 2016

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 10,
Theriot, Louisiana.

We have audited the accompanying financial statements of the governmental activities and each major fund of Terrebonne Parish Recreation District No. 10, State of Louisiana (the District), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Terrebonne Parish Recreation District No. 10 as of December 31, 2016, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 9, the Schedule of Funding Progress for the OPEB Plan on page 39 the Schedule of the District's Proportionate Share of Net Pension Liability on page 40 and the Schedule of the District's Contributions on page 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information on page 42 is presented for purposes of additional analysis and is not required part of the basic financial statements. Such information is the responsibility of management and was 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 our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2017 on our consideration of Terrebonne Parish Recreation District No. 10's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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 District's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
June 15, 2017.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Terrebonne Parish Recreation District No. 10

Management's Discussion and Analysis of the Terrebonne Parish Recreation District No. 10's financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2016. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2016 by $2,090,238 (net position), which represents a 0.60% increase from last fiscal year's net position.

The District's revenue decreased by $42,003 (or 6.44%) primarily due to the receipt of a BP Claim Settlement in the prior year.

The District's expenses decreased $49,152 (or 7.60%) primarily due to lower repairs and maintenance in the current year.

The District did not have a deficit total fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's financial statements. The District's annual report consists of three parts: (1) management's discussion and analysis (this section) (2) financial statements and (3) various governmental compliance reports and schedules by certified public accountants and management.

The financial statements include two kinds of statements that present different views of the District:

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The Statement of Activities presents information showing how the District's net position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the District is culture and recreation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the District are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund and Debt Service Fund. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 10 - 14 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. As of December 31, 2016, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $2,090,238. A large portion of the District's net position (81.65%) reflects its investment in capital assets (e.g., land; buildings; improvements; office furniture, fixtures and equipment; vehicles, machinery and equipment). Consequently, these assets are not available for future spending.

Condensed Statements of Net Position

	December 31, 2016	December 31, 2015	Dollar Change
Current and other assets	$ 920,464	$ 936,120	$ (15,656)
Capital assets	1,706,759	1,680,284	26,475
Total assets	2,627,223	2,616,404	10,819
Deferred outflows of resources	17,455	7,858	9,597
Current and other liabilities	3,525	8,098	$ (4,573)
Long-term liabilities	39,670	27,279	12,391
Total liabilities	43,195	35,377	7,818
Deferred inflows of resources	511,245	511,069	176
Net Position:			
Net invested in capital assets	1,706,759	1,680,284	26,475
Restricted for capital outlay	-	47	(47)
Unrestricted	383,479	397,485	(14,006)
Total net position	$ 2,090,238	$ 2,077,816	$ 12,422

Total assets increased as a result of an increase in capital assets net of accumulated depreciation.

Total liabilities increased due to the District's increase in long-term liabilities, including other postemployment benefit obligations, compensated absences payable and net pension liability.

Governmental Activities

Governmental activities increased the District's net position by $12,422. Key elements of this increase are presented on the following page:

Condensed Statement of Activities

	For the Years Ended December 31, 2016	2015	Dollar Change	Total Percent Change
Revenues:				
Program revenues:				
Charges for services	$ 42,855	$ 43,761	$ (906)	-2.07%
General revenues:				
Taxes	523,733	516,369	7,364	1.43%
Intergovenmental	41,038	41,166	(128)	-0.31%
Miscellaneous	2,567	50,900	(48,333)	-94.96%
Total revenues	610,193	652,196	(42,003)	-6.44%
Expenses:				
General government	19,436	21,468	(2,032)	-9.47%
Culture and recreation	578,335	625,455	(47,120)	-7.53%
Total expenses	597,771	646,923	(49,152)	-7.60%
Increase in net position	12,422	5,273	7,149	135.58%
Net position, beginning of year	2,077,816	2,072,543	5,273	0.25%
Net position, end of year	$ 2,090,238	$ 2,077,816	$ 12,422	0.60%

In 2016, the District's total revenues decreased compared to the prior year as a result of receiving a BP Claim Settlement in the prior year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances is $380,438, an decrease of $9,315 compared to the prior year. An unassigned fund balance of $380,438 is available for spending at the District's discretion.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the total fund balance of the General Fund was $380,438. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. The fund balance of the District's General Fund decreased by $9,268 during the current fiscal year. This decrease is due to a decrease in revenues and an increase in expenditures.

General Fund Budgetary Highlights

The budget was amended once during the year. The primary reason for amending the budget was to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

Revenues

- Ad valorem taxes were increased $41,436, after considering adjustments and deductions, to appropriately reflect actual revenue.
- Intergovernmental revenue increased by $32,700 to reflect the receipt of grants from Terrebonne Parish Consolidated Government for summer programs.
- Charges for services were increased by $40,400 to reflect receipts from summer camp attendees.

Expenditures

- Personal services increased by $52,700 to account for summer employees pay.
- Other services and charges increased by $19,900 to account for additional costs expected to be needed in association with the summer camp program.

During the year, actual revenues and expenditures were lower than budgetary estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2016, amounts to $1,706,759 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, office furniture and fixtures and equipment.

	2016	2015
Land	$ 59,657	$ 21,657
Buildings	2,392,340	2,255,732
Improvements other than buildings	989,031	989,031
Vehicles, machinery, and equipment	570,317	570,317
Office furniture, fixtures and equipment	23,003	23,003
Totals	$ 4,034,348	$ 3,859,740

Major capital asset events during the current fiscal year were partial reroofing of the recreation gym on Dr. Beatrous Road and land purchase from Fire Protection District No. 10 at 631 Bayou Dularge Road.

All projects that began worked on in 2016 were completed in 2016. Thus, there was no construction in progress at the end of the year.

Additional information on the District's capital assets can be found in the Note 5, Exhibit F of this report.

Long-term Obligations

At December 31, 2016, the District had $39,670 in long-term obligations. More detailed information about the District's long-term obligations is presented in Notes 7, Exhibit F of this report. This includes liabilities for compensated absences, other postemployment benefits and net pension liabilities. The district recognized an obligation of $22,304 for other postemployment benefits; see further explanation of this obligation in Note 8, Exhibit F of this report. The District implemented GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* in 2015. The net pension liability was increased by $5,879 during 2016 to a balance of $10,466 as of December 31, 2016. More detailed information about the District's net pension liability is presented in Note 9, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The ad valorem tax revenue is budgeted to be consistent with past collections.
- Interest income is budgeted to be consistent with prior year.
- Swimming pool revenues should remain consistent with prior years.
- Salaries and wages are budgeted to be consistent with no increases recommended.
- The District purchased, in 2016, property located at the Dularge Middle School ball fields for additional parking and maintenance and improvements will be required.
- Air conditioning and heating equipment may be required to be replaced in 2017.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Terrebonne Parish Recreation District No. 10, 1657 Dr. Beatrous Road, Theriot, LA 70397.

Exhibit A

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

Terrebonne Parish Recreation District No. 10

December 31, 2016

	General Fund	Debt Service Fund	Total	Adjustments (Exhibit B)	Statement of Net Position
Assets					
Cash	$ 401,249		$ 401,249		$ 401,249
Receivables:					
Taxes	369,412		369,412		369,412
Other	300		300		300
Due from other governmental units	122,271		122,271		122,271
Prepaid insurance	-		-	$ 27,232	27,232
Capital assets:					
Non-depreciable	-		-	59,657	59,657
Depreciable, net of accumulated depreciation	-		-	1,647,102	1,647,102
Total assets	893,232		893,232	1,733,991	2,627,223
Deferred outflows of resources - Pensions	-		-	17,455	17,455
Total assets and deferred outflows of resources	$ 893,232		$ 893,232	1,751,446	2,644,678
Liabilities					
Accounts payables and accrued expenditures	$ 3,351		$ 3,351	-	3,351
Due to Terrebonne Parish Consolidated Government	174		174	-	174
Long-term liabilities:					
Due after one year	-		-	39,670	39,670
Total liabilities	3,525		3,525	39,670	43,195
Deferred inflows of resources					
Ad valorem taxes	509,269		509,269	-	509,269
Pensions	-		-	1,976	1,976
Total deferred inflows	509,269		509,269	1,976	511,245
Total liabilities and deferred inflows of resources	512,794		512,794	41,646	554,440
Fund Balances/Net Position					
Fund balances:					
Unassigned	380,438		380,438	(380,438)	-
Total liabilities and fund balances	$ 893,232	$ -	$ 893,232		
Net Position:					
Net investment in capital assets				1,706,759	1,706,759
Unrestricted				383,479	383,479
Total net position				$ 2,090,238	$ 2,090,238

See notes to financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION

Terrebonne Parish Recreation District No. 10

December 31, 2016

Fund Balances - Governmental Fund			$	380,438
Amounts reported for governmental activities in the Statement of Net Position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.				
Governmental capital assets	$	4,034,348		
Less accumulated depreciation		(2,327,589)		1,706,759
Deferred outflows of resources used in governmental activities are not financial resources and are not reported in governmental funds				17,455
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.				
Prepaid insurance				27,232
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.				
Other postemployment benefit obligations	$	(22,304)		
Compensated absences payable		(6,900)		
Net pension liability		(10,466)		(39,670)
Deferred inflows of resources are not due and payable in the current period and are not reported in governmental funds				(1,976)
Net Position of Governmental Activities			$	2,090,238

See notes to financial statements.

STATEMENT OF ACTIVITIES AND STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Terrebonne Parish Recreation District No. 10

For the year ended December 31, 2016

	General Fund	Debt Service Fund	Total	Adjustments (Exhibit D)	Statement of Activities
Revenues					
Taxes	$ 523,733		$ 523,733		$ 523,733
Intergovenmental:					
State of Louisiana:					
State revenue sharing	8,038		8,038		8,038
Terrebonne Parish Consolidated Government	33,000		33,000		33,000
Charges for services	42,855		42,855		42,855
Miscellaneous:					
Interest	2,481		2,481		2,481
Other	86		86		86
Total revenues	610,193		610,193		610,193
Expenditures/Expenses					
Current:					
General government:					
Ad valorem tax adjustment	2,006		2,006		2,006
Ad valorem tax deductions	17,430		17,430		17,430
Total general government	19,436		19,436		19,436
Culture and recreation:					
Personal services	211,338		211,338	$ 2,678	214,016
Supplies and materials	31,448		31,448	-	31,448
Other services and charges	95,440		95,440	2,060	97,500
Repairs and maintenance	87,238		87,238	-	87,238
Depreciation	-		-	148,133	148,133
Total culture and recreation	425,464		425,464	152,871	578,335
Capital outlay	174,608		174,608	(174,608)	-
Total expenditures/expenses	619,508		619,508	(21,737)	597,771
Excess of Expenditures Over Revenues	(9,315)		(9,315)	21,737	12,422
Other Financing Sources (Uses)					
Transfers in	47		47	(47)	-
Transfers out	-	$ (47)	(47)	47	-
Total other financing sources (uses)	47	(47)	-	-	-
Net Change Fund Balance	(9,268)	(47)	(9,315)	9,315	-
Change in Net Position	-	-	-	12,422	12,422
Fund Balances/Net Position					
Beginning of year	389,706	47	389,753	1,688,063	2,077,816
End of year	$ 380,438	$ -	$ 380,438	$ 1,709,800	$ 2,090,238

See notes to financial statements.

RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Terrebonne Parish Recreation District No. 10

For the year ended December 31, 2016

Net Change in Fund Balances - Governmental Funds			$	(9,315)
Amounts reported for governmental activities in the Statement of Activities are different because:				
Governmental funds report capital outlays as expenditures. 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	$	174,608		
Depreciation expense		(148,133)		26,475
Some expenditures reported in the governmental funds require the use of current financial resources and are not reported as expenses in the statement of activities.				
Decrease in prepaid insurance				(2,060)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.				
Other postemployment benefit obligations	$	(5,968)		
Increase in compensated absences payable		(544)		
Pension Expense		3,834		(2,678)
Change in Net Position of Governmental Activities			$	12,422

See notes to financial statements.

STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

Terrebonne Parish Recreation District No. 10

For the year ended December 31, 2016

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes	$ 480,000	$ 521,436	$ 523,733	$ 2,297
Intergovernmental:				
State of Louisiana:				
State revenue sharing	8,000	7,700	8,038	338
Terrebonne Parish Consolidated Government	-	33,000	33,000	-
Charges for services	2,500	42,900	42,855	(45)
Miscellaneous:				
Interest	1,000	2,500	2,481	(19)
Other	100	9,500	86	(9,414)
Total revenues	491,600	617,036	610,193	(6,843)
Expenditures				
Current:				
General government				
Ad valorem tax adjustments	-	2,006	2,006	-
Ad valorem tax deductions	-	17,430	17,430	-
Total general government	-	19,436	19,436	-
Culture and recreation:				
Personal services	159,600	212,300	211,338	962
Supplies and materials	40,800	36,000	31,448	4,552
Other services and charges	75,900	95,800	95,440	360
Repairs and maintenance	250,000	250,000	87,238	162,762
Total culture and recreation	526,300	594,100	425,464	168,636
Capital outlay	50,000	38,000	174,608	(136,608)
Total expenditures	576,300	651,536	619,508	32,028
Excess (Deficiency) of Revenues Over Expenditures	(84,700)	(34,500)	(9,315)	25,185
Other Financing Sources (Uses)				
Transfer in	-	-	47	47
Net Change in Fund Balance	(84,700)	(34,500)	(9,268)	25,232
Fund Balance				
Beginning of year	366,532	389,706	389,706	-
End of year	$ 281,832	$ 355,206	$ 380,438	$ 25,232

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Terrebonne Parish Recreation District No. 10

December 31, 2016

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Terrebonne Parish Recreation District No. 10 (the District) conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The District is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 2016.

GASB Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34* established the criterion for determining which component units should be considered part of the District for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.

2. Whether the governing authority appoints a majority of the board members of the potential component unit.

3. Fiscal interdependency between the District and the potential component unit.

4. Imposition of will by the District on the potential component unit.

5. Financial benefit/burden relationship between the District and the potential component unit.

The District has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Basis of Presentation

The District's financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements (individual major funds).

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements:

Emphasis in the fund financial statements is on the major funds in governmental categories. The daily accounts and operations of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following are the governmental funds of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund is always a major fund.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal, interest, and related costs. In the current year, the Debt Service Fund paid it's obligation to the General Fund and transferred its remaining balance of cash to the General Fund. The Debt Service Fund is reported as a major fund.

c) Measurement Focus and 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Measurement Focus and Basis of Accounting (continued)

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Fund Financial Statements:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current position. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are recognized as revenue in the period for which levied, thus the 2016 property taxes which are being levied to finance the 2017 budget will be recognized as revenue in 2017. The 2016 tax levy is recorded as deferred inflows of resources in the District's 2016 financial statements. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due. Allocations of cost such as depreciation are not recognized in the governmental funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Use of Estimates

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

e) Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and a public hearing on the budget prior to adoption.

Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. In order to remain in compliance with State budgeting laws, the District amended its budget once during the year. All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

The General Fund budget presentation is included in the financial statements.

f) Accounts Receivable

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Prepaid Insurance

The District has recorded prepaid insurance in its government-wide financial statements. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of $500 or more, are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an 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:

Buildings	5 - 40 years
Improvements other than buildings	7 - 30 years
Autos and Trucks	6 years
Machinery and equipment	5 - 20 years
Office furniture, fixtures and equipment	5 - 12 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

i) Long-Term Debt

The accounting treatment of long-term debt depends on whether they are reported in the government-wide or governmental fund financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Long-Term Debt (continued)

Government-wide Financial Statements:

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists of compensated absences, other net postemployment benefit (OPEB) obligations and the net pension liability.

Fund Financial Statements:

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principle and interest reported as expenditures.

j) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period (s) and so will not be recognized as an outflow of resources (expense) until then. The District has deferred outflows of resources related to pensions.

The District reports deferred inflows of resources in the governmental fund financial statements and government-wide financial statements when resources associated with imposed non-exchange revenue transactions are received or reported as a receivable before (a) the period for which property taxes are levied or (b) the period when resources are required to be used or when use is first permitted for all other imposed non-exchange revenues in which the enabling legislation includes time requirements. The District has deferred inflows of resources related to ad valorem taxes and pensions.

k) Vacation and Sick Leave

The District's policies regarding vacation and sick leave permits employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as a long-term obligation in the government-wide statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

Employees of the District can earn 96 hours or 136 hours of vacation leave, depending on their length of employment. Accumulated vacation leave is due to the employee at the time of termination or death. The vacation policy provides that any annual leave, in excess of one year's earnings, remaining on the employees anniversary date will be transferred to sick leave. Hours forfeited are transferred to retirement for participants of the Parochial Employees' Retirement System.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Vacation and Sick Leave (continued)

Employees of the District earn 56 hours sick leave per year and are permitted to accumulate a maximum of 480 hours. Upon retirement, sick leave is paid to employees at one half of their accumulated sick leave to a maximum of 240 hours.

l) Pensions

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 (the System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. 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.

m) Other Postemployment Benefits

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions,* requires governments to accrue postemployment benefits to the extent it is probable the employer will provide benefits conditioned on the employees retirement. District has recorded liabilities for postemployment health care benefits as of December 31, 2016.

In the government-wide financial statements the other postemployment benefits liability is recorded as long-term obligations.

In the governmental fund type fund financial statements other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

n) Equity

Government-wide Statements:

Equity is classified as net position and displayed in three components:

a. Net investment in capital assets – 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, if any.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) Equity (continued)

b. Restricted net position – Consists of assets and deferred outflows of resources less liabilities and deferred inflows of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions 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."

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

a. Non-spendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to maintain intact.

b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

c. Committed – amounts that can be used only for specific purposes determined by a formal action of the District's Board of Commissioners. Commitments may be established, modified, or rescinded only through resolutions approved by the District's Board of Commissioners.

d. Assigned – amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Assigned amounts may be established, modified or rescinded by a majority vote of the District's Board of Commissioners.

e. Unassigned – all other spendable amounts.

For the classification of government fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available. The District's fund balance was classified as unassigned as of December 31, 2016.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) New GASB Statements

During the year ending December 31, 2016, the District implemented the following GASB Statements:

Statement No. 72, *"Fair Value Measurement and Application."* This Statement addresses accounting and financial reporting issues related to fair value measurement. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Statement No. 73, *"Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68."* The Statement completes the suite of pension standards and establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (in other words, those not covered by Statements 67 and 68). This Statement did not affect the District's financial statements.

Statement No. 76, *"The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments."* The objective of this Statement is to identify the hierarchy of generally accepted accounting principles (GAAP).

Statement No. 77, *"Tax Abatement Disclosures"* defines tax abatements as reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. This Statement requires disclosures of the government's own tax abatement agreements and those tax abatement agreements of other governments that reduce the government's revenue. This Statement did not affect the District's financial statements.

Statement No. 78, *"Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans"* amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) New GASB Statements (continued)

predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement did not affect the District's financial statements.

Statement No. 79, *"Certain External Investment Pools and Pool Participants"* establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement also establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost. The provisions in paragraphs 18, 19, 23-26 and 40 are effective for periods beginning after December 15, 2015. This Statement did not affect the District's financial statements.

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 74, *"Financial Reporting for Postemployment Benefit Plans other than Pension Plans."* The Statement addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria and follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments and also sets forth note disclosure requirements for defined contribution OPEB plans. The statement will be effective for periods beginning after June 15, 2016. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 75, *"Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions."* replaces the requirements of GASB Statement No. 45. This Statement requires governments to report a liability on the face of the financial statements for the OPEB that they provide: governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability, governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) New GASB Statements (continued)

liability for all entities participating in the cost-sharing plan and governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 80, *"Blending Requirement for Certain Component Units"* improves financial reporting by clarifying the financial statement presentation requirements for certain component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This requirement enhances comparability and decision usefulness of financial statements among governments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 81, *"Irrevocable Split Interest Agreements"* provided recognition and measurement guidance for situation in which a government is a beneficiary of an irrevocable split interest agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split interest agreement recognize assets, liabilities and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in agreements administered by third parties. Governments are required by this Statement to recognize revenue when the resources become applicable to the reporting period. This Statement enhances comparability and decision usefulness of financial statements among governments. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2016. Management has not yet determined the effect of this statement on the financial statements.

Statement No. 82, *"Pension Issues"* addresses several issues raised with respect to Statements No. 67, *"Financial Reporting for Pension Plans,"* No. 68, *"Accounting and Financial Reporting for Pensions,"* and No. 73, *"Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68."* Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) New GASB Statements (continued)

financial statements for periods beginning after June 15, 2016. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 83, *"Certain Asset Retirement Obligations"* addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 84, *"Fiduciary Activities"* improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 85, *"Omnibus 2017."* On March 20, 2017, GASB issued *"Omnibus 2017"* covering four main topics: blending component units; goodwill, fair value measurement and application; and postemployment benefits. *"Omnibus 2017"* is effective for fiscal years beginning after June 15, 2017. However, due to the nature of topic covered, GASB is allowing the option of early implementation for single topics. Management has not yet determined the effect of this Statement on the financial statements.

Note 2 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Deposits:

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

The year-end balances of deposits are as follows:

	Bank Balances	Reported Amounts
Cash	$ 407,907	$ 401,249

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a written policy for custodial credit risk but does comply with state law in custodial activities. As of December 31, 2016, $157,907 of the District's bank balance of $407,907 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, and are deemed to be held in the District's name by state statues. At December 31, 2016, cash in excess of FDIC insurance was adequately collateralized, under state law, by securities held by unaffiliated banks for the amount of the District. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank at advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years.

The last reevaluation was completed for the list of January 1, 2016. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2016 was $11.45 per $1,000 of assessed valuation on property within Recreation District No. 10 for the purpose of maintaining and operating recreational facilities within the District. As indicated in Note 1c, taxes levied November 1, 2016 are for budgeted expenditures in 2017 and will be recognized as revenues in 2017. The 2016 tax assessment, less deductions for the assessors retirement, has been reported as deferred inflows of resources as of December 31, 2016.

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2016 consisted of the following:

State of Louisiana - State revenue sharing	$ 5,354
Terrebonne Parish Tax Collector - December 2016 collections remitted to the District in January 2017:	
Ad valorem taxes	114,240
State revenue sharing	2,677
Total	$ 122,271

Note 5 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016 was as follows:

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Capital assets not being depreciated:				
Land	$ 21,657	$ 38,000		$ 59,657
Capital assets being depreciated:				
Buildings	2,255,732	136,608		2,392,340
Improvements other than buildings	989,031	-		989,031
Autos and trucks	18,196	-		18,196
Machinery and equipment	552,121	-		552,121
Office furniture, fixtures and equipment	23,003	-		23,003
Total capital assets being depreciated	3,838,083	136,608		3,974,691
Less accumulated depreciation for:				
Buildings	(1,430,322)	(66,095)		(1,496,417)
Improvements other than buildings	(463,314)	(45,975)		(509,289)
Autos and trucks	(13,647)	(3,033)		(16,680)
Machinery and equipment	(255,346)	(31,363)		(286,709)
Office furniture, fixtures and equipment	(16,827)	(1,667)		(18,494)
Total accumulated depreciation	(2,179,456)	(148,133)		(2,327,589)
Total capital assets being depreciated, net	1,658,627	(11,525)		1,647,102
Total capital assets, net	$ 1,680,284	$ 26,475	$ -	$ 1,706,759

Note 6 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenditures at December 31, 2016 consisted of invoices payable to vendors.

Note 7 - LONG-TERM OBLIGATIONS

The following is a summary of changes of long-term obligations of the District for the year ended December 31, 2016:

	Payable January 1, 2016	Obligations Retired	Obligations Generated	Payable December 31, 2016
Compensated absences	$ 6,356	$ -	$ 544	$ 6,900
Other postemployment benefits	16,336	-	5,968	22,304
Net pension liability	4,587	-	5,879	10,466
	$ 27,279	$ -	$ 12,391	$ 39,670

Compensated absences are described in Note 1. Other postemployment healthcare benefits are described in Note 8. Net pension liabilities are further described in Note 9.

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The District administers a single employer defined benefit healthcare plan (the Plan). The Plan provides for the payment of medical, dental and life insurance premiums for eligible employees, retirees and their dependents as approved by the Board of Commissioners. For employees retiring before January 1, 2005 the District funds the entire premium for all benefits on employees retiring with at least ten years of service upon retiring from the formal retirement systems. District employees retiring on or after January 1, 2005 and before January 1, 2013 with at least ten years of permanent full-time creditable service with the District shall be eligible to participate in the Plan approved by the Board of Commissioners under the following vesting schedule: 10 years of service, 27.5%, 11 to 15 years of service, 27.5% plus, 2.75% per year; 16 to 20 years of service, 41.25% plus 3.75% per year; 21 years or more of service, 60% plus 4.25% per year of service over 20 years of service, limited to 80% of the premium. Employees hired on or after January 1, 2013 and retiring with at least 30 years of permanent full time creditable service shall be eligible to participate in the approved Plan with benefits limited to 80% of the premium. A retired employee may provide dependent hospitalization coverage at applicable dependent rates. To be eligible for coverage after retirement, retired employees must be eligible for retirement under the Parochial Employees' Retirement System, see Note 9. The District does not issue a publicly available financial report on the Plan.

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Funding Policy

The District fully funds required premiums based on pay-as-you-go financing requirements. For fiscal year 2016 the District did not pay any premiums for the retirees.

Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Annual required contribution (ARC)	$	5,980
Interest adjustment to net OPEB obligation		572
Adjustments to ARC		(584)
Annual OPEB cost (expense)		5,968
Net OPEB obligation - beginning of year		16,336
Net OPEB obligation - end of year	$	22,304

The District's annual OPEB cost, the percentage of annual OPEB premiums paid, and the net OPEB obligation as of December 31, 2016 is as follows:

Fiscal Year Ended		Annual OPEB Cost	Annual OPEB Cost Contributed		OPEB Liability
12/31/2014	$	2,960	0.0%	$	13,379
12/31/2015	$	2,957	0.0%	$	16,336
12/31/2016	$	5,968	0.0%	$	22,304

Funded Status and Funding Progress

As of January 1, 2016, the most recent actuarial valuation date, the unfunded actuarial accrued liability (UAAL) was $69,302. Covered payroll for eligible employees was $56,502 and the total UAAL represents 122.65 percent of covered payroll.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The

Note 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

schedule of funding progress, presented as required supplementary information, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and eligible employees and retirees) and include the types of benefits provided at the time of each valuation and on the historical pattern of sharing benefit costs between the employer and eligible employees and retirees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of plan assets.

In January 1, 2016 actuarial valuations, the entry age-normal actuarial cost method was used. The actuarial assumptions included a 3.5 percent investment rate of return (discount rate), a 3.0 percent expected increase in payroll and annual medical cost trend rate of 7.0 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after five years. The annual dental cost trend was initially 3.5 percent, reduced by decrements to an ultimate rate of 3.0 percent after three years. Zero trends were assumed for valuing life insurance. The fully generational RPH-2014 Employee Mortality Table was used to determine mortality rates for active employees, while the RPH 2014 Healthy Annuitant Table was used for retirees and their spouses. Scale MP-2015 was used to project mortality improvement. Other assumptions include (1) expenses per participant per month are expected to remain constant through 2017, (2) 60 percent of employees will choose to continue basic life insurance benefits, (3) family coverage includes a spouse and no children, and (4) male spouses are three years older than females. The UAAL is being amortized over an open 30 year period using the level percent of payroll method with an assumption that payroll increases by 3 percent per year.

Note 9 - DEFINED BENEFIT PENSION PLAN

Plan Description. The District contributes to Plan B of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs persons serving the parish. Act 765 of the year 1979, Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social

Note 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Security. Plan B was designated for those employers that remained in Social Security on the revision date. The Retirement System is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically and other general laws of the State of Louisiana.

Benefits Provided. The System provides retirement, deferred retirement, disability and death benefits to employees who work at least 28 hours a week. Retirement benefits are generally equal to 2.0% of the member's final average compensation multiplied by the years of creditable service. For members hired prior to January 1, 2007 they may retire with full benefits at age 55 upon completing 30 years of service, retire at age 60 after completing 10 years of service or retire at age 65 after completing 7 years of service. For members hired after January 1, 2007 they may retire with full benefits at age 55 after completing 30 years of service, retire at age 62 after completing 10 years of service or retire at age 67 after completing 7 years of service.

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. When a member enters DROP their status changes from active to retired even though they continue to work and draw their salary for up to three years. During the three year period, employer contributions continue but employee contributions cease. The monthly service retirement allowance the employee would have received had the person elected to terminate is paid into the DROP Fund. The election to participate in DROP is irrevocable once participation begins. Upon termination of employment a participant in DROP may receive a lump sum equal to payments into the participant's account, an annuity or a roll over to an Individual Retirement Account. Members hired before January 1, 2007 with 5 or more years of service who become disabled may receive retirement benefits determined in the same manner as retirement benefits. Members hired after January 1, 2007 with 7 or more years of service who become disabled may receive retirement benefits determined in the same meaner as retirement benefits. Death benefits are payable to eligible surviving dependents based on the deceased member's years of creditable service and compensation and the dependent's relationship to the deceased member. The System provides permanent benefit increases, cost of living adjustments (COLA) as approved by the State Legislature.

Contributions. According to state statute, contributions for all employers are actuarially determined each year. For the year ending December 31, 2015, the acturial employer contribution rate was 6.91% of member's compensation. However, the actual rate for the fiscal year ending December 31, 2015 was 9.00%.

Note 9 - DEFINED BENEFIT PENSION PLAN (Continued)

According to state statute, the system receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System 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.

Contributions to the System from the District were $4,520 for the year ended December 31, 2016.

Pension Liabilities. At December 31, 2016, the District reported a liability of $10,466 for its proportionate share of System's 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 District's proportion of the net pension liability was based on a projection of the District'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 District's proportion was 0.058784%, which was a decrease of 0.002826% from its proportion measured as of December 31, 2014.

Pension Expense. For the year ended December 31, 2016, the District recognized pension expense of $686.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2016, the District 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 experience	$ -	$ (1,976)
Net difference between projected and actual earnings on pension plan investments	11,532	-
Change in proportionate share	37	
Changes in assumptions	1,366	-
Contributions subsequent to the measurement date	4,520	-
	$ 17,455	$ (1,976)

Note 9 - DEFINED BENEFIT PENSION PLAN (Continued)

The District reported $4,520 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending December 31st,	Amount
2017	$ 2,689
2018	2,689
2019	3,195
2020	2,386
Total	$ 10,959

Actuarial Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2016 are as follows:

Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Method
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years
Investment Rate of Return	7.00%, net of investment expense, including inflation
Projected Salary Increases	5.25% (2.50% Inflation, 2.75% merit)
Mortality Rates	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct was selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and inlcudes previously granted cost of living increases. The present values do not inlcude provisions for potential future increases not yet authorized by the Board of Trustees.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing method (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

Note 9 - DEFINED BENEFIT PENSION PLAN (Continued)

These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.55% as of December 31, 2015.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	34.00%	1.06%
Equity	51.00%	3.56%
Alternatives	12.00%	0.74%
Real assets	3.00%	0.19%
Total	100.00%	5.55%
Inflation		2.00%
Expected Arithmetic Nominal Rate		7.55%

Discount Rate. The discount rate used to measure the collective pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are 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 District's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the collective net pension liability using the discount rate of 7.00%, as well as what the Office's proportionate share of the 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:

Note 9 - DEFINED BENEFIT PENSION PLAN (Continued)

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
District's proportionate share of the net pension asset (liability)	$ (30,911)	$ (10,466)	$ 6,776

Pension Plan Fiduciary Net Position. The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on their financial statements for the year ended December 31, 2015. Access to the audit report can be found on the System's website, www.persla.org or on the Louisiana Legislative Auditor's website, www.lla.la.gov.

Note 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the District carries commercial insurance and participates in the Parish's risk management program for general and auto liability, workers' compensation and group health. No settlements were made during the year that exceeded the District's insurance coverage. The District pays monthly premiums to the Parish for general liability based on various factors such as its operations and maintenance budget, exposure and claims experience. The premiums for workers' compensation are based on a fixed percentage of payroll. The premiums for group insurance are based on a fixed rate per employee. The premiums for auto liability are based on claims experience, vehicle type, and mileage. The Parish handles all claims filed against the District for which is has insurance coverage. The District could have additional exposure for claims in excess of the Parish's insurance contracts as described below:

Policy	Coverage Limits
General Liability	$10,000,000
Workers' Compensation	Statutory
Auto Liability	$10,000,000

Coverage for general liability claims in excess of the above stated limits are to be funded first by assets of the Parish's risk management internal service fund, $4,731,868 at December 31, 2015, then secondly by the District. The Parish's self-insured for the first $175,000 of each claim relating to group health insurance. The aggregate deductible for all group claims relating to group health insurance for 2015 was $16,194,282. Insurance contracts cover the excess liability on individual claims. Covered employees are subject to a lifetime maximum claims limit. Coverage for group health claim liabilities are to be funded by assets of the Parish's group health internal service fund, $1,825,534 at December 31, 2015, then secondly by the District.

Note 10 - RISK MANAGEMENT (Continued)

Workers' compensation claims in excess of $500,000 are covered under an insurance contract for claims aggregate up to limits are to be funded first by assets of the Parish's workers' compensation internal service fund. At December 31, 2016, the District had no claims in excess of the above coverage limits.

Expenditures for premiums to the Parish during the year ended December 31, 2016 totaled $32,401.

Note 11 - COMPENSATION OF BOARD MEMBERS

The following amounts were paid to Board Members for the year ended December 31, 2016:

Board Members	Number of Meetings Attended		Per Diem
Arthur Bishop	11	$	275
Richard Breaux	5		125
Daniel Constant	1		25
Shirley Liner	11		275
Lee Molaison	10		250
Dren Theriot	11		275
Wayne Theriot	11		275
Total		$	1,500

Note 12 - CONTINGENCIES

During the year ended December 31, 2015, the District was informally notified by FEMA that it may have been over compensated for damages sustained in 2009 as a result of Hurricane Ike. The amount of the overpayment is approximately $34,000. Through the date of this report no official demand has been received from FEMA and the District has not recognized a liability for repayment or a course of action to contest the request.

Note 13 - STATE OF LOUISIANA TAX ABATEMENTS

The District's ad valorem tax revenues were reduced by $53,954 under agreements entered into by the State of Louisiana.

Note 14 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through June 15, 2017 which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit G

SCHEDULE OF FUNDING PROGRESS FOR THE OPEB PLAN

Terrebonne Parish Recreation District No. 10

December 31, 2016

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll ('c)	UAAL as of Percentage of Covered Payroll ((b-a)/c)
1/1/2010	-	$ 21,495	$ 21,495	0.00%	$ 22,500	95.5%
1/1/2012	-	23,423	23,423	0.00%	45,506	51.5%
1/1/2014	-	30,927	30,927	0.00%	52,559	58.8%
1/1/2016	-	69,302	69,302	0.00%	56,502	122.7%

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Terrebonne Parish Recreation District No. 10

December 31, 2016

	2016	2015
District's proportion of the net pension liability	0.0588%	0.0616%
District's proportionate share of the net pension liablity	$ 10,466	$ 4,587
District's covered-employee payroll	$ 56,502	$ 56,502
District's proportionate share of the net pension liablity as a percentage of its covered-employee payroll	18.52%	8.12%
Plan fiduciary net position as a percentage of the total pension liability	92.23%	99.89%

SCHEDULE OF DISTRICT'S CONTRIBUTIONS

Terrebonne Parish Recreation District No. 10

December 31, 2016

	2016	2015
Contractually required contributions	$ 4,520	$ 5,085
Contributions in relation to the contractually required contribution	(4,520)	(5,085)
Contribution deficiency (excess)	$ -	$ -
District's covered-employee payroll	$ 56,502	$ 56,502
Contributions as a percentage of covered-employee payroll	8.00%	9.00%

SUPPLEMENTARY INFORMATION SECTION

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

Terrebonne Parish Recreation District No. 10

December 31, 2016

Agency Head Name: Tammy C. Knight

Purpose	Amount
Salary	$ 56,502
Benefits - insurance	16,686
Benefits - retirement	2,825
Benefits - other	851
Car allowance	-
Vehicle provided by government	195
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Meals	-
	$ 77,059

Note: Tammy C. Knight is the Recreation Director of the Recreation District and functions as the Chief Executive Officer.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Commissioners
Terrebonne Parish Recreation District No. 10
Theriot, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Terrebonne Parish Recreation District No. 10 (the District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise District's financial statements and have issued our report thereon dated June 15, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
June 15, 2017.

SCHEDULE OF FINDINGS AND RESPONSES

Terrebonne Parish Recreation District No. 10

For the year ended December 31, 2016

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes _X_ no
- Significant deficiency (ies) identified that are not considered to be material weaknesses? ___ yes _X_ none reported

Noncompliance material to financial statements noted? ___ yes _X_ no

b) Federal Awards

Terrebonne Parish Recreation District No. 10 did not expend federal awards in excess of $750,000 during the year ended December 31, 2016.

Section II Financial Statement Findings

No financial statement findings were noted during the audit for the year ended December 31, 2016.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Terrebonne Parish Recreation District No. 10

For the year ended December 31, 2016

Section I Internal Control and Compliance Material to the Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2015. No significant deficiencies were reported during the audit for the year ended December 31, 2015.

Compliance

No compliance findings material to the financial statements were noted during the audit for the year ended December 31, 2015.

Section II Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Recreation District No. 10 did not expend federal awards in excess of $750,000 during the year ended December 31, 2015.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2015.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Terrebonne Parish Recreation District No. 10

For the year ended December 31, 2016

Section I Internal Control and Compliance Material to the Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2016. No significant deficiencies were reported during the audit for the year ended December 31, 2016.

Compliance

No compliance findings material to the financial statements were noted during the audit for the year ended December 31, 2016.

Section II Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Recreation District No. 10 did not expend federal awards in excess of $750,000 during the year ended December 31, 2016.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2016.