

**LIVINGSTON PARISH COUNCIL
LIVINGSTON, LOUISIANA**

Audit of Financial Statements

December 31, 2015

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Independent Auditor's Report

To the Honorable Parish President
and Members of the Livingston Parish Council
Livingston, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Livingston Parish Council (the Council), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Council's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council'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 Council's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

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

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of Livingston Parish Council, as of December 31, 2015, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities; the business-type activities; the General Fund, Health Unit Special Revenue Fund, Jail Sales Tax Special Revenue Fund, Road Special Revenue Fund, Road 06 Debt Service Fund, and the Utility Enterprise Fund; and the aggregate remaining fund information of the primary government of Livingston Parish Council as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, Health Unit Special Revenue Fund, Jail Sales Tax Special Revenue Fund, and Road Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Council implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 5, and the supplementary schedules required by GASB No. 68 on pages 84 and 85 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 (GASB), 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 primary government financial statements that collectively comprise Livingston Parish Council's primary government financial statements. The schedules listed in the table of contents as Schedules 1 through 5 are presented for purposes of additional analysis and are not a required part of the Council's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also not a 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. The 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2016, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Livingston Parish Council's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Covington, LA
June 22, 2016

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Introduction

Livingston Parish Council (the Council) is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (GASB 34), and related standards.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Council's financial activity, (c) identify changes in the Council's financial position, (d) identify any significant variations from the Council's financial plan, and (e) identify individual fund issues or concerns.

Since management's discussion and analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Council's financial statements starting on page 13 of this report.

Financial Highlights

- At December 31, 2015, the Council's assets exceeded its liabilities by \$97,344,934 (net position). Of this amount, \$61,495,401 is net investment in capital assets; \$945,547 is restricted for construction; \$7,697,876 is restricted to meet the Council's ongoing obligations to its citizens for debt service; \$79,332 is restricted for the criminal court; and \$97,896 is restricted for grant expenses, leaving an unrestricted surplus of \$27,028,882.
- At December 31, 2015, the Council's governmental funds reported a combined ending fund balance of \$30,070,049. Of this amount, 3.1%, or \$945,547, is restricted for construction and 1.6%, or \$467,590, is committed for construction; 25.6%, or \$7,697,876, is restricted for debt service; 0.8%, or \$231,759, is nonspendable for inventory; 12.4%, or \$3,731,708, is nonspendable for advances; 0.3%, or \$97,896, is restricted for grant expenditures, while 1.6%, or \$470,867, is committed for grant expenditures; 21.8%, or \$6,556,906, is assigned to Health Unit Fund expenditures; 26.6%, or \$7,989,279, is assigned to Road Fund expenditures; 0.3%, or \$79,332, is restricted for the criminal court and 6.1%, or \$1,840,571, is assigned to court fees, while 1.4%, or \$409,097, is assigned to various other purposes; and \$463,612 is an unassigned deficit fund balance.

Overview of the Annual Financial Report

The financial statements' focus is on both the Council as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Council's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities. The MD&A is intended to serve as an introduction to the Council's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to a private-sector business.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

The statement of net position presents information on the Council's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The statement of activities presents information showing how the Council's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the Council's revenues. This is intended to summarize and simplify the reader's analysis of the cost and/or subsidy of various governmental services.

In both of the government-wide financial statements, the Council's activities are divided into two types:

1. Governmental activities - Most of the Council's basic services are reported here and are financed primarily through governmental activities.
2. Business-type activities - The Council charges a fee to customers to help it cover most of the cost of the services provided. The activities of the Utility Enterprise Fund are reported in this section.

The government-wide financial statements include only the Livingston Parish Council (no component units of the Livingston Parish Council are included) and can be found on pages 13 and 14 of this report.

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. The Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Council uses two categories of funds to account for financial transactions: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements' presentation more familiar.

Governmental funds are used to account for most of the Council's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund financial statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. The basic governmental fund financial statements can be found on pages 16 through 25 of this report.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Because the focus of governmental funds is narrower than the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Council's more immediate decisions on the current use of financial resources. 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.

Proprietary funds account for utility services provided by the Council to its customers. The proprietary fund statements provide the same type of information as the government-wide financial statements, but the fund's presentation provides more detail. The basic proprietary fund financial statements can be found on pages 26 through 29 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Council's own programs.

Notes to the Financial Statements

The notes to the financial statements 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 start on page 31 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Council's net position for the current year. For more detailed information, see the statement of net position on page 13 of this report.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and Other Assets	\$ 36,010,567	\$ 35,524,666	\$ 523,908	\$ 353,869	\$ 36,534,475	\$ 35,878,535
Capital Assets	136,489,572	143,336,472	7,050,996	7,876,002	142,540,568	151,212,474
Total Assets	171,500,139	178,861,138	7,574,904	8,229,871	179,075,043	187,091,009
Deferred Outflows of Resources	4,863,936	4,057,845	-	-	4,863,936	4,057,845
Total Assets and Deferred Outflows of Resources	176,364,075	182,918,983	7,574,904	8,229,871	183,938,979	191,148,854
Liabilities						
Current Liabilities	12,477,886	12,476,015	124,594	118,081	12,602,480	12,594,096
Other Liabilities	71,567,604	79,109,380	2,306,910	2,401,440	73,874,514	81,510,820
Total Liabilities	84,045,490	91,585,395	2,431,504	2,519,521	86,476,994	94,104,916
Deferred Inflows of Resources	117,051	-	-	-	117,051	-
Total Liabilities and Deferred Inflows of Resources	84,162,541	91,585,395	2,431,504	2,519,521	86,594,045	94,104,916
Net Position						
Net Investment in Capital Assets	56,844,478	57,658,796	4,650,923	5,383,440	61,495,401	63,042,236
Restricted	8,820,651	11,159,044	-	-	8,820,651	11,159,044
Unrestricted	26,536,405	22,515,748	492,477	326,910	27,028,882	22,842,658
Total Net Position	\$ 92,201,534	\$ 91,333,588	\$ 5,143,400	\$ 5,710,350	\$ 97,344,934	\$ 97,043,938

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

A condensed version of the Government-Wide Statement of Activities is presented as follows:

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ 3,168,119	\$ 3,014,971	\$ 168,381	\$ 168,749	\$ 3,336,500	\$ 3,183,720
Operating Grants and Contributions	12,397,362	4,049,186	-	-	12,397,362	4,049,186
Capital Grants and Contributions	636,009	3,125,456	46,206	100,000	682,215	3,225,456
General Revenues						
Taxes	24,347,372	24,148,145	-	-	24,347,372	24,148,145
Royalties	1,685,500	1,753,773	-	-	1,685,500	1,753,773
Miscellaneous	2,265,980	2,080,149	-	-	2,265,980	2,080,149
Use of Money and Property	72,069	54,818	1,580	328	73,649	55,146
Total Revenues	44,572,411	38,226,498	216,167	269,077	44,788,578	38,495,575
Expenses						
General Government	6,432,945	6,117,497	-	-	6,432,945	6,117,497
Public Safety	10,395,242	5,072,256	-	-	10,395,242	5,072,256
Public Works	21,646,233	16,464,589	-	-	21,646,233	16,464,589
Health and Welfare	1,757,186	1,643,186	-	-	1,757,186	1,643,186
Culture and Recreation	648,805	648,023	-	-	648,805	648,023
Economic Development	27,000	27,000	-	-	27,000	27,000
Water and Sewer	-	-	1,233,117	883,938	1,233,117	883,938
Debt Service Interest and Fees	3,232,442	4,658,876	-	-	3,232,442	4,658,876
Total Expenses	44,139,853	34,631,427	1,233,117	883,938	45,372,970	35,515,365
Transfers						
Interfund Transfers	(450,000)	(450,000)	450,000	450,000	-	-
Transfer from Component Unit	268,916	-	-	-	268,916	-
Total Transfers	(181,084)	(450,000)	450,000	450,000	268,916	-
Change in Net Position	251,474	3,145,071	(566,950)	(164,861)	(315,476)	2,980,210
Net Position, Beginning of Year, as Previously Reported	91,333,588	88,188,517	5,710,350	5,875,211	97,043,938	94,063,728
Cumulative Effect of Change in Accounting Principles	616,472	-	-	-	616,472	-
Net Position, Beginning of Year, as Restated	91,950,060	-	5,710,350	-	97,660,410	-
Net Position, End of Year	\$ 92,201,534	\$ 91,333,588	\$ 5,143,400	\$ 5,710,350	\$ 97,344,934	\$ 97,043,938

Approximately 63% of the Council's net position reflects its investment in capital assets (land, buildings, furniture, equipment), net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for fixture spending.

Approximately 9% of the Council's net position represents resources that are subject to external restriction on how they may be used. The Council's restricted assets consist of reserves required for capital outlay projects and debt service.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Approximately 28% of the Council's net position is unrestricted and may be used to meet the Council's ongoing obligations to its citizens at the Council's discretion.

At the end of the current fiscal year, the Council was able to report positive balances in both categories of net position - governmental activities and business-type activities.

In order to further understand what makes up the changes in net position, see the statement of activities on page 14 of this report.

The statement of activities reflects the Livingston Parish Council's revenues and expenses by program. A summary follows:

General Revenues		
Taxes	\$ 24,347,372	86%
Royalties	1,685,500	6%
Miscellaneous	2,265,980	8%
Use of Money and Property	73,649	0%
Total	\$ 28,372,501	100%

Livingston Parish Council's program expenses from governmental activities are detailed by function on the statement of activities. A summary follows:

General Government	\$ 6,432,945	15%
Public Safety	10,395,242	24%
Public Works	21,646,233	49%
Health and Welfare	1,757,186	4%
Culture and Recreation	648,805	1%
Economic Development	27,000	0%
Debt Service Interest and Fees	3,232,442	7%
Total	\$ 44,139,853	100%

There are \$44.1 million in total expenses for governmental activities and about \$1.2 million in business-type activities from sewer and water services. Public works expenses account for \$21.6 million, or 49%, which is related to the construction and maintenance of parish-wide roads, bridges, and related drainage. Public safety expenses account for \$10.4 million, or 23.6%, which is related to the operation of the Livingston Parish Jail and the Office of Homeland Security and Emergency Preparedness. General government expenses account for \$6.4 million, or 14.6%, which is related to overall council government and the judicial system. After public works and public safety, debt service interest and fees is the largest governmental expense, and will remain so for at least ten years. This accounts for \$3.2 million, or 7.3%, of total governmental activities. Other expenses, including health and welfare, culture and recreation, and economic development, totaled \$2.4 million, or 5.5%, of total expenses.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 16 through 25 of this report.

At the end of the current year, the Council's governmental funds reported a combined ending fund balance of \$30,070,049. This represents an increase of \$873,107 from the prior year's ending balance. This increase is largely due to increased sales tax revenues.

Within governmental funds, there are intra-fund appropriations called transfers. These amounts are reported on the governmental funds in the statement of revenues, expenditures, and changes in fund balances. By their nature, transfers balance among governmental funds and are eliminated on the statement of activities. The largest single use of transfers is from special revenue funds to debt service funds in order to pay the debt service.

In analyzing the fund balances of the individual funds, we found that the Jail Sales Tax Fund has the most serious problem. This fund accounts for the expenses of the Livingston Parish Jail. We anticipate that in 2021, after the jail debt is paid off, the Jail Sales Tax Fund will begin repaying its debt to the General Fund and have the ability to operate independently.

This approximately \$3.7 million, which is due to transfers from other funds, adversely affects the General Fund and Health Unit Fund; however, this amount is not readily collectible.

Major Governmental Fund Budgetary Highlights

Livingston Parish Council demonstrated legal compliance by adopting and amending budgets in accordance with provisions of the Local Government Budget Act, with the exception of the Health Unit Fund and the Jail Sales Tax Fund, as detailed in Note 26.

Capital Assets and Debt Administration

Capital Assets

The Council's investment in capital assets as of December 31, 2015 amounted to \$135,489,572 (net of depreciation) for its governmental activities and \$7,050,996 (net of depreciation) for its business-type activities.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

The following table provides a summary of the Council's capital assets (net of depreciation) for governmental activities at the end of the current year as compared to the prior year. For more detailed information, see Note 10 to the financial statements.

	2015	2014
Land	\$ 6,164,832	\$ 5,844,429
Buildings	61,817,056	63,611,610
Recreational Facilities	3,311,941	3,405,897
Improvements/Infrastructure	56,399,024	61,166,301
Machinery and Equipment	1,682,355	1,840,441
Furniture and Fixtures	186,909	18,206
Sewer System	1,601,051	1,742,799
Construction in Progress	4,326,404	5,706,789
Total	\$ 135,489,572	\$ 143,336,472

Long-Term Debt

At December 31, 2015, the Council had total debt outstanding of \$81,442,534. Of this total, \$7,473,612 is due within one year and \$71,567,604 is due after one year for its governmental activities and \$94,408 is due within one year and \$2,306,910 is due after one year for its business-type activities.

Contacting the Council's Financial Management

This financial report is designed to provide the Council's users with a general overview of the Council's finances and show the Council's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Livingston Parish Council, Finance Department, 20399 Government Blvd., Post Office Box 427, Livingston, Louisiana 70754. The Council's telephone number is (225) 686-2266.

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

LIVINGSTON PARISH COUNCIL
Statement of Net Position
December 31, 2015

Statement A

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 10,951,230	\$ 424,438	\$ 11,375,668
Investments	3,410,079	-	3,410,079
Receivables, Net of Allowance	1,015,336	12,935	1,028,271
Inventory	231,759	-	231,759
Internal Balances	22,383	(22,383)	-
Due from Other Governments	12,808,896	2,231	12,811,127
Due from Component Unit	116,846	-	116,846
Unamortized Bond Insurance Premiums	313,827	-	313,827
Prepaid Items	329,158	670	329,828
Restricted Assets			
Cash	6,811,053	106,017	6,917,070
Capital Assets			
Non-Depreciable	10,491,236	13,243	10,504,479
Depreciable - Net	124,998,336	7,037,753	132,036,089
Total Assets	171,500,139	7,574,904	179,075,043
Deferred Outflows of Resources			
Deferred Amount on Refunding of Debt	4,129,145	-	4,129,145
Deferred Charges - Pensions	734,791	-	734,791
Total Deferred Outflows of Resources	4,863,936	-	4,863,936
Liabilities			
Accounts Payable and Accrued Expenses	2,796,656	28,848	2,825,504
Due to Other Governments	1,110,280	-	1,110,280
Due to Component Units	142,562	-	142,562
Unearned Revenue	19,700	-	19,700
Accrued Bond Interest Payable	935,076	1,338	936,414
Non-Current Liabilities			
Due Within One Year	7,473,612	94,408	7,568,020
Due in More than One Year	71,567,604	2,306,910	73,874,514
Total Liabilities	84,045,490	2,431,504	86,476,994
Deferred Inflows of Resources			
Deferred Charges - Pensions	117,051	-	117,051
Total Deferred Inflows of Resources	117,051	-	117,051
Net Position			
Net Investment in Capital Assets	56,844,478	4,650,923	61,495,401
Restricted for:			
Construction	945,547	-	945,547
Criminal Court	79,332	-	79,332
Debt Service	7,697,876	-	7,697,876
Grant	97,896	-	97,896
Unrestricted	26,536,405	492,477	27,028,882
Total Net Position	\$ 92,201,534	\$ 5,143,400	\$ 97,344,934

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

LIVINGSTON PARISH COUNCIL
Statement of Activities
For the Year Ended December 31, 2015

Statement B

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
General Government	\$ 6,432,945	\$ 569,603	\$ 3,039,509	\$ 249,735	\$ (2,574,098)	\$ -	\$ (2,574,098)
Public Safety	10,395,242	2,552,210	6,194,598	-	(1,648,434)	-	(1,648,434)
Public Works	21,646,233	4,234	1,767,132	386,274	(19,488,593)	-	(19,488,593)
Health and Welfare	1,757,186	42,072	295,939	-	(1,419,175)	-	(1,419,175)
Culture and Recreation	648,805	-	-	-	(648,805)	-	(648,805)
Economic Development	27,000	-	-	-	(27,000)	-	(27,000)
Debt Service Interest and Fees	3,232,442	-	1,100,184	-	(2,132,258)	-	(2,132,258)
Total Governmental Activities	44,139,853	3,168,119	12,397,362	636,009	(27,938,363)	-	(27,938,363)
Business-Type Activities							
Utilities - Water and Sewer	1,233,117	168,381	-	46,206	-	(1,018,530)	(1,018,530)
Total Business-Type Activities	1,233,117	168,381	-	46,206	-	(1,018,530)	(1,018,530)
Total	\$ 45,372,970	\$ 3,336,500	\$ 12,397,362	\$ 682,215	(27,938,363)	(1,018,530)	(28,956,893)
General Revenues							
Taxes							
Ad Valorem Taxes					5,169,588	-	5,169,588
Sales Taxes					16,609,411	-	16,609,411
Franchise Taxes					1,518,676	-	1,518,676
Occupational					1,049,697	-	1,049,697
Royalties					1,685,500	-	1,685,500
Miscellaneous					2,265,980	-	2,265,980
Use of Money and Property					72,069	1,580	73,649
Transfers							
Interfund Transfer					(450,000)	450,000	-
Special Item - Transfer from Component Unit					268,916	-	268,916
Total General Revenues and Transfers					28,189,837	451,580	28,641,417
Change in Net Position					251,474	(566,950)	(315,476)
Net Position, Beginning of Year, as Previously Reported					91,333,588	5,710,350	97,043,938
Cumulative Effect of Change in Accounting Principles					616,472	-	616,472
Net Position, Beginning of Year, as Restated					91,950,060	5,710,350	97,660,410
Net Position, End of Year					\$ 92,201,534	\$ 5,143,400	\$ 97,344,934

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

**BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS**

LIVINGSTON PARISH COUNCIL
Balance Sheet
Governmental Funds
December 31, 2015

	General Fund	Health Unit Fund	Jail Sales Tax Fund	Road Fund
Assets				
Cash and Cash Equivalents	\$ 53,486	\$ 2,827,050	\$ -	\$ 4,649,898
Pooled Cash in Other Funds	3,206,017	-	-	-
Investments	71,276	3,069,876	-	268,927
Receivables, Net of Allowance	522,803	70	3,317	364
Restricted Assets				
Cash	97,896	-	-	-
Inventory	-	-	15,947	215,812
Due from Component Unit	-	-	-	-
Due from Other Funds	4,026,470	-	-	1,388,509
Due from Other Governments	1,467,200	1,001,405	760,671	4,739,168
Advance to Jail Sales Tax Fund	3,431,708	300,000	-	-
Total Assets	\$ 12,876,856	\$ 7,198,401	\$ 779,935	\$ 11,262,678
Liabilities and Fund Balances (Deficits)				
Liabilities				
Accounts Payable	\$ 301,132	\$ 20,943	\$ 213,007	\$ 474,302
Deficit in Pooled Cash	-	-	2,064,910	-
Accrued Expenses Payable	237,941	45,536	36,493	238,487
Due to Component Units	-	-	-	-
Due to Other Governments	255,886	47,467	60,856	125,407
Due to Other Funds	837,948	227,549	2,624,842	1,303,434
Unearned Revenue	19,700	-	-	-
Advance from Other Funds	-	-	3,731,708	-
Total Liabilities	1,652,607	341,495	8,731,816	2,141,630
Fund Balances (Deficits)				
Nonspendable:				
Inventory	-	-	15,947	215,812
Advances	3,431,708	300,000	-	-
Restricted for:				
Construction	-	-	-	-
Criminal Court	-	-	-	-
Criminal Court Witness	-	-	-	-
Debt Service	-	-	-	-
Grant Expenditures	97,896	-	-	-
Committed for:				
Construction	-	-	-	467,590
State Grant Programs	-	-	-	448,367
Federal Grant Programs	22,500	-	-	-
Other Purposes	15,233	-	-	-
Assigned to:				
Bingo	-	-	-	-
Court Fees	-	-	-	-
Health Unit	-	6,556,906	-	-
Road	-	-	-	7,989,279
Other Purposes	248,113	-	-	-
Unassigned	7,408,799	-	(7,967,828)	-
Total Fund Balances (Deficits)	11,224,249	6,856,906	(7,951,881)	9,121,048
Total Liabilities and Fund Balances (Deficits)	\$ 12,876,856	\$ 7,198,401	\$ 779,935	\$ 11,262,678

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

Statement C

Road 06 Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,416,796	\$ 10,947,230
-	-	3,206,017
-	-	3,410,079
-	488,782	1,015,336
3,405,391	3,311,766	6,815,053
-	-	231,759
-	116,846	116,846
-	-	5,414,979
-	3,612,117	11,580,561
-	-	3,731,708
\$ 3,405,391	\$ 10,946,307	\$ 46,469,568
\$ -	\$ 1,209,273	\$ 2,218,657
-	1,141,107	3,206,017
-	19,542	577,999
-	142,562	142,562
-	620,664	1,110,280
-	398,823	5,392,596
-	-	19,700
-	-	3,731,708
-	3,531,971	16,399,519
-	-	231,759
-	-	3,731,708
-	945,547	945,547
-	36,532	36,532
-	42,800	42,800
3,405,391	4,292,485	7,697,876
-	-	97,896
-	-	467,590
-	-	448,367
-	-	22,500
-	-	15,233
-	7,140	7,140
-	1,840,571	1,840,571
-	-	6,556,906
-	-	7,989,279
-	153,844	401,957
-	95,417	(463,612)
3,405,391	7,414,336	30,070,049
\$ 3,405,391	\$ 10,946,307	\$ 46,469,568

LIVINGSTON PARISH COUNCIL
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2015

Statement D

Fund Balances - Total Governmental Funds	\$ 30,070,049
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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 funds:

Governmental Capital Assets	248,796,284	
Less: Accumulated Depreciation	<u>(113,306,712)</u>	
		135,489,572

Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Unamortized Bond Insurance Premiums	313,827	
Prepaid Insurance	<u>329,158</u>	
		642,985

Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures:

Property Taxes	990,617	
Louisiana Revenue Sharing	<u>237,718</u>	
		1,228,335

In 2015, the Council implemented the requirements of GASB Statement No. 68, which provides for the recognition of pension obligations. This includes the recognition of related deferred outflows and inflows.

	<u>617,740</u>	617,740
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Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds and Leases Payable	(76,130,348)	
Accrued Interest Payable on Bonds	(935,076)	
Net Unamortized Bond (Premiums) Paid or Discounts Withheld	(2,514,746)	
Deferred Amount on Refunding of Debt	4,129,145	
Net Pension Liability	(16,714)	
Compensated Absences Payable	<u>(379,408)</u>	
		<u>(75,847,147)</u>

Net Position of Governmental Activities	\$ <u>92,201,534</u>
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The accompanying notes are an integral part of these financial statements.

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Health Unit Fund	Jail Sales Tax Fund	Road Fund
Revenues				
Taxes				
Property Taxes	\$ 970,207	\$ 1,257,611	\$ -	\$ 2,413,970
Sales Taxes	-	-	4,152,353	12,457,058
Franchise Taxes	1,381,957	-	-	-
Occupational	1,049,697	-	-	-
Royalties	1,685,500	-	-	-
Licenses and Permits	1,421,853	42,072	-	-
Fines and Forfeitures	20,850	-	45,443	-
Fees and Commissions	163,491	-	-	4,234
Intergovernmental Revenues				
Federal Sources	3,279,637	2,852	4,495	383,770
State and Local Sources	1,563,396	52,710	-	774,116
Miscellaneous	350,317	-	3,839	3,740
Use of Money and Property	43,855	7,759	-	6,799
Total Revenues	11,930,760	1,363,004	4,206,130	16,043,687
Expenditures				
Current				
General Government	5,103,046	-	-	-
Public Safety	1,537,917	-	2,861,925	-
Public Works	65,851	-	-	9,524,102
Health and Welfare	260,645	1,122,683	-	-
Culture and Recreation	-	-	-	-
Economic Development	27,000	-	-	-
Total Current	6,994,459	1,122,683	2,861,925	9,524,102
Debt Service				
Bond Issuance Costs	-	-	-	-
Principal	-	-	-	91,437
Interest and Fees	3,300	1,000	8,081	16,149
Total Debt Service	3,300	1,000	8,081	107,586
Capital Outlay				
General Government	3,191,271	-	-	-
Public Safety	5,158	-	44,455	-
Public Works	-	-	-	723,942
Health and Welfare	-	24,780	-	-
Total Capital Outlay	3,196,429	24,780	44,455	723,942
Total Expenditures	10,194,188	1,148,463	2,914,461	10,355,630
Excess (Deficiency) of Revenues Over Expenditures	1,736,572	214,541	1,291,669	5,688,057
Other Financing Sources (Uses)				
Transfers In	2,249,460	-	-	-
Transfers Out	(2,412,221)	(97,000)	(1,880,989)	(5,192,271)
Transfers from Component Units	-	-	-	-
Refunding Bonds Issued	-	-	-	-
Premium Received on Bonds Issued	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	(162,761)	(97,000)	(1,880,989)	(5,192,271)
Net Change in Fund Balances	1,573,811	117,541	(589,320)	495,786
Fund Balances (Deficits), Beginning of Year	9,650,438	6,739,365	(7,362,561)	8,625,262
Fund Balances (Deficits), End of Year	\$ 11,224,249	\$ 6,856,906	\$ (7,951,881)	\$ 9,121,048

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

Statement E

Road 06 Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 482,917	\$ 5,124,705
-	-	16,609,411
-	136,719	1,518,676
-	-	1,049,697
-	-	1,685,500
-	17,214	1,481,139
-	1,496,046	1,562,339
-	-	167,725
-	4,888,376	8,559,130
-	1,013,797	3,404,019
-	1,586,582	1,944,478
204	13,452	72,069
204	9,635,103	43,178,888
-	664,821	5,767,867
-	5,345,645	9,745,487
-	2,500,000	12,089,953
-	-	1,383,328
-	18,987	18,987
-	-	27,000
-	8,529,453	29,032,622
-	144,923	144,923
3,570,000	3,055,000	6,716,437
1,061,950	2,125,432	3,215,912
4,631,950	5,325,355	10,077,272
-	-	3,191,271
-	23,850	73,463
-	-	723,942
-	-	24,780
-	23,850	4,013,456
4,631,950	13,878,658	43,123,350
(4,631,746)	(4,243,555)	55,538
4,565,271	3,631,591	10,446,322
-	(1,313,841)	(10,896,322)
-	1,369,100	1,369,100
-	3,820,000	3,820,000
-	112,207	112,207
-	(4,033,738)	(4,033,738)
4,565,271	3,585,319	817,569
(66,475)	(658,236)	873,107
3,471,866	8,072,572	29,196,942
\$ 3,405,391	\$ 7,414,336	\$ 30,070,049

LIVINGSTON PARISH COUNCIL
Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2015

Statement F

Net Change in Fund Balances - Total Governmental Funds	\$ 873,107
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>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 through depreciation expense. This is the amount by which depreciation exceeded capital outlay charged in the current period.</p>	(7,846,900)
<p>Because some revenues will not be collected for several months after year-end, they are not considered "available" revenues in the governmental funds:</p>	
<p>Property Tax Revenue</p>	44,883
<p>Louisiana Revenue Sharing</p>	(29,962)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
	7,069,660
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>	
<p>Change in Prepaid Expenses</p>	21,751
<p>Change in Retirement Expense</p>	(15,445)
<p>Change in Compensated Absences Payable</p>	347
<p>Change in Accrued Interest Expense</p>	<u>134,033</u>
<p>Change in Net Position of Governmental Activities</p>	<u>\$ 251,474</u>

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - General Fund

Statement G-1

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Property Taxes	\$ 940,000	\$ 940,000	\$ 970,207	\$ 30,207
Franchise Taxes	1,275,000	1,370,454	1,381,957	11,503
Occupational Taxes	906,500	975,000	1,049,697	74,697
Royalties	1,490,000	1,704,557	1,685,500	(19,057)
Licenses and Permits	1,080,000	1,439,803	1,421,853	(17,950)
Fines and Forfeitures	33,000	23,534	20,850	(2,684)
Fees and Commissions	208,000	233,008	163,491	(69,517)
Intergovernmental Revenues				
Federal Sources	2,620,000	4,516,351	3,279,637	(1,236,714)
State and Local Sources	2,120,000	20,043	1,563,396	1,543,353
Miscellaneous	80,500	348,285	350,317	2,032
Use of Money and Property	25,100	45,212	43,855	(1,357)
Total Revenues	10,778,100	11,616,247	11,930,760	314,513
Expenditures				
Current Expenditures				
General Government	7,435,904	8,055,131	5,103,046	2,952,085
Public Safety	1,364,791	1,420,117	1,537,917	(117,800)
Public Works	62,321	58,980	65,851	(6,871)
Health and Welfare	237,696	280,598	260,645	19,953
Culture and Recreation	1,500	2,148	-	2,148
Economic Development	112,500	100,757	27,000	73,757
Total Current Expenditures	9,214,712	9,917,731	6,994,459	2,923,272
Debt Service				
Interest and Fees	-	-	3,300	(3,300)
Total Debt Service	-	-	3,300	(3,300)
Capital Outlay				
General Government	-	-	3,191,271	(3,191,271)
Public Safety	-	-	5,158	(5,158)
Total Capital Outlay	-	-	3,196,429	(3,196,429)
Total Expenditures	9,214,712	9,917,731	10,194,188	(276,457)
Excess of Revenues Over Expenditures	1,563,388	1,698,516	1,736,572	38,056
Other Financing Sources (Uses)				
Governmental Transfers In	1,515,000	2,249,461	2,249,460	(1)
Governmental Transfers Out	(2,024,139)	(2,412,221)	(2,412,221)	-
Total Other Financing Sources (Uses)	(509,139)	(162,760)	(162,761)	(1)
Net Change in Fund Balance	\$ 1,054,249	\$ 1,535,756	1,573,811	\$ 38,055
Fund Balance, Beginning of Year			9,650,438	
Fund Balance, End of Year			\$ 11,224,249	

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - Health Unit Special Revenue Fund
For the Year Ended December 31, 2015

Statement G-2

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Property Taxes	\$ -	\$ 1,000,000	\$ 1,257,611	\$ 257,611
Licenses and Permits	35,000	35,000	42,072	7,072
Intergovernmental Revenues				
Federal Sources	-	-	2,852	2,852
State and Local Sources	61,000	61,850	52,710	(9,140)
Miscellaneous	-	-	-	-
Use of Money and Property	8,000	7,629	7,759	130
Total Revenues	104,000	1,104,479	1,363,004	258,525
Expenditures				
Current Expenditures				
Health and Welfare	1,071,944	1,074,205	1,122,683	(48,478)
Total Current Expenditures	1,071,944	1,074,205	1,122,683	(48,478)
Debt Service				
Interest and Fees	1,000	1,000	1,000	-
Total Debt Service	1,000	1,000	1,000	-
Capital Outlay				
Health and Welfare	-	-	24,780	(24,780)
Total Capital Outlay	-	-	24,780	(24,780)
Total Expenditures	1,072,944	1,075,205	1,148,463	(73,258)
Excess (Deficiency) of Revenues Over Expenditures	(968,944)	29,274	214,541	185,267
Other Financing Uses				
Governmental Transfers Out	(73,000)	(97,000)	(97,000)	-
Total Other Financing Uses	(73,000)	(97,000)	(97,000)	-
Net Change in Fund Balance	\$ (1,041,944)	\$ (67,726)	117,541	\$ 185,267
Fund Balance, Beginning of Year			6,739,365	
Fund Balance, End of Year			\$ 6,856,906	

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - Jail Sales Tax Special Revenue Fund
For the Year Ended December 31, 2015

Statement G-3

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Sales Taxes	\$ 3,600,000	\$ 3,750,000	\$ 4,152,353	\$ 402,353
Fees and Commissions	35,000	41,411	45,443	4,032
Intergovernmental Revenues				
Federal Sources	-	-	4,495	4,495
Miscellaneous	2,550	3,100	3,839	739
Total Revenues	3,637,550	3,794,511	4,206,130	411,619
Expenditures				
Current Expenditures				
Public Safety	2,324,957	2,216,344	2,861,925	(645,581)
Total Current Expenditures	2,324,957	2,216,344	2,861,925	(645,581)
Debt Service				
Interest and Fees	4,000	4,081	8,081	(4,000)
Total Debt Service	4,000	4,081	8,081	(4,000)
Capital Outlay				
Public Safety	-	195,455	44,455	151,000
Total Capital Outlay	-	195,455	44,455	151,000
Total Expenditures	2,328,957	2,415,880	2,914,461	(498,581)
Excess of Revenues Over Expenditures	1,308,593	1,378,631	1,291,669	(86,962)
Other Financing Uses				
Governmental Transfers Out	(1,869,885)	(1,881,036)	(1,880,989)	47
Total Other Financing Uses	(1,869,885)	(1,881,036)	(1,880,989)	47
Net Change in Fund Balance	\$ (561,292)	\$ (502,405)	(589,320)	\$ (86,915)
Fund Deficit, Beginning of Year			(7,362,561)	
Fund Deficit, End of Year			\$ (7,951,881)	

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - Road Special Revenue Fund
For the Year Ended December 31, 2015

Statement G-4

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Property Taxes	\$ 1,850,000	\$ 2,000,000	\$ 2,413,970	\$ 413,970
Sales Taxes	10,400,000	11,250,000	12,457,058	1,207,058
Fees and Commissions	25,000	4,234	4,234	-
Intergovernmental Revenues				
Federal Sources	300,000	90,559	383,770	293,211
State and Local Sources	445,000	567,326	774,116	206,790
Miscellaneous	53,000	25,427	3,740	(21,687)
Use of Money and Property	8,000	6,509	6,799	290
Total Revenues	13,081,000	13,944,055	16,043,687	2,099,632
Expenditures				
Current Expenditures				
Public Works	10,204,017	12,091,128	9,524,102	2,567,026
Total Current Expenditures	10,204,017	12,091,128	9,524,102	2,567,026
Debt Service				
Principal	-	83,737	91,437	(7,700)
Interest and Fees	3,750	15,523	16,149	(626)
Total Debt Service	3,750	99,260	107,586	(8,326)
Capital Outlay				
Public Works	200,000	850,000	723,942	126,058
Total Capital Outlay	200,000	850,000	723,942	126,058
Total Expenditures	10,407,767	13,040,388	10,355,630	2,684,758
Excess of Revenues Over Expenditures	2,673,233	903,667	5,688,057	4,784,390
Other Financing Uses				
Governmental Transfers Out	(4,975,752)	(5,192,271)	(5,192,271)	-
Total Other Financing Uses	(4,975,752)	(5,192,271)	(5,192,271)	-
Net Change in Fund Balance	\$ (2,302,519)	\$ (4,288,604)	495,786	\$ 4,784,390
Fund Balance, Beginning of Year			8,625,262	
Fund Balance, End of Year			\$ 9,121,048	

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

LIVINGSTON PARISH COUNCIL
Statement of Net Position
Proprietary Fund
December 31, 2015

Statement H

Assets	
Current Assets	
Cash and Cash Equivalents	\$ 424,438
Accounts Receivable (Net of Allowance for Uncollectible Accounts of \$812,254)	15,166
Due from Other Funds	<u>517,617</u>
Total Current Assets	<u>957,221</u>
Non-Current Assets	
Restricted Assets	
Bond Covenant Cash Accounts	<u>106,017</u>
Capital Assets	
Land	13,243
Sewer and Water System	<u>9,432,831</u>
Total Capital Assets	9,446,074
Less Accumulated Depreciation	<u>(2,395,078)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>7,050,996</u>
Other Assets	
Deposits	<u>670</u>
Total Non-Current Assets	<u>7,157,683</u>
Total Assets	<u>8,114,904</u>
Liabilities	
Current Liabilities	
Accounts Payable	18,483
Accrued Expenses Payable	7,185
Accrued Interest Payable	1,338
Due to Other Funds	540,000
Customer Deposits	3,180
Current Portion of Long-Term Debt	<u>94,408</u>
Total Current Liabilities	<u>664,594</u>
Non-Current Liabilities	
Debt Payable after One Year	2,305,665
Accumulated Unpaid Vacation	<u>1,245</u>
Total Non-Current Liabilities	<u>2,306,910</u>
Total Liabilities	<u>2,971,504</u>
Net Position	
Net Investment in Capital Assets	4,650,923
Unrestricted	<u>492,477</u>
Total Net Position	<u>\$ 5,143,400</u>

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2015

Statement I

Operating Revenues	
Charges for Services	\$ 168,381
Total Operating Revenues	<u>168,381</u>
Operating Expenses	
Personal Services	68,988
Repairs and Maintenance	55,910
Utilities and Telephone	47,025
Employee Benefits	37,638
Professional Services	35,801
Bad Debt Expense	14,494
Office Expenses	4,128
Cost of Materials	2,810
Depreciation	<u>297,410</u>
Total Operating Expenses	<u>564,204</u>
Operating Loss	<u>(395,823)</u>
Non-Operating Revenues (Expenses)	
Interest Income	1,580
Federal Grants	2,231
State and Local Grants	43,975
Loss on Disposal of Construction in Progress	(572,896)
Interest on Long-Term Debt	<u>(96,017)</u>
Total Non-Operating Revenues (Expenses)	<u>(621,127)</u>
Income Before Transfers	(1,016,950)
Transfers In	<u>450,000</u>
Change in Net Position	(566,950)
Net Position, Beginning of Year	<u>5,710,350</u>
Net Position, End of Year	<u>\$ 5,143,400</u>

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

LIVINGSTON PARISH COUNCIL
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2015

Statement J

Cash Flows from Operating Activities	
Cash Received from Customers	\$ 151,656
Payments to Suppliers	(139,930)
Payments to Employees and for Benefits	<u>(108,015)</u>
Net Cash Used in Operating Activities	<u>(96,289)</u>
Cash Flows from Non-Capital and Related Financing Activities	
Transfers from Other Funds	<u>450,000</u>
Net Cash Provided by Non-Capital and Related Financing Activities	<u>450,000</u>
Cash Flows from Capital and Related Financing Activities	
Capital Grants	2,231
Interest Paid on Long-Term Debt	(97,225)
Principal Paid on Long-Term Debt	<u>(92,489)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(187,483)</u>
Cash Flows from Investing Activities	
Interest Received	<u>1,580</u>
Net Cash Provided by Investing Activities	<u>1,580</u>
Net Increase in Cash and Cash Equivalents	167,808
Cash and Cash Equivalents, Beginning of Year	<u>362,647</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 530,455</u></u>

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

LIVINGSTON PARISH COUNCIL
Statement of Cash Flows (Continued)
Proprietary Fund
For the Year Ended December 31, 2015

Statement J

Reconciliation of Operating Loss to Net Cash	
Used in Operating Activities	
Operating Loss	\$ (395,823)
Adjustments to Reconcile Operating Loss to Net Cash	
Used in Operating Activities	
Depreciation	297,410
Provision for Bad Debts	14,494
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(16,725)
Increase in Accounts Payable	5,744
Decrease in Accrued Expenses	<u>(1,389)</u>
Net Cash Used in Operating Activities	<u>\$ (96,289)</u>
Reconciliation of Cash at Year End to the	
Statement of Net Position	
Cash and Cash Equivalents	\$ 424,438
Bond Covenant Accounts	<u>106,017</u>
Cash and Cash Equivalents, End of Year	<u>\$ 530,455</u>

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

NOTES TO FINANCIAL STATEMENTS

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Introduction

Livingston Parish Council (the Council) is the governing authority for Livingston Parish, Louisiana (the Parish), and is a political subdivision of the State of Louisiana. Beginning in 1996, the Council operated as a President/Council form of government which operates under a home rule charter. Prior to 1996, the Parish operated under the police jury system of government. The Livingston Parish Home Rule Charter operates with an elected Parish President, who is the chief executive officer of the Parish and the head of the executive branch of Parish government, and an elected nine member council, which is the legislative branch of the government. The Council enacts ordinances, sets policies, and establishes programs for social welfare, transportation, drainage, industrial inducement, and health services.

The area of Livingston Parish is approximately 702 square miles and the Council maintains 724 miles of roads. The estimated population of Livingston Parish is 128,549 based on the 2010 census and the Council employs approximately 235 persons, as of December 31, 2015.

Louisiana Revised Statute 33:1236 gives the President and the Council various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of those are the power to make regulations for its own government, to regulate the construction and maintenance of roads, bridges, and drainage, to regulate the sale of alcoholic beverages, and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the Parish.

Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, and various state and federal grants.

In accomplishing its objectives, the Council also has the authority to create special districts (component units) within the Parish. These special districts perform specialized functions, such as fire protection, library services, drainage maintenance and regulation, economic development, and utility services such as water and natural gas distribution and sewerage processing.

Note 1. Summary of Significant Accounting Policies

Reporting Entity

As the governing authority of Livingston Parish for reporting purposes, the Livingston Parish Council is the financial reporting entity for Livingston Parish. The financial reporting entity consists of [a] the primary government (President and Council), [b] organizations for which the primary government is financially accountable, and [c] other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Governmental Accounting Standards Board (GASB) Statement No. 61 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 61, the Council includes all funds, account groups, etc., that are within the oversight responsibility of the Council.

The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Legal status of the potential component unit, and
2. Financial accountability, and
 - a. The primary government appoints a voting majority of the potential component unit's governing body and the primary government is able to impose its will on the potential component unit (or)
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the primary government and the potential component unit, and
4. Misleading to exclude, which covers other potential component units for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

Based on the previous criteria, the Council has determined that the following component units are part of the reporting entity:

Component Unit	Fiscal Year End	Criteria Used
Fire Protection Districts:		
No. 1	12/31	1 and 3
No. 2	6/30	1 and 3
No. 3	12/31	1 and 3
No. 4	12/31	1 and 3
No. 5	12/31	1 and 3
No. 6	6/30	1 and 3
No. 7	12/31	1 and 3
No. 8	6/30	1 and 3
No. 9	6/30	1 and 3
No. 10	12/31	1 and 3
No. 11	6/30	1 and 3
No. 12	6/30	1 and 3

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Component Unit	Fiscal Year End	Criteria Used
Recreation Districts:		
No. 2	12/31	1 and 3
No. 3	12/31	1 and 3
No. 4	12/31	1 and 3
No. 5	12/31	1 and 3
No. 6	12/31	1 and 3
No. 7	12/31	1 and 3
No. 8	12/31	1 and 3
No. 9	12/31	1 and 3
Livingston Parish Gas Utility District	11/30	1 and 3
Sewerage Districts:		
No. 1	12/31	1 and 3
No. 2	12/31	1 and 3
Waterworks Districts:		
Ward 2	12/31	1 and 3
Ward 6	12/31	1 and 3
Gravity Drainage Districts:		
No. 1	12/31	1 and 3
No. 2	12/31	1 and 3
No. 5	12/31	1 and 3
Communication District	12/31	1 and 3
Livingston Parish Library Commission	12/31	1 and 3
Community Development Districts:		
Carter Plantation	12/31	1 and 3
Carter Plantation Marina	8/31	1 and 3
Greystone	12/31	1 and 3
Isabella	12/31	1 and 3
Juban Park	12/31	1 and 3
Whispering Springs	12/31	1 and 3
Juban Crossing Economic Development District	12/31	1 and 3
Livingston Parish Clerk of Court	6/30	2 and 3
Livingston Parish Assessor	12/31	2 and 3

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

The Council has chosen to issue financial statements of the primary government only; therefore, only the funds and organizations for which the Council maintains the accounting records are included.

GASB Statement 61 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (the Council) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity, but rather are intended to reflect only the financial statements of the primary government of the Council.

It was determined that the following governmental entities are not component units of the Livingston Parish Council reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent:

Livingston Parish Sheriff
Livingston Parish School Board
District Attorney of the Twenty-First Judicial District
Various Municipalities within Livingston Parish

Basis of Presentation

The Council's basic financial statements include both government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major funds and combined non-major funds). The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Council follows the guidance included in GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*, for its business-type activity financial reporting. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The financial statements also contain a narrative introduction and analytical overview of the government's financial activities in the form of management's discussion and analysis (MD&A). This analysis is similar to the analysis the private sector provides in their annual reports.

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These statements are prepared using full accrual accounting for all of the Council's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable), but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter. The effect of interfund activity has been removed from these statements with the exception of transfers between the Utility Enterprise Fund and governmental funds.

Statement of Net Position - In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Council generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The columns presented in the statement of net position and general descriptions of each are as follows:

- *Governmental Activities* represent programs which normally are supported by taxes and intergovernmental revenues.
- *Business-Type Activities* are financed in whole or in part by fees charged to external parties for goods and services.

Statement of Activities - The government-wide statement of activities reflects both the gross and net cost per functional category (general government, public safety, public works, health and welfare, culture and recreation, and economic development), which are otherwise being supported by general government revenues (property, sales and use taxes, fines, permits, and charges, etc.). The statement of activities reduces gross expenses by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (general government, public safety, public works, health and welfare, culture and recreation, and economic development) or a business-type activity and include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Taxes and other items not properly included among program revenues are reported instead as general revenues. The Council does not allocate indirect expenses.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Fund financial statements of the primary government are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self balancing accounts that constitute its assets, liabilities, fund balance, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis of fund financial reporting is on the major fund level in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements. An emphasis is placed on major funds within the governmental and proprietary categories. The various funds of the primary government are grouped into generic fund types and three broad fund categories as follows:

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements:

General Fund - The General Fund is the primary operating fund of the Council and is always classified as a major fund. It is used to account for all activities except those required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes. The three special revenue funds reported as major funds in the fund financial statements are as follows:

- Health Unit Special Revenue Fund - This fund accounts for state and parish health programs. The major means of financing are provided by ad valorem taxes, state revenue sharing, and permits.
- Jail Sales Tax Special Revenue Fund - This fund accounts for the maintenance and operation of the jail and transfers to the Jail Debt Service Fund for the payment on the debt service of the jail bonds and is funded through sales taxes.
- Road Special Revenue Fund - This fund accounts for maintenance of parish-wide roads and streets. Major means of financing are provided by the State of Louisiana Parish Transportation Fund, sales taxes, ad valorem taxes, and state revenue sharing.

Capital Projects Funds - Capital projects funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements (Continued):

Debt Service Funds - Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Following is the debt service fund that is reported by the Council as a major fund in the fund financial statements:

- Road 06 Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Road Project Revenue Bonds, Series 2006 and Series 2014 Refunding Bonds, the transfers from the Road Fund, and the accumulated restricted cash for the repayment of the bonds.

Proprietary Fund:

Enterprise Fund - The enterprise fund is used to account for operations: (a) that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The enterprise fund is presented in the business-type activities column in the government-wide financial statements and the major funds section of the basic financial statements. The enterprise fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The following enterprise fund is reported as a major fund in the fund financial statements:

- The Utility Enterprise Fund - This fund accounts for the activities of the parish-wide water and sewer systems that are provided to residents that live in areas where these services are not already provided by another entity.

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

Fiduciary Fund:

Agency Fund - The agency fund accounts for assets held by the Council on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operation. The agency fund is as follows:

- Sales Tax District Six Agency Fund - This fund accounts for the collection and distribution of a one-half percent sales and use tax levied by Sales Tax District Number Six for Gravity Drainage District Number Two. Since all collections received during the year were disbursed, the fiduciary fund does not have any assets or liabilities to report as of December 31, 2015.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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 as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting which is also the method used to prepare the budget. 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 financing uses).

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the Council's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, including investment earnings, are recorded as earned since they are measurable and available. The Council's definition of available means expected to be received within sixty days of the end of the fiscal year.

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Nonexchange transactions, in which the Council receives value without directly giving value in return, include sales tax, property tax, grants, and donations. Property taxes are recognized as revenues in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales tax and gross receipts of business tax revenues are recognized when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied, subject to the availability criteria. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

The proprietary fund is accounted for on an economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Council's Utility Enterprise Fund are charges to customers for sales and services. Operating expenses for the Utility Enterprise Fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile funds based on financial statements with the governmental column of the government-wide presentation.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

The Finance Department compiles, for the President, estimates of revenues and requests for appropriations of the annual budget. No later than November 5th, the President's budget is submitted to the Council for possible revision and adoption. The Council conducts public hearings on the budget, which must be adopted by December 15th, to become effective January 1st. In no event shall the total appropriations exceed total anticipated revenues, taking into account the estimated surplus or deficit at the end of the current fiscal year.

Budgets for the capital projects funds do not necessarily follow the time schedule for other funds, since capital projects may be started and completed at any time during the year. However, the capital projects budgets must be submitted to the Council for adequate public hearing and adoption on a project-length basis.

Annual operating budgets are adopted for the following governmental funds: General, Special Revenue, and Debt Service. All annual appropriations lapse at fiscal year-end. The General Fund and the major special revenue funds' (Health Unit Fund, Jail Sales Tax Fund, and Road Fund) annual budgets are presented in the basic financial statements.

Formal budgetary integration is used for management control in the accounting records during the year for the governmental fund types. The capital projects funds' project appropriations are initiated by project budgets rather than annual budgets, and accountability is controlled on the project-life basis.

Assets, Liabilities, and Net Position or Equity

Cash and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the Council may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Council may invest in United States bonds, treasury notes, treasury certificates, or the State Treasurer's Investment Pool. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at fair market value.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. The allowance for uncollectibles for trade receivables is based on agings and charge-off percentages. Property taxes are levied in September or October each year on property values assessed as of the same date. Billed taxes become delinquent on January 1st of the following year, at which time the applicable property is subject to lien, and penalties and interest are assessed.

In the government-wide financial statements, receivables include trade receivables and due from other governments and consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes, property taxes, franchise taxes, grants, fines, and grant reimbursements. Business-type activities report charges for services and penalties billed for utilities services and not collected at year-end and due from other governments as the major receivables.

In the fund financial statements, receivables are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Receivables recorded in the proprietary fund are equal to the receivable balances recorded in the government-wide financial statements, as the same criteria are used to recognize the receivable.

Inventories and Prepaid Items

Inventories for supplies of the Road Fund are valued at cost using the first-in, first-out method. Costs of materials are recorded as expenditures in the Road Fund when consumed rather than when purchased. Other funds' supplies on hand at year-end are not significant and are recorded as expenditures/expenses when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. Payments representing deposits are recorded as prepaid items in both the government-wide and fund financial statements.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Restricted Assets

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet in both the governmental and enterprise funds because their use is limited by applicable bond covenants or for capital outlay projects. All restricted assets are held in cash. It is the policy of Livingston Parish Council to expend restricted assets first when both unrestricted and restricted assets are available.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if actual cost is unavailable. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period.

Infrastructure assets acquired prior to 2003 were not capitalized and have been valued at estimated historical cost. All infrastructure assets purchased or constructed by the Council are depreciated accordingly. Certain improvements, including roads, bridges, and curbs and gutters acquired from subdivision developers, have been capitalized. Depreciation on all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

Fixed assets are included on the statement of net position, net of accumulated depreciation. Depreciation is computed using the straight-line method over the following useful lives:

Asset	Estimated Useful Lives
Buildings	5 - 40 Years
Improvements Other than Buildings	20 - 40 Years
Machinery and Equipment	3 - 10 Years
Computer Equipment	5 Years
Vehicles	6 Years
Infrastructure	20 - 40 Years

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide statement of net position and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. The losses on bond defeasance are reported as deferred outflows of resources and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

Employees of the Council earn annual leave at varying rates according to years of service. Employees that are terminated or resign will not be paid for accumulated sick leave. In accordance with GASB 16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

As of December 31, 2015, the accrued liability for unpaid vacation benefits amounted to \$380,653. The amount applicable to the business-type activities was \$1,245, and is recorded in the Utility Enterprise Fund, and the amount of \$379,408 applicable to the governmental activities is reflected on the statement of net position. In addition, applicable percentages of retirement contributions, Social Security, and Medicare have been added to the above accrued leave.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Parochial Employees' Retirement System (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Fund Equity

Government-Wide and Proprietary Fund Statements

Net position is classified in the following three components:

1. *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 borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. *Restricted* - Consists of net position with constraints placed on its use either by:
 - a. External groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or
 - b. Law through constitutional provisions or enabling legislation.
3. *Unrestricted* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The classifications of fund balance are as follows:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts that can only be used for specific purposes determined by a formal action by Council ordinance or resolution. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

Assigned - Amounts the Council intends to use for a specific purpose; intent can be expressed by the Council or by an official or body to which the Council delegates the authority.

Unassigned - All amounts not included in other spendable classifications; positive amounts are only in the General Fund. The Council has not adopted a policy to maintain the General Fund's unassigned fund balance above a certain minimum level.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Fund Equity (Continued)

Government-Wide and Proprietary Fund Statements (Continued)

The details of the fund balances are included in the balance sheet - governmental funds (Statement C). The Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. As noted above, restricted funds are used first as appropriate. Assigned funds are reduced to the extent that expenditure authority has been budgeted by the Council or the assignment has been changed by the Council. Decreases to fund balance first reduce unassigned fund balance; in the event that unassigned becomes zero, then assigned and committed fund balances are used in that order.

Proprietary fund equity is classified the same as in the government-wide financial statements.

Accounting 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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Impact of Recently Issued Accounting Principles

The Council adopted GASB 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, effective July 1, 2013 and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB No. 68*. For defined benefit pensions, GASB 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. As a result, the Council recorded a cumulative effect of change in accounting principles that resulted in an increase of net position of \$616,472 for governmental activities.

The GASB issued Statement No. 72 which addresses accounting and financial reporting issues related to fair value measurements. 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. This statement will be effective for the Council for the year ending December 31, 2016.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 2. Cash and Cash Equivalents

The Council maintains a consolidated cash account that is available for use by all funds. In addition, the Council maintains other accounts that are required by bond covenants or by grant requirements. All cash maintained in the various bond covenant accounts are reported as restricted cash. In addition, an allocation is made from the consolidated cash account to report a portion as restricted to comply with bond covenant requirements that do not require a separate bank account.

Under state law, demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with a bank must be secured by federal deposit insurance or the pledge of securities owned by the bank. These pledged securities are held by and in the name of the fiscal agent bank, but pledged to the Council. Under state law, deposits held in a separate bank trust account are not required to have pledged securities in the name of the Council; however, the bank must deposit with an unaffiliated bank pledged securities to cover the deposits held in trust.

The following is a summary of cash and cash equivalent carrying values and bank balances at December 31, 2015:

	Governmental Activities	Business-Type Activities	Total
Book Balances			
<u>Unrestricted</u>			
Cash in Bank Accounts	\$ 10,949,630	\$ 424,388	\$ 11,374,018
Petty Cash	1,600	50	1,650
	10,951,230	424,438	11,375,668
	6,811,053	106,017	6,917,070
<u>Restricted</u>			
Total	\$ 17,762,283	\$ 530,455	\$ 18,292,738
Bank Balances			
Unrestricted	\$ 11,548,841	\$ 424,388	\$ 11,973,229
Restricted	6,811,053	106,017	6,917,070
Total	\$ 18,359,894	\$ 530,405	\$ 18,890,299

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 2. Cash and Cash Equivalents (Continued)

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure the Council's deposits may not be recovered. As of December 31, 2015, \$11,914,026 of the Council's bank balance of \$18,890,299 was exposed to custodial credit risk because it was uninsured but collateralized with securities held by the pledging institution's trust department or agent, but not in the Council's name. The remainder of the Council's bank balance was either insured by the Federal Deposit Insurance Corporation or it was held in a bank trust department where state law requires the bank trust department to deposit securities with an unaffiliated bank that are equal to the amount held in trust.

Note 3. Investments

Investments held at December 31, 2015, consisted of \$3,410,079 in the Louisiana Asset Management Pool (LAMP), a local government investment pool which is reported in the governmental activities column of the statement of net position. LAMP is administered by Louisiana Asset Management Pool, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana Revised Statute (LRS) 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

Credit Risk: LAMP is rated AAAM by Standard & Poor's.

Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of Credit Risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest Rate Risk: 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of GASB 40.

Foreign Currency Risk: Not applicable to 2a7-like pools.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 3. Investments (Continued)

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulator oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Note 4. Receivables

Receivables as of December 31, 2015, for the Council's individual major funds and non-major funds in the aggregate, including the applicable allowance for uncollectible accounts, were as follows:

	Franchise Taxes	Royalties	Accounts	Less Allowance for Uncollectible	Total Net Receivable
Governmental Activities:					
General Fund	\$ 353,285	\$ 155,546	\$ 13,972	\$ -	\$ 522,803
Health Unit Fund	-	-	70	-	70
Road Fund	-	-	364	-	364
Jail Sales Tax Fund	-	-	3,317	-	3,317
Non-Major Funds	35,958	-	452,824	-	488,782
Total Governmental Activities	389,243	155,546	470,547	-	1,015,336
Business-Type Activities:					
Utility Enterprise Fund	-	-	825,189	(812,254)	12,935
Total Receivables	\$ 389,243	\$ 155,546	\$ 1,295,736	\$ (812,254)	\$ 1,028,271

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 5. Due from Other Governments

Due from other governments by governmental agency by individual major fund and non-major funds in the aggregate for the year ended December 31, 2015, were as follows:

	Federal	State	School Board	Sheriff	Other	Total
Governmental Activities:						
General Fund	\$ 195,134	\$ 271,231	\$ 162,382	\$ 838,453	\$ -	\$ 1,467,200
Health Unit Fund	2,852	-	-	998,553	-	1,001,405
Road Fund	388,950	56,458	2,238,897	2,054,863	-	4,739,168
Jail Sales Tax Fund	4,495	-	746,299	9,877	-	760,671
Non-Major Funds	2,337,060	76,785	30	1,104,254	93,988	3,612,117
Adjustment to Full Accrual Basis of Accounting	-	-	-	1,228,335	-	1,228,335
Total Governmental Activities	2,928,491	404,474	3,147,608	6,234,335	93,988	12,808,896
Business-Type Activities:						
Utility Enterprise Fund	2,231	-	-	-	-	2,231
Total Receivables	\$ 2,930,722	\$ 404,474	\$ 3,147,608	\$ 6,234,335	\$ 93,988	\$12,811,127

The following schedule provides additional details of the balance due from the Livingston Parish Sheriff's Office for the year ended December 31, 2015:

	Ad Valorem Taxes	Revenue Sharing	Occupational and Alcohol Licenses	Fines and Forfeitures	Other	Total
Governmental Activities:						
General Fund	\$ 801,774	\$ 34,491	\$ 993	\$ 464	\$ 731	\$ 838,453
Health Unit Fund	987,076	11,477	-	-	-	998,553
Road Fund	1,974,384	80,479	-	-	-	2,054,863
Jail Sales Tax Fund	-	-	-	-	9,877	9,877
Non-Major Funds	394,875	-	-	14,832	694,547	1,104,254
Adjustment to Full Accrual Basis of Accounting	990,617	237,718	-	-	-	1,228,335
Total Governmental Activities	\$ 5,148,726	\$ 364,165	\$ 993	\$ 15,296	\$ 705,155	\$ 6,234,335

Note 6. Ad Valorem Taxes

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 6. Ad Valorem Taxes (Continued)

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property are to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the Parish and are subject to review and final certification by the Louisiana Tax Commission. The Parish Assessor is required to reappraise all property every four years.

The Sheriff of Livingston Parish, as provided by state law, is the official tax collector of general ad valorem taxes levied by the Council. All taxes are due by December 31st of the year-end and are delinquent on January 1st of the next year, which is also the lien date. If the taxes are not paid by the due date of December 31st, the taxes bear interest at 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Ad valorem taxes are considered measurable each year following the filing of the tax rolls by the Parish Assessor with the Louisiana Tax Commission. Accordingly, the entire tax roll, less an estimate for uncollectible taxes, is recorded as taxes receivable in the government-wide financial statements. Uncollectible taxes are those taxes which, based on past experience, will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. At the governmental fund level, ad valorem taxes are recorded when measurable and available where only amounts received within the current year or within 60 days thereafter are recognized as revenue.

The following is a summary of maximum and levied ad valorem taxes and the expiration dates for each:

Fund	Expiration Date	Assessed Millage	Taxable Assessed Valuations	Taxes Assessed for	
				General Purpose	Other Purposes
Governmental Activities					
Parish - Outside	Statutory	2.320	\$ 360,297,066	\$ 835,889	\$ -
Parish - Inside	Statutory	1.160	129,431,040	150,141	-
Health Unit Fund					
Parish - Outside	12/31/2024	2.500	360,297,066	-	900,742
Parish - Inside	12/31/2024	2.500	129,431,040	-	323,580
Road Fund					
Parish - Outside	12/31/2022	5.000	360,297,066	-	1,801,485
Parish - Inside	12/31/2022	5.000	129,431,040	-	647,160
Library Debt Service Fund					
	12/31/2023	1.000	489,728,106	-	489,729
Total				\$ 986,030	\$ 4,162,696

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 7. Deferred Outflows of Resources - Refunding of Debt

In 2012, the Council implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. These statements provide guidance on reporting the difference between the reacquisition price and the net carrying amount of the old debt for current and advance refunding resulting in defeasance of debt. The difference is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense over the remaining life of the old debt. At December 31, 2015, the Council had a deferred amount on refunding of debt of \$4,129,145, which resulted from the advance refunding of the Library General Obligation Bonds, Series 2004; the Road Project Revenue Bonds, Series 2006; the Jail Project Revenue Bonds, Series 2006; the North Park Project Revenue Bonds, Series 2008; and the Live Oak Project Revenue Bonds, Series 2008.

Note 8. Interfund Receivables and Payables

The following schedule is a summary of due from/(to) other funds including long term-advances reported in the fund financial statements and net internal balances as reported on the statement of net position as of December 31, 2015:

	Due from Other Funds	Due to Other Funds	Net Internal Balances
Governmental Activities:			
Governmental Funds			
Balance Sheet			
General Fund	\$ 7,458,178	\$ (837,948)	\$ 6,620,230
Health Unit Fund	300,000	(227,549)	72,451
Road Fund	1,388,509	(1,303,434)	85,075
Jail Sales Tax Fund	-	(6,356,550)	(6,356,550)
Non-Major Funds	-	(398,823)	(398,823)
	9,146,687	(9,124,304)	22,383
Business-Type Activities:			
Utility Enterprise Fund			
Statement of Net Position	517,617	(540,000)	(22,383)
Total	\$ 9,664,304	\$ (9,664,304)	\$ -

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 9. Payables

The payables, as reported on the statement of net position at December 31, 2015, included the following:

	Governmental Activities	Business-Type Activities	Total
Accounts Payable	\$ 2,218,656	\$ 18,483	\$ 2,237,139
Accrued Wages	197,188	2,124	199,312
Accrued Expenses and Withholdings	380,812	5,061	385,873
Customer Deposits	-	3,180	3,180
Total	\$ 2,796,656	\$ 28,848	\$ 2,825,504

Note 10. Capital Assets

The following is a summary of the changes in capital assets for the year ended December 31, 2015:

Governmental Activities	Balance January 1, 2015	Increases	Decreases	Balance December 31, 2015
Capital Assets Not Being Depreciated				
Land	\$ 5,844,429	\$ 321,545	\$ (1,142)	\$ 6,164,832
Construction in Progress	5,706,789	3,444,417	(4,824,802)	4,326,404
Total Capital Assets Not Being Depreciated	11,551,218	3,765,962	(4,825,944)	10,491,236
Capital Assets Being Depreciated				
Buildings	74,469,439	57,433	-	74,526,872
Recreational Facilities	3,758,232	-	-	3,758,232
Machinery and Equipment	6,993,772	368,579	(16,749)	7,345,602
Sewer System	2,126,234	-	-	2,126,234
Infrastructure	146,362,543	4,445,825	(711,380)	150,096,988
Furniture and Fixtures	250,660	200,460	-	451,120
Total Capital Assets Being Depreciated	233,960,880	5,072,297	(728,129)	238,305,048
Less Accumulated Depreciation for:				
Buildings	(10,857,829)	(1,851,987)	-	(12,709,816)
Recreational Facilities	(352,335)	(93,956)	-	(446,291)
Machinery and Equipment	(5,153,332)	(526,664)	16,749	(5,663,247)
Sewer System	(383,434)	(141,749)	-	(525,183)
Infrastructure	(85,196,242)	(9,213,102)	711,380	(93,697,964)
Furniture and Fixtures	(232,454)	(31,757)	-	(264,211)
Total Accumulated Depreciation	(102,175,626)	(11,859,215)	728,129	(113,306,712)
Total Capital Assets Being Depreciated, Net	131,785,254	(6,786,918)	-	124,998,336
Capital Assets, Net	\$ 143,336,472	\$ (3,020,956)	\$ (4,825,944)	\$ 135,489,572

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 10. Capital Assets (Continued)

Business-Type Activities	Balance January 1, 2015	Increases	Decreases	Balance December 31, 2015
Capital Assets Not Being Depreciated				
Land	\$ 13,243	\$ -	\$ -	\$ 13,243
Construction in Progress	51,119	54,831	(105,950)	-
Total Capital Assets Not Being Depreciated	<u>64,362</u>	<u>54,831</u>	<u>(105,950)</u>	<u>13,243</u>
Capital Assets Being Depreciated				
Utility System	9,945,658	171,420	(684,248)	9,432,830
Total Capital Assets Being Depreciated	<u>9,945,658</u>	<u>171,420</u>	<u>(684,248)</u>	<u>9,432,830</u>
Less Accumulated Depreciation for:				
Utility System	(2,134,018)	(297,410)	36,351	(2,395,077)
Total Accumulated Depreciation	<u>(2,134,018)</u>	<u>(297,410)</u>	<u>36,351</u>	<u>(2,395,077)</u>
Total Capital Assets Being Depreciated, Net	<u>7,811,640</u>	<u>(125,990)</u>	<u>(647,897)</u>	<u>7,037,753</u>
Capital Assets, Net	<u>\$ 7,876,002</u>	<u>\$ (71,159)</u>	<u>\$ (753,847)</u>	<u>\$ 7,050,996</u>

Property, plant, and equipment are stated at cost, less an allowance for accumulated depreciation. Donated capital assets are recorded at estimated fair market value at the date of donation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets as described in Note 1.

Depreciation was charged to governmental functions as follows:

General Government	\$ 840,437
Public Safety	649,755
Public Works	9,556,280
Health and Welfare	182,925
Culture and Recreation	629,818
Total	<u>\$ 11,859,215</u>

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt

The following is a summary of debt transactions of the Council for the year ended December 31, 2015:

	Debt Payable			Debt Payable	
	January 1, 2015	Additions	Deletions	December 31, 2015	Due Within 1 Year
Governmental Activities:					
Compensated Absences	\$ 379,755	\$ -	\$ (347)	\$ 379,408	\$ 94,852
Net Pension Liability	-	16,714	-	16,714	-
Library General Obligation Refunding Bonds, Series 2012	6,010,000	-	(520,000)	5,490,000	535,000
Health Unit Refunding Bonds, Series 2011	320,000	-	(320,000)	-	-
Road Project Revenue Bonds, Series 2006	6,940,000	-	(3,385,000)	3,555,000	3,555,000
Road Project Revenue Refunding Bonds, Series 2014	21,105,000	-	(185,000)	20,920,000	130,000
Jail Project Revenue Bonds, Series 2006	2,645,000	-	(1,295,000)	1,350,000	1,350,000
Jail Project Revenue Refunding Bonds, Series 2014	7,775,000	-	(45,000)	7,730,000	25,000
Live Oak Sports Complex Project Revenue Bonds, Series 2008	3,975,000	-	(3,680,000)	295,000	95,000
Live Oak Sports Complex Project Refunding Bonds, Series 2015	-	3,820,000	-	3,820,000	65,000
North Park Project Revenue Bonds, Series 2008	805,000	-	(145,000)	660,000	150,000
North Park Project Revenue Refunding Bonds, Series 2014	9,170,000	-	(115,000)	9,055,000	120,000
Office of Motor Vehicles Project Revenue Bonds, Series 2009	4,345,000	-	(105,000)	4,240,000	110,000
Sewer District No. 2 Project Revenue Bonds, Series 2009	2,310,000	-	(50,000)	2,260,000	55,000
Livingston Parish Courthouse Project Revenue Bonds, Series 2011	16,805,000	-	(370,000)	16,435,000	375,000
Unamortized Premium on Debt	3,241,015	112,207	(697,613)	2,655,609	740,223
Unamortized Discount on Debt	(180,125)	-	39,262	(140,863)	(12,138)
Capital Lease	411,786	-	(91,438)	320,348	85,675
Total Governmental Activities	86,057,431	3,948,921	(10,965,136)	79,041,216	7,473,612
Business-Type Activities:					
Compensated Absences	1,367	-	(122)	1,245	-
Bruce's Harbor Project Certificates of Indebtedness, Series 2006	70,000	-	(35,000)	35,000	35,000
Water Revenue Bonds, Series 2007	2,158,862	-	(44,289)	2,114,573	46,208
Community Development Water System Loan	263,700	-	(13,200)	250,500	13,200
Total Business-Type Activities	2,493,929	-	(92,611)	2,401,318	94,408
Total Debt	\$ 88,551,360	\$ 3,948,921	\$(11,057,747)	\$ 81,442,534	\$ 7,568,020

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt

Library General Obligation Refunding Bonds, Series 2012

Library General Obligation Refunding Bonds, Series 2012 - \$6,180,000, dated May 10, 2012, due in annual installments of principal and semi-annual installments of interest through March 1, 2024; variable interest rate ranging from 2.00% to 3.00%.

\$ 5,490,000

A schedule of the outstanding Library General Obligation Refunding Bonds, Series 2012, principal and interest requirements is as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 535,000	\$ 122,081	\$ 657,081
2017	555,000	111,181	666,181
2018	570,000	99,931	669,931
2019	590,000	88,331	678,331
2020	605,000	76,381	681,381
2021 - 2024	<u>2,635,000</u>	<u>153,234</u>	<u>2,788,234</u>
Total	<u>\$ 5,490,000</u>	<u>\$ 651,139</u>	<u>\$ 6,141,139</u>

The Debt Service Fund is designed to achieve a proper matching of revenues and debt service on the bonds within each bond year. For purposes of this Arbitrage Certificate and compliance with Arbitrage Regulations, "Bond Year" shall mean the 1-year period ending on each principal payment date of the bonds, which is March 1st of each year. All amounts deposited in the Debt Service Fund will be applied to the next payment of principal or interest on the bonds following such transfer. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the principal and interest payments on the bonds for the immediately preceding bond year. At December 31, 2015, the Library Debt Service Fund had a debt service restricted fund balance of \$355,152.

Health Unit Refunding Bonds, Series 2011

The Health Unit Refunding Bonds were issued for the purpose of refunding the Council's \$4,240,000 Certificates of Indebtedness, Series 2005, funding a debt service fund, and paying the costs of issuance. The bonds were secured from a pledge and dedication of the excess of annual revenues over the necessary and usual charges in each of the fiscal years during which the certificates were outstanding and included funds in the General Fund and the Health Unit Fund. These bonds were paid in full as of December 31, 2015.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Road Project Revenue Bonds, Series 2006

Road Project Revenue Bonds, Series 2006 - \$49,295,000, dated May 1, 2006, due in annual installments of principal and semi-annual installments of interest through March 1, 2021; variable interest rate ranging from 4.00% to 5.00%. During 2014, the bond maturities for the years 2017 through 2021 were refunded. \$ 3,555,000

A schedule of the outstanding Road Project Revenue Bonds, Series 2006, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	<u>\$ 3,555,000</u>	<u>\$ 88,875</u>	<u>\$ 3,643,875</u>
Total	<u><u>\$ 3,555,000</u></u>	<u><u>\$ 88,875</u></u>	<u><u>\$ 3,643,875</u></u>

The Road Project Revenue Bonds were issued through the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority) for the purpose of providing funding to finance the construction, acquisition, extension, expansion, and improvement of roads, bridges, and related road drainage projects throughout Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a reserve fund instrument consisting of a surety bond in the amount of \$466,545.

Road Project Revenue Refunding Bonds, Series 2014

Road Project Revenue Refunding Bonds, Series 2014 - \$21,105,000, dated March 28, 2014, due in annual installments of principal and semi-annual installments of interest through March 1, 2021; variable interest rate ranging from 3.00% to 4.00%. \$ 20,920,000

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Road Project Revenue Refunding Bonds, Series 2014 (Continued)

A schedule of the outstanding Road Project Revenue Refunding Bonds, Series 2014, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 130,000	\$ 794,850	\$ 924,850
2017	3,870,000	734,850	4,604,850
2018	3,985,000	597,100	4,582,100
2019	4,140,000	434,600	4,574,600
2020	4,310,000	265,600	4,575,600
2021	4,485,000	89,700	4,574,700
Total	\$ 20,920,000	\$ 2,916,700	\$ 23,836,700

According to the terms of the Trust Indentures, the Council established the Road 06 Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the Road 06 Debt Service Fund was fully funded with an actual balance of \$3,405,391.

Jail Project Revenue Bonds, Series 2006

Jail Project Revenue Bonds, Series 2006 - \$18,890,000, dated May 4, 2006, due in annual installments of principal and semi-annual installments of interest through March 1, 2021; variable interest rate ranging from 4.00% to 5.00%. During 2014, the bond maturities for the years 2017 through 2021 were refunded.

\$ 1,350,000

A schedule of the outstanding Jail Project Revenue Bonds, Series 2006, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,350,000	\$ 27,844	\$ 1,377,844
Total	\$ 1,350,000	\$ 27,844	\$ 1,377,844

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Jail Project Revenue Bonds, Series 2006 (Continued)

The Jail Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the construction, acquisition, expansion, improvement, equipment, and furnishings of jail facilities in Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds, including jail tax revenues, to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a Reserve Fund Instrument consisting of a surety bond in the amount of \$170,915.

Jail Project Revenue Refunding Bonds, Series 2014

Jail Project Revenue Refunding Bonds, Series 2014 - \$7,775,000, dated March 28, 2014, due in annual installments of principal and semi-annual installments of interest through March 1, 2021; variable interest rate ranging from 3.00% to 4.00%.

\$ 7,730,000

A schedule of the outstanding Jail Project Revenue Refunding Bonds, Series 2014, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 25,000	\$ 294,225	\$ 319,225
2017	1,435,000	272,325	1,707,325
2018	1,475,000	221,300	1,696,300
2019	1,535,000	161,100	1,696,100
2020	1,600,000	98,400	1,698,400
2021	1,660,000	33,200	1,693,200
Total	\$ 7,730,000	\$ 1,080,550	\$ 8,810,550

According to the terms of the Trust Indentures, the Council established the Jail Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the Jail Debt Service Fund was fully funded with an actual balance of \$1,269,480.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Live Oak Sports Complex Project Revenue Bonds, Series 2008

Live Oak Sports Complex Project Revenue Bonds, Series 2008 - \$4,455,000, dated September 4, 2008, due in annual installments of principal and semi-annual installments of interest through September 1, 2038; variable interest rate ranging from 3.00% to 5.25%. During 2015, the bond maturities for the years 2019 through 2038 were refunded.

\$ 295,000

A schedule of the outstanding Live Oak Sports Complex Project Revenue Bonds, Series 2008, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 95,000	\$ 12,300	\$ 107,300
2017	100,000	8,500	108,500
2018	100,000	4,250	104,250
Total	<u>\$ 295,000</u>	<u>\$ 25,050</u>	<u>\$ 320,050</u>

The Live Oak Sports Complex Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the cost of acquiring, designing, constructing, and developing public parks, playgrounds, and recreational properties and facilities within Recreation District No. 2 of Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, a Reserve Fund Requirement for this loan was necessary to complete the financing. The Reserve Fund was funded with a withholding of the bond proceeds of \$29,500.

The Council entered into a Local Service Agreement with Recreation District No. 2 of Livingston Parish where the Recreation District agreed to repay the principal and interest on the bonds in exchange for the Council to administer the construction funds.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015

Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015 - \$3,820,000, dated December 17, 2015, due in annual installments of principal and semi-annual installments of interest through September 1, 2038; variable interest rate ranging from 1.25% to 4.25%.

\$ 3,820,000

A schedule of the outstanding Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015, principal and interest requirements is as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 65,000	\$ 93,479	\$ 158,479
2017	25,000	131,678	156,678
2018	30,000	131,365	161,365
2019	135,000	130,990	265,990
2020	135,000	128,290	263,290
2021 - 2025	740,000	590,350	1,330,350
2026 - 2030	875,000	452,550	1,327,550
2031 - 2035	1,070,000	258,156	1,328,156
2036 - 2038	745,000	56,055	801,055
Total	<u>\$ 3,820,000</u>	<u>\$ 1,972,913</u>	<u>\$ 5,792,913</u>

According to the terms of the Trust Indentures, the Council established the Live Oak Sports Complex Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the Live Oak Sports Complex Debt Service Fund was fully funded with an actual balance of \$168,937.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

North Park Project Revenue Bonds, Series 2008

North Park Project Revenue Bonds, Series 2008 - \$8,635,000, dated October 30, 2008, due in annual installments of principal and semi-annual installments of interest through October 1, 2038; variable interest rate ranging from 6.90% to 7.00%. During 2014, the bond maturities for the years 2020 through 2038 were refunded.

\$ 660,000

A schedule of the outstanding North Park Project Revenue Bonds, Series 2008, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 150,000	\$ 40,260	\$ 190,260
2017	160,000	31,110	191,110
2018	170,000	21,350	191,350
2019	180,000	10,980	190,980
Total	<u>\$ 660,000</u>	<u>\$ 103,700</u>	<u>\$ 763,700</u>

The North Park Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the cost of acquiring, designing, constructing, and developing of an indoor basketball court, a multi-purpose gym, a health and fitness center, an indoor/outdoor pool and splash park, a pond walking trail, tennis facilities, soccer facilities, and expansion of existing ball fields within Recreation District No. 3 of Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, a Reserve Fund Requirement for this loan was necessary to complete the financing. The Reserve Fund was funded with a withholding of the bond proceeds of \$647,531.

The Council entered into a Local Service Agreement with Recreation District No. 3 of Livingston Parish where the Recreation District agreed to repay the principal and interest on the bonds in exchange for the Council to administer the construction funds.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

North Park Project Revenue Refunding Bonds, Series 2014

North Park Project Revenue Refunding Bonds, Series 2014 - \$9,195,000, dated June 18, 2014, due in annual installments of principal and semi-annual installments of interest through October 1, 2038; variable interest rate ranging from 3.00% to 4.10%.

\$ 9,055,000

A schedule of the outstanding North Park Project Revenue Refunding Bonds, Series 2014, principal and interest requirements is as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 120,000	\$ 332,215	\$ 452,215
2017	120,000	328,615	448,615
2018	125,000	325,015	450,015
2019	130,000	321,265	451,265
2020	330,000	317,365	647,365
2021 - 2025	1,800,000	1,432,325	3,232,325
2026 - 2030	2,100,000	1,121,525	3,221,525
2031 - 2035	2,545,000	684,195	3,229,195
2036 - 2038	1,785,000	148,420	1,933,420
Total	\$ 9,055,000	\$ 5,010,940	\$ 14,065,940

According to the terms of the Trust Indentures, the Council established the North Park Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the North Park Debt Service Fund was fully funded with an actual balance of \$808,150.

Office of Motor Vehicles Project Revenue Bonds, Series 2009

Office of Motor Vehicles Project Revenue Bonds, Series 2009 - \$4,820,000, dated September 30, 2009, due in annual installments of principal and semi-annual installments of interest through September 1, 2039; variable interest rate ranging from 3.00% to 4.75%.

\$ 4,240,000

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Office of Motor Vehicles Project Revenue Bonds, Series 2009 (Continued)

A schedule of the outstanding Office of Motor Vehicles Project Revenue Bonds, Series 2009, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 110,000	\$ 184,265	\$ 294,265
2017	115,000	180,965	295,965
2018	115,000	177,515	292,515
2019	120,000	173,720	293,720
2020	125,000	169,580	294,580
2021 - 2025	700,000	774,965	1,474,965
2026 - 2030	845,000	616,665	1,461,665
2031 - 2035	1,065,000	403,405	1,468,405
2036 - 2039	1,045,000	126,825	1,171,825
Total	\$ 4,240,000	\$ 2,807,905	\$ 7,047,905

The Office of Motor Vehicles Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the construction, equipping, and furnishing of a building for the Livingston Parish Office of Motor Vehicles. As a condition to enter into this debt, the Council pledged lawfully available funds, including motor vehicle service fees of \$3 per transaction, to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a Reserve Fund Instrument consisting of a surety bond in the amount of \$65,854.

According to the terms of the Trust Indentures, the Council established the Livingston Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the Livingston Debt Service Fund was fully funded with an actual balance of \$98,104.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Sewer District No. 2 Project Revenue Bonds, Series 2009

Sewer District No. 2 Project Revenue Bonds, Series 2009 - \$2,500,000, dated December 1, 2009, due in annual installments of principal and semi-annual installments of interest through March 1, 2039; variable interest rate ranging from 2.50% to 5.125%.

\$ 2,260,000

A schedule of the outstanding Sewer District No. 2 Project Revenue Bonds, Series 2009, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 55,000	\$ 106,688	\$ 161,688
2017	55,000	104,488	159,488
2018	60,000	102,188	162,188
2019	60,000	99,788	159,788
2020	65,000	97,166	162,166
2021 - 2025	360,000	440,775	800,775
2026 - 2030	455,000	348,022	803,022
2031 - 2035	575,000	222,422	797,422
2036 - 2039	575,000	60,603	635,603
Total	\$ 2,260,000	\$ 1,582,140	\$ 3,842,140

The Sewer District No. 2 Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the acquisition, construction, extension, and improvement of the sewerage system of Sewerage District No. 2 of Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, a Reserve Fund Requirement for this loan was necessary to complete the financing. The Reserve Fund was funded with a withholding of the bond proceeds of \$162,829.

The Council entered into a Local Service Agreement with Sewerage District No. 2 of Livingston Parish where the Sewerage District agreed to repay the principal and interest on the bonds in exchange for the Council to administer the construction funds.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Sewer District No. 2 Project Revenue Bonds, Series 2009 (Continued)

According to the terms of the Trust Indentures, the Council established the Sewer No. 2 Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the Sewer No. 2 Debt Service Fund was fully funded with an actual balance of \$248,093.

Courthouse Project Revenue Bonds, Series 2011

Courthouse Project Revenue Bonds, Series 2011 - \$17,865,000, dated September 1, 2011, due in annual installments of principal and semi-annual installments of interest through September 1, 2041; variable interest rate ranging from 2.00% to 5.00%.

\$ 16,435,000

A schedule of the outstanding Courthouse Project Revenue Bonds, Series 2011, principal and interest requirements is as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 375,000	\$ 714,781	\$ 1,089,781
2017	385,000	707,281	1,092,281
2018	390,000	697,656	1,087,656
2019	405,000	685,956	1,090,956
2020	415,000	673,806	1,088,806
2021 - 2025	2,315,000	3,132,780	5,447,780
2026 - 2030	2,915,000	2,532,618	5,447,618
2031 - 2035	3,640,000	1,812,264	5,452,264
2036 - 2040	4,555,000	891,469	5,446,469
2041	1,040,000	48,100	1,088,100
Total	\$ 16,435,000	\$ 11,896,711	\$ 28,331,711

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Courthouse Project Revenue Bonds, Series 2011 (Continued)

The Courthouse Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the construction, acquisition, equipping, and furnishing of a building to serve as the Livingston Parish Courthouse. As a condition to enter into this debt, the Council pledged lawfully available funds, including special filing charges imposed by the Courthouse Financing Act, to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a Reserve Fund Instrument consisting of a surety bond in the amount of \$205,967.

According to the terms of the Trust Indentures, the Council established the Courthouse Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2015, the Courthouse Debt Service Fund was fully funded with an actual balance of \$363,850.

Advance Refunding

Details of Advance Refunding - Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015

During 2015, the Council advance refunded the Live Oak Sports Complex Project Revenue Bonds, Series 2008. The Council issued \$3,820,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt account group. This advance refunding was undertaken to reduce total debt service payments over the next 11 years by \$626,637, and to obtain an economic gain of \$172,959.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Defeased Debt Outstanding

In prior years, the Council defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. At December 31, 2015, \$41,282,072 of defeased bonds remained outstanding.

Capital Lease Obligation

In 2014, the Council entered into a lease agreement as lessee for financing the acquisition of tractors valued at \$471,592. The tractors have a five-year estimated useful life. In 2015, \$94,318 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date. At December 31, 2015, the leased equipment had a net book value of \$318,234.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015, were as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2016	\$ 91,585
2017	99,910
2018	99,912
2019	<u>41,629</u>
Total Minimum Lease Payments	333,036
Less: Amount Representing Interest	<u>(12,688)</u>
Present Value of Minimum Lease Payments	<u>\$ 320,348</u>

Business-Type Activity Debt

Bruce's Harbor Project Certificates of Indebtedness, Series 2006

Bruce's Harbor Project Certificates of Indebtedness, Series 2006 -
\$285,000, dated December 6, 2006, due in annual installments
of principal and semi-annual installments of interest through
December 16, 2016; interest rate of 4.50%.

\$ 35,000

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Business-Type Activity Debt (Continued)

Bruce's Harbor Project Certificates of Indebtedness, Series 2006 (Continued)

A schedule of the outstanding Bruce's Harbor Project Certificates of Indebtedness, Series 2006, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 35,000	\$ 1,575	\$ 36,575
Total	\$ 35,000	\$ 1,575	\$ 36,575

The Bruce's Harbor Project Certificates of Indebtedness were issued for the purpose of providing funding to finance the cost of constructing and acquiring improvements, extensions, and replacements to the waterworks system in the Bruce's Harbor area of Livingston Parish.

Water Revenue Bonds, Series 2007

Water Revenue Bonds, Series 2007 - \$2,572,000, dated September 26, 2007, due in annual installments of principal and semi-annual installments of interest through September 26, 2041; interest rate of 4.25%.

\$ 2,114,573

A schedule of the outstanding Water Revenue Bonds, Series 2007, principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 46,208	\$ 88,976	\$ 135,184
2017	48,211	86,974	135,185
2018	50,300	84,884	135,184
2019	52,480	82,705	135,185
2020	54,754	80,430	135,184
2021 - 2025	311,489	364,431	675,920
2026 - 2030	385,095	290,827	675,922
2031 - 2035	476,093	199,829	675,922
2036 - 2040	588,596	87,326	675,922
2041	101,347	1,825	103,172
Total	\$ 2,114,573	\$ 1,368,207	\$ 3,482,780

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Business-Type Activity Debt (Continued)

Water Revenue Bonds, Series 2007 (Continued)

The Water Revenue Bonds were issued for the purpose of financing the cost of constructing and acquiring improvements, extensions, and replacements to the waterworks system.

Community Development Water System Loan

Community Development Water System Loan - \$350,000, drawn on various dates, due in various monthly increments, with interest calculated at variable rates, with the final payment due November 1, 2029.

\$ 250,500

A schedule of the outstanding Community Development Water System Loan principal and interest requirements is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 13,200	\$ 3,372	\$ 16,572
2017	13,600	3,190	16,790
2018	14,400	2,995	17,395
2019	15,100	2,794	17,894
2020	15,800	2,581	18,381
2021 - 2025	90,200	9,356	99,556
2026 - 2029	88,200	2,506	90,706
Total	<u>\$ 250,500</u>	<u>\$ 26,794</u>	<u>\$ 277,294</u>

The Council authorized this loan by Ordinance 03-247, dated June 12, 2003, and has drawn a total of \$350,000. This loan requires principal repayments through 2029. The loan proceeds were used to finance improvements to the Council's waterworks systems serving Bruce's Harbor, Springfield Terrace, and Haynes Settlement.

The annual requirements to amortize the loan balance outstanding using an estimated current interest rate of 1.38% is shown in the above schedule. The actual future amounts of interest paid may vary from this schedule depending on fluctuations in the variable rate applied to the loan.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Debt Service Requirements to Maturity

The annual requirements to repay the debt of the Council, with the exception of compensated absences, including principal and interest, are as follows:

Year Ended December 31,	Government Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 6,658,553	\$ 2,818,221	\$ 9,476,774	\$ 94,408	\$ 93,923	\$ 188,331
2017	6,915,717	2,615,186	9,530,903	61,811	90,164	151,975
2018	7,117,933	2,379,648	9,497,581	64,700	87,880	152,580
2019	7,328,145	2,106,888	9,435,033	67,580	85,500	153,080
2020	7,585,000	1,826,588	9,411,588	70,554	83,011	153,565
2021 - 2025	14,695,000	6,647,329	21,342,329	401,689	373,787	775,476
2026 - 2030	7,190,000	5,071,380	12,261,380	473,295	293,333	766,628
2031 - 2035	8,895,000	3,380,442	12,275,442	476,093	199,829	675,922
2036 - 2040	8,705,000	1,283,372	9,988,372	588,596	87,326	675,922
2041 - 2045	1,040,000	48,100	1,088,100	101,347	1,825	103,172
	76,130,348	\$ 28,177,154	\$ 104,307,502	\$ 2,400,073	\$ 1,396,578	\$ 3,796,651
Net Unamortized Premiums (Discounts)	2,514,746					
	<u>\$ 78,645,094</u>					

Louisiana Revised Statute 39:562 limits the amount of outstanding general obligation bonded debt of any subdivision for any one of the purposes authorized to 10% of the assessed valuation of the taxable property of such subdivision, including both (1) homestead exempt property, which shall be included on the assessment roll for the purposes of calculating debt limitation and (2) nonexempt property, as ascertained by the last assessment for parish, municipal, or local purposes prior to delivery of the bonds representing such indebtedness, regardless of the date of the election at which said bonds were approved. For the year ended December 31, 2015, the Council's general obligation debt limit was \$72,401,740. The Council's general obligation debt did not exceed the legal limits as of December 31, 2015.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 12. Restricted Assets

Restricted assets were applicable to the following at December 31, 2015:

	Funds Restricted for:			Total
	Debt Reserves	Debt Service	Grant	
Governmental Activities:				
Library Project Revenue Bonds, Series 2012	\$ -	\$ 355,152	\$ -	\$ 355,152
Road Project Revenue Bonds, Series 2006	-	3,021,983	-	3,021,983
Road Project Revenue Bonds, Series 2014	-	383,408	-	383,408
Jail Project Revenue Bonds, Series 2006	-	1,143,613	-	1,143,613
Jail Project Revenue Bonds, Series 2014	-	125,867	-	125,867
Live Oak Sports Complex Project Revenue Bonds, Series 2008	29,500	119,941	-	149,441
Live Oak Sports Complex Project Revenue Bonds, Series 2015	-	19,496	-	19,496
North Park Project Revenue Bonds, Series 2008	194,105	43,565	-	237,670
North Park Project Revenue Bonds, Series 2014	453,426	113,054	-	566,480
Office of Motor Vehicles Project Revenue Bonds, Series 2009	-	98,104	-	98,104
Sewer District No. 2 Project Revenue Bonds, Series 2009	162,829	85,264	-	248,093
Courthouse Project Revenue Bonds, Series 2011	-	363,850	-	363,850
Gulf of Mexico Energy Security Act Federal Grant Advance	-	-	97,896	97,896
Total Governmental Activities	839,860	5,873,297	97,896	6,811,053
Business-Type Activities:				
Water Revenue Bonds, Series 2007	94,752	11,265	-	106,017
Total Business-Type Activities	94,752	11,265	-	106,017
Total Restricted Assets - Cash	\$ 934,612	\$ 5,884,562	\$ 97,896	\$ 6,917,070

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 13. Sales and Use Tax

On January 21, 1996, the voters of Livingston Parish approved a parish-wide fifteen year, 1% sales and use tax dedicated for (i) constructing, acquiring, extending, expanding, improving, maintaining, and operating roads, bridges, and related road drainage throughout the Parish, and acquiring equipment related thereto and (ii) constructing, acquiring, extending, expanding, improving, operating, maintaining, equipping, and furnishing jail facilities of the Parish. An election was held on January 21, 2006, to rededicate 1/4th of the 1% road construction sales tax and to extend the collection of the sales tax until 2021. The proposition was passed by the taxpayers of the Parish. The tax is split, 75% to roads and 25% to the jail. The Council has set up the Road Fund to account for the sales tax and ad valorem tax collections dedicated to the maintaining and improving of parish-wide roads and streets and the related drainage improvements associated therewith. The Jail Sales Tax Fund was set up to account for the sales tax collections and expenditures related to the jail.

The total sales and use tax revenue for the year ended December 31, 2015, was as follows:

	Sales and Use Tax Revenue	Percentage
Jail Sales Tax Fund	\$ 4,152,353	25%
Road Fund	12,457,058	75%
Total Sales and Use Tax	\$ 16,609,411	100%

In accordance with Paragraph (B)(1) of Section 3 of Article VII of the Constitution of the State of Louisiana, the Council entered into an agreement with all of the sales and use taxing authorities of the Parish of Livingston, designating the Sales Tax Department of the Livingston Parish School Board as the single tax collection entity.

Note 14. Changes in Fiduciary Fund Deposits and Disbursements

The Livingston Parish School Board remits the sales taxes collected within Gravity Drainage District No. 2 of Livingston Parish to the Council. Upon receipt of the sales taxes from the School Board, the Council disburses the funds to Gravity Drainage District No. 2 of Livingston Parish. Since the Council does not hold any funds due to Gravity Drainage District No. 2 of Livingston Parish as of December 31, 2015, a fiduciary statement is not included in the basic financial statements.

Following is a schedule of the total sales taxes collected for and disbursed to Gravity Drainage District No. 2 of Livingston Parish for fiscal year ended December 31, 2015:

Balance Due at 12/31/14	Collected	Disbursed	Balance Due at 12/31/15
\$ -	\$ 917,727	\$ (917,727)	\$ -

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 15. Operating Leases

The Council leases equipment under non-cancelable operating leases. Total costs for such leases were \$198,161, for the year ended December 31, 2015.

The future minimum lease payments for these leases are as follows:

Year Ended December 31,	Amount
2016	\$ 184,919
2017	51,636
2018	4,128
2019	<u>1,032</u>
Total	<u>\$ 241,715</u>

Note 16. Pension Plan

The Council contributes to a cost-sharing, multiple-employer defined benefit pension plan administered by the Parochial Employees' Retirement System of Louisiana (PERS or the System). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. The employees of the Council are members of Plan B. PERS was established by the Louisiana Legislature as of January 1, 1953, by Act 205 of 1952. PERS is administered by a Board of Trustees consisting of seven members. The plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to P.O. Box 14619, Baton Rouge, LA 70898-4619, or by calling 225-928-1361.

Plan Description

All permanent employees working at least 28 hours per week and who are paid wholly or in part from Council funds shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Any member can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Age 55 with thirty (30) years of creditable service
2. Age 60 with a minimum of ten (10) years of creditable service
3. Age 65 with a minimum of seven (7) years of creditable service

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

For employees hired after January 1, 2007:

1. Age 55 with thirty (30) years of creditable service
2. Age 62 with ten (10) years of creditable service
3. Age 67 with seven (7) years of creditable service

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to 2% of the members' final average compensation multiplied by the members' years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Employees who terminate with at least the amount of credited service stated previously, and who do not withdraw their employee contributions, may retire at the age specified previously and receive the benefit accrued to their date of termination. PERS also provides death and disability benefits. Benefits are established by state statute.

Funding Policy

Contributions to the System include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan prior to January 1, 2002. Prior to January 1, 2002, state statute required employees covered by Plan B to contribute 2% of their salaries in excess of \$100 per month to the System. Effective January 1, 2002, the state statute was amended to require employees covered by Plan B to contribute 3% of their salaries per month to the plan.

The contribution rates in effect for the year ended December 31, 2015, were as follows:

	Parish Council Percentage	Parish Employees Percentage
Parochial Employees' Retirement System Plan B	9.00%	3.00%

The contributions made to PERS for December 31, 2015, which substantially equaled the required contribution, were as follows:

	Contributions
Parochial Employees' Retirement System Plan B	
Parish Council Contribution	\$ 518,092
Parish Employees Contribution	171,848
Total Contribution	\$ 689,940

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Council reported a liability of \$16,714 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and was determined by actuarial valuation as of that date. The Council's proportion of the net pension liability was based on a projection of the Council's long-term share of contributions to the pension plan relative to the projected contributions of all municipalities, actuarially determined. At December 31, 2014, the Council's proportion was 6.01793%.

For the year ended December 31, 2015, the Council recognized pension expense of \$533,537. At December 31, 2015, the Council reported deferred outflows of resources and deferred inflows of resources related to its pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 116,849
Net Difference between Projected and Actual Earnings on Pension Plan Investments	216,699	-
Changes in Proportion	-	202
Council Contributions Subsequent to the Measurement Date	518,092	-
	<u>\$ 734,791</u>	<u>\$ 117,051</u>

In the year ended December 31, 2015, \$518,092 reported as deferred outflows of resources related to the Council's contributions subsequent to the measurement date will be recognized in 2016. Other amounts reported as deferred inflows of resources and deferred outflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2016	\$ 15,158
2017	15,158
2018	15,158
2019	<u>54,174</u>
Total	<u>\$ 99,648</u>

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Actuarial Assumptions

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

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Investment Return	7.25% (Net of Investment Expense)
Expected Remaining Service Lives	4 Years
Projected Salary Increases	5.75% (2.75% Merit / 3.00% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

The discount rate used to measure the total pension liability was 7.25% for Plan B. 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 calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement System's 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.

Note 16. Pension Plan (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.30% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.11% for the year ended December 31, 2014.

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, 2014, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	34%	1.30%
Equity	51%	3.55%
Alternatives	12%	0.77%
Real Assets	3%	0.19%
	100%	5.81%
Inflation		2.30%
Expected Arithmetic Normal Return		8.11%

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the Council using the discount rate of 7.25% as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Council's Proportionate Share of the Net Pension Asset (Liability)	\$ 1,939,037	\$ 16,714	\$ (1,605,554)

Note 17. Other Retirement Commitments

Certain other employees are members of other retirement systems. The Council withholds contributions to the following systems: Louisiana State Employees' Retirement System; Registrar of Voters Employees' Retirement System; and District Attorneys' Retirement System. Contributions to these other systems represent less than 5% of combined retirement contributions.

Note 18. Other Postemployment Benefits (OPEB)

No plan currently exists to provide Council employees with other postemployment benefits.

Note 19. Deferred Compensation Plan

During 1996, the Council began a deferred compensation plan created under Section 457 of the Internal Revenue Code. The National Association of Counties Deferred Compensation Program (the Plan) is available to all employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The Council has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457, Deferred Compensation Plans*. Under this statement, governments who have no responsibility for the Plan and are not formally considered the Plan's trustee are not required to report the Plan in their financial statements. Since the Council's Plan was held in a custodial account with a third-party administrator, the assets and liabilities are not presented in the Council's financial statements.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 20. Landfill Closure and Post-Closure Care Costs

On March 27, 2000, the Council adopted Ordinance Number 00-11 whereby the Council approved an agreement with Waste Management of Louisiana, LLC (Waste Management) concerning the operation of Woodside Landfill. Under the terms of the agreement, Waste Management agreed to become the permit holder of the Woodside Landfill's DEQ permit (previously the Council was the permit holder). As the permit holder, Waste Management assumed full responsibility for all obligations imposed by the permit, including defending and holding harmless the Council from any and all liabilities arising out of the permit including, but not limited to: all closure, post-closure, monitoring, and financial responsibility requirements of the existing Woodside Landfill facility. Accordingly, at December 31, 2000, the Council removed all municipal solid waste landfill closure and post-closure liability from its long-term debt.

In addition, Waste Management agreed to pay the Council 5% of the gross revenue derived from the disposal of solid waste of the landfill for a period of two years from the date of the agreement and 6.5% thereafter of gross revenues until the facility has reached full capacity. Furthermore, Waste Management agreed to pay the Council 6.5% of gross revenues on an additional adjacent landfill site owned by Waste Management subject to a minimum royalty of \$600,000 contingent on gross revenues collected by Waste Management equal to or exceeding \$8,000,000 per year at that facility. For the year ended December 31, 2015, the total royalties under this agreement were \$1,492,030. In addition, Waste Management agreed to pay the Council \$40,000 annually to fund the salary and related expense of an employee who will be responsible for acting as a liaison with the public on matters pertaining to residential garbage collections and waste disposal.

Note 21. Deficit Fund Equity

At December 31, 2015, the Jail Sales Tax Fund deficit was \$7,951,881. This accumulated deficit was caused by expenditures exceeding revenues during the current and prior years and is expected to remain as a deficit until the existing jail bonds are paid off in 2021. The deficit has been funded by advances from the General Fund of \$3,431,708 and the Health Unit Fund of \$300,000, as of December 31, 2015. The Jail Sales Tax Fund will repay these advances once resources are available. In addition, at December 31, 2015, the Jail Sales Tax Fund owes the General Fund \$1,563,528 and the Road Special Revenue Fund \$1,061,314, for a total of \$2,624,842, which is included in the governmental fund financial statements as due to other funds.

At December 31, 2015, the Hazard Mitigation Fund deficit was \$56,240. This accumulated deficit was caused by expenditures exceeding revenues during the current and prior years. The deficit is expected to be eliminated during 2016 with additional transfers from the General Fund.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 22. Compensation Paid to Parish President and Council Members

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to the Council is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Council has elected the monthly payment method of compensation. Under this method, the Council Members receive \$1,200 per month. Compensation paid to the Parish President and to the Members of the Council is as follows:

Name / Contact Number	Title	Address	Amount
L. Layton Ricks, Jr. (225) 686-4400	Parish President	P. O. Box 427 Livingston, LA 70754	\$ 142,122
Chance M. Parent (225) 686-3027	District 1 Council Member	35649 Woodland Ridge Drive Denham Springs, LA 70706	14,404
James R. Norred, Jr. (225) 686-3027	District 2 Council Member	9900 Meadow Lane Denham Springs, LA 70706	14,404
Cynthia G. Wale (225) 686-3027	District 3 Council Member	9417 Prince Charles Denham Springs, LA 70726	14,404
Marshall Harris (225) 686-3027	District 4 Council Member	704 Tom Drive Denham Springs, LA 70726	14,404
Joan M. Landry (225) 686-3027	District 5 Council Member	24076 Canyon Road Denham Springs, LA 70726	14,404
Sonya O. Collins (225) 686-3027	District 6 Council Member	16060 Jolie Lane French Settlement, LA 70733	14,404
Ricky E. Goff (225) 686-3027	District 7 Council Member	32774 Kirby Wood Drive Walker, LA 70785	14,404
Ronald L. Sharp (225) 686-3027	District 8 Council Member	29946 Highway 444 Springfield, LA 70462	14,404
Delos M. Blackwell (225) 686-3027	District 9 Council Member	P. O. Box 418 Albany, LA 70711	14,404
Total			<u>\$ 271,758</u>

Current terms expire December 31, 2015.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 23. Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health and life; and natural disasters. The Council has purchased various insurance policies to cover such risks. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Council. Settled claims have not exceeded this insurance coverage in any of the past three years.

Note 24. Litigation and Claims

At December 31, 2015, the Council was the defendant in several pending lawsuits filed in the Twenty-First Judicial District Court. Although the suits are still pending, the President and Council deny any liability and are actively defending the Council's position. Based on the opinion of legal counsel on the possible outcome of these lawsuits, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Council.

Note 25. Commitments and Contingencies

In the fall of 2008, the Parish suffered damages from Hurricanes Gustav and Ike. The Council entered into contracts for debris removal, for debris removal contract monitoring services, and for debris site burning. The Council submitted the estimated cost of the hurricane cleanup to FEMA on FEMA designated forms called project worksheets (PWs). Subsequent to the contracted cleanup work being performed within the Parish, the Council submitted the necessary forms for reimbursement. Total claims submitted to FEMA as of December 31, 2015, amount to approximately \$58,000,000. Of this amount, FEMA has denied approximately \$47,500,000. FEMA has denied paying a substantial portion of the expenses incurred by the Council on debris cleanup work related to removal of hazardous leaning trees and hazardous hanging limbs. In addition, FEMA has denied the expense reimbursement claims the Council made on hurricane debris removal and monitoring services performed within the gravity drainage districts and outside the gravity drainage districts within the Parish. The Council is appealing these denials by FEMA. As of the date of this report, the appeals and contested claims of the Council with FEMA are still continuing and a decision has not been finalized.

Due to the unresolved disputes and uncertainties involving the appeals with FEMA, the Council cannot make a reasonable estimate to include in the financial statements for the additional unpaid debris cleanup costs or associated federal assistance reimbursement. This estimate could be material to these financial statements and the amount can vary significantly, depending on the results of the appeal with FEMA.

At December 31, 2015, the Council has various active construction projects and has spent \$7,098,009 on these contracts. The Council's remaining commitment on these contracts is \$2,048,361. Additionally, the Council has entered into multiple engineering contracts and has spent \$4,477,239 as of year-end. The Council's remaining commitment on these contracts is \$1,848,313.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 26. Revenues and Expenditures Actual Compared to Budget

The following funds had actual revenues and/or other sources and expenditures and/or other uses with unfavorable budget variances exceeding 5% for the year ended December 31, 2015, in the following categories or functions:

	Final Budget	Actual	Unfavorable Variance	Unfavorable Variance Percentage
Health Unit Fund				
Total Expenditures and Other Uses	\$ 1,172,205	\$ 1,245,463	\$ (73,258)	-6.25%
Jail Sales Tax Fund				
Total Expenditures and Other Uses	\$ 4,296,916	\$ 4,795,450	\$ (498,534)	-11.60%

State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures exceed budgeted expenditures by 5% or more.

Note 27. Acquisition of Mosquito Abatement District of Livingston Parish

During 2015, the Council passed L.P. Ordinance No. 15-33 to dissolve the Mosquito Abatement District of Livingston Parish (the District). As a result, the Council absorbed the operations and assets of the District. The Council recorded a special item in the amount of \$268,916, for the year ended December 31, 2015.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

LIVINGSTON PARISH COUNCIL
Schedule of Council's Proportionate Share of the
Net Pension Liability
For the Year Ended December 31, 2015

Council's Portion of the Net Pension Liability	6.017930%
Council's Proportionate Share of the Net Pension Liability	\$ 16,714
Council's Covered-Employee Payroll	\$ 5,756,578
Council's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	0.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.89%

LIVINGSTON PARISH COUNCIL
Schedule of Council's Pension Contributions
For the Year Ended December 31, 2015

Contractually Required Contribution	\$ 518,092
Contributions in Relation to the Contractually Required Contribution	<u>(518,092)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
Council's Covered-Employee Payroll	<u>\$ 5,756,578</u>
Contributions as a Percentage of Covered-Employee Payroll	<u>9.00%</u>

OTHER SUPPLEMENTARY INFORMATION

LIVINGSTON PARISH COUNCIL

Fund Descriptions

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Bingo Fund - This fund is used to account for the proceeds of collections from bingo operators within the Parish of Livingston, and to account for the expenditure of those funds.

Jury Mileage Fund - This fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases be transferred to the parish treasurer and deposited in a special Jury Mileage Fund to be used for the expenses of the criminal court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the balance remaining in the fund at December 31st each year be transferred to the General Fund.

Off-Duty Officer Witness Fund - This fund accounts for the court cost and bond forfeiture revenues, witness fees, and related expenditures. As required by Louisiana Revised Statute 15, Section 255, the fund balance remaining at December 31st each year, which is in excess of the total amount paid from the fund as witness fees for off-duty officers in that year, is transferred to the Jury Mileage Fund.

Hazard Mitigation Grant Fund - This fund is funded by federal grants to be expended for the acquisition or elevation of repetitively flooded structures located in the Parish.

Office of Emergency Preparedness Fund - This fund accounts for the operations of the Parish Office of Emergency Preparedness and the federal and state grants that it monitors.

Court Fee Special Revenue Fund - This fund accounts for the court fee revenues received from the Clerk of Court for the purpose of designing, constructing, renovating, equipping, operating, and maintaining a new Livingston Parish Courthouse and transfers to the Courthouse Debt Service Fund for the payment on the debt service of the Courthouse Project Revenue Bonds, Series 2011.

Public, Educational, and Governmental (PEG) Access Fund - This fund accounts for the collection of PEG fees collected by various cable television providers operating within the Parish that are used to pay for television broadcasts of the proceedings of the Council meetings over a contracted cable channel.

LIVINGSTON PARISH COUNCIL

Fund Descriptions (Continued)

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Capital Projects Funds

Courthouse Capital Project Fund - This fund is used to account for the proceeds of the Courthouse Project Revenue Bonds, Series 2011 that are dedicated for constructing, equipping, and furnishing a building to serve as the Livingston Parish Courthouse.

Parish Transportation Capital Project Fund - This fund was created to account for Parish Transportation Fund Act funds received from the State of Louisiana and to dedicate these funds to projects on the 3-year road list. These funds are only spent on capital outlay projects.

Live Oak Sports Complex Capital Project Fund - This fund is used to account for proceeds of the Live Oak Sports Complex Project Revenue Bonds, Series 2008, that are dedicated for constructing additions and renovations in Livingston Recreation District No. 2.

Other Capital Project Fund - This fund is used to account for all capital outlay construction projects not accounted for in any other capital project fund.

Debt Service Funds

Health Unit Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Health Unit Refunding Bonds, Series 2011, the transfers from the Health Unit Fund, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

Jail Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Jail Project Revenue Bonds, Series 2006 and the 2014 refunding bonds, the transfers from the Jail Sales Tax Fund, and the accumulated restricted cash for the repayment of the bonds.

Library Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Library General Obligation Refunding Bonds, Series 2012, the ad valorem taxes collected, the unrestricted cash, the accumulated restricted cash for the repayment of the bonds, and the ad valorem receivable collectible at year-end.

Live Oak Sports Complex Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Live Oak Sports Complex Project Revenue Bonds, Series 2008 and Series 2015 Refunding Bonds, the collection of payments from Livingston Recreation District No. 2 in accordance with a cooperative endeavor agreement between the Recreation District and the Council, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

Livingston Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Office of Motor Vehicles Project Revenue Bonds, Series 2009, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

LIVINGSTON PARISH COUNCIL

Fund Descriptions (Continued)

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds (Continued)

North Park Debt Service Fund - This fund accounts for the principal, interest, and related charges for the North Park Project Revenue Bonds, Series 2008 and the 2014 refunding bonds, the collection of payments from Livingston Recreation District No. 3 in accordance with a cooperative endeavor agreement between the Recreation District and the Council, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

Sewer No. 2 Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Sewer District No. 2 Project Revenue Bonds, Series 2009, the collection of payments from Livingston Sewerage District No. 2 in accordance with a cooperative endeavor agreement between the Sewerage District and the Council, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

Courthouse Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Courthouse Project Revenue Bonds, Series 2011, the transfers of funds from the Court Fee Special Revenue Fund, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

LIVINGSTON PARISH COUNCIL
Combining Balance Sheet -
Non-Major Governmental Funds
December 31, 2015

	Bingo Fund	Jury Mileage Fund	Off-Duty Officer Witness Fund	Hazard Mitigation Grant Fund	Office of Emergency Preparedness Fund	Court Fee Special Revenue Fund	Public, Educational, and Governmental Access Fund	Mosquito Abatement Fund	Courthouse Capital Project Fund	Parish Transportation Capital Project Fund
Assets										
Cash and Cash Equivalents	\$ 3,140	\$ 161,628	\$ 80,587	\$ -	\$ 97,405	\$ 1,754,528	\$ 40,757	\$ 91,111	\$ -	\$ 1,187,640
Receivables	4,005	-	-	-	379,572	-	35,958	65,247	-	-
Restricted Assets										
Cash	-	-	-	-	-	-	-	-	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-	-
Due from Other Governments	-	9,298	5,534	1,603,533	737,557	89,988	-	-	-	76,785
Total Assets	\$ 7,145	\$ 170,926	\$ 86,121	\$ 1,603,533	\$ 1,214,534	\$ 1,844,516	\$ 76,715	\$ 156,358	\$ -	\$ 1,264,425
Liabilities and Fund Balances										
Liabilities										
Accounts Payable	\$ -	\$ -	\$ -	\$ 187,843	\$ 621,876	\$ 3,945	\$ 75,929	\$ 802	\$ -	\$ 318,878
Deficit in Pooled Cash	-	-	-	1,137,107	-	-	-	-	-	-
Accrued Expenses Payable	5	(7,185)	-	-	25,010	-	-	1,712	-	-
Due to Component Units	-	-	-	-	-	-	-	-	-	-
Due to Other Governments	-	141,579	43,321	-	416,777	-	-	-	-	-
Due to Other Funds	-	-	-	334,823	-	-	-	-	-	-
Total Liabilities	5	134,394	43,321	1,659,773	1,063,663	3,945	75,929	2,514	-	318,878
Fund Balances (Deficits)										
Restricted for										
Construction	-	-	-	-	-	-	-	-	-	945,547
Criminal Court	-	36,532	-	-	-	-	-	-	-	-
Criminal Court Witness	-	-	42,800	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Assigned to										
Bingo	7,140	-	-	-	-	-	-	-	-	-
Court Fees	-	-	-	-	-	1,840,571	-	-	-	-
Other Purposes	-	-	-	-	-	-	-	153,844	-	-
Unassigned	-	-	-	(56,240)	150,871	-	786	-	-	-
Total Fund Balances (Deficits)	7,140	36,532	42,800	(56,240)	150,871	1,840,571	786	153,844	-	945,547
Total Liabilities and Fund Balances (Deficits)	\$ 7,145	\$ 170,926	\$ 86,121	\$ 1,603,533	\$ 1,214,534	\$ 1,844,516	\$ 76,715	\$ 156,358	\$ -	\$ 1,264,425

See independent auditor's report.

Schedule 1

Live Oak Sports Complex Capital Project Fund	Other Capital Project Fund	Health Unit Debt Service Fund	Jail Debt Service Fund	Library Debt Service Fund	Live Oak Sports Complex Debt Service Fund	Livingston Debt Service Fund	North Park Debt Service Fund	Sewer No. 2 Debt Service Fund	Courthouse Debt Service Fund	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,416,796
-	-	-	-	-	-	-	4,000	-	-	488,782
-	-	-	1,269,480	355,152	168,937	98,104	808,150	248,093	363,850	3,311,766
116,320	-	-	-	-	-	-	-	526	-	116,846
-	-	-	-	1,089,422	-	-	-	-	-	3,612,117
\$ 116,320	\$ -	\$ -	\$ 1,269,480	\$ 1,444,574	\$ 168,937	\$ 98,104	\$ 812,150	\$ 248,619	\$ 363,850	\$ 10,946,307
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,209,273
-	-	-	-	-	-	-	4,000	-	-	1,141,107
-	-	-	-	-	-	-	-	-	-	19,542
116,320	-	-	-	-	12,959	-	13,283	-	-	142,562
-	-	-	-	18,987	-	-	-	-	-	620,664
-	-	-	-	55,000	3,000	-	3,000	3,000	-	398,823
116,320	-	-	-	73,987	15,959	-	20,283	3,000	-	3,531,971
-	-	-	-	-	-	-	-	-	-	945,547
-	-	-	-	-	-	-	-	-	-	36,532
-	-	-	-	-	-	-	-	-	-	42,800
-	-	-	1,269,480	1,370,587	152,978	98,104	791,867	245,619	363,850	4,292,485
-	-	-	-	-	-	-	-	-	-	7,140
-	-	-	-	-	-	-	-	-	-	1,840,571
-	-	-	-	-	-	-	-	-	-	153,844
-	-	-	-	-	-	-	-	-	-	95,417
-	-	-	1,269,480	1,370,587	152,978	98,104	791,867	245,619	363,850	7,414,336
\$ 116,320	\$ -	\$ -	\$ 1,269,480	\$ 1,444,574	\$ 168,937	\$ 98,104	\$ 812,150	\$ 248,619	\$ 363,850	\$ 10,946,307

LIVINGSTON PARISH COUNCIL
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2015

	Bingo Fund	Jury Mileage Fund	Off-Duty Officer Witness Fund	Hazard Mitigation Grant Fund	Office of Emergency Preparedness Fund	Court Fee Special Revenue Fund	Public, Educational, and Governmental Access Fund	Mosquito Abatement Fund	Courthouse Capital Project Fund	Parish Transportation Capital Project Fund
Revenues										
Taxes										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-	-	-	136,719	-	-	-
Licenses and Permits	17,214	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	156,230	93,041	-	-	1,246,775	-	-	-	-
Intergovernmental Revenues										
Federal Sources	-	-	-	4,010,132	878,244	-	-	-	-	-
State and Local Sources	-	-	-	-	20,781	-	-	-	-	993,016
Miscellaneous	-	-	-	-	201,716	1,250,000	-	69,072	65,794	-
Use of Money and Property	-	-	-	-	-	3,619	5	6,789	1,426	-
Total Revenues	17,214	156,230	93,041	4,010,132	1,100,741	2,500,394	136,724	75,861	67,220	993,016
Expenditures										
Current Expenditures										
General Government	-	178,112	83,721	-	-	3,945	208,110	190,933	-	-
Public Safety	-	-	-	4,069,174	1,276,471	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	2,500,000
Culture and Recreation	-	-	-	-	-	-	-	-	-	-
Total Current Expenditures	-	178,112	83,721	4,069,174	1,276,471	3,945	208,110	190,933	-	2,500,000
Debt Service										
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-	-	-	-	-	3,850	-	-	-	-
Total Debt Service	-	-	-	-	-	3,850	-	-	-	-
Capital Outlay										
Public Safety	-	-	-	-	23,850	-	-	-	-	-
Total Capital Outlay	-	-	-	-	23,850	-	-	-	-	-
Total Expenditures	-	178,112	83,721	4,069,174	1,300,321	7,795	208,110	190,933	-	2,500,000
Excess (Deficiency) of Revenues Over Expenditures	17,214	(21,882)	9,320	(59,042)	(199,580)	2,492,599	(71,386)	(115,072)	67,220	(1,506,984)
Other Financing Sources (Uses)										
Transfers In	-	-	-	-	462,000	-	72,189	-	-	-
Transfers Out	(12,000)	-	-	-	(11,000)	(1,048,381)	-	-	-	-
Transfers from Component Units	-	-	-	-	-	-	-	268,916	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-	-	-	-
Premium Received on Bonds Issued	-	-	-	-	-	-	-	-	-	-
Payment to Refunded Bonds	-	-	-	-	-	-	-	-	-	-
Escrow Agent	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(12,000)	-	-	-	451,000	(1,048,381)	72,189	268,916	-	-
Net Change in Fund Balances	5,214	(21,882)	9,320	(59,042)	251,420	1,444,218	803	153,844	67,220	(1,506,984)
Fund Balances (Deficits), Beginning of Year	1,926	58,414	33,480	2,802	(100,549)	396,353	(17)	-	(67,220)	2,452,531
Fund Balances (Deficits), End of Year	\$ 7,140	\$ 36,532	\$ 42,800	\$ (56,240)	\$ 150,871	\$ 1,840,571	\$ 786	\$ 153,844	\$ -	\$ 945,547

See independent auditor's report.

Schedule 2

Live Oak Sports Complex Capital Project Fund	Other Capital Project Fund	Health Unit Debt Service Fund	Jail Debt Service Fund	Library Debt Service Fund	Live Oak Sports Complex Debt Service Fund	Livingston Debt Service Fund	North Park Debt Service Fund	Sewer No. 2 Debt Service Fund	Courthouse Debt Service Fund	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 482,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 482,917
-	-	-	-	-	-	-	-	-	-	136,719
-	-	-	-	-	-	-	-	-	-	17,214
-	-	-	-	-	-	-	-	-	-	1,496,046
-	-	-	-	-	-	-	-	-	-	4,888,376
-	-	-	-	-	-	-	-	-	-	1,013,797
-	-	-	-	-	-	-	-	-	-	1,586,582
-	-	17	75	1,434	-	9	-	-	78	13,452
-	-	17	75	484,351	-	9	-	-	78	9,635,103
-	-	-	-	-	-	-	-	-	-	664,821
-	-	-	-	-	-	-	-	-	-	5,345,645
-	-	-	-	-	-	-	-	-	-	2,500,000
-	-	-	-	18,987	-	-	-	-	-	18,987
-	-	-	-	18,987	-	-	-	-	-	8,529,453
-	-	-	-	-	144,923	-	-	-	-	144,923
-	-	320,000	1,340,000	520,000	90,000	105,000	260,000	50,000	370,000	3,055,000
-	-	4,800	377,672	133,631	202,325	187,415	384,770	108,788	722,181	2,125,432
-	-	324,800	1,717,672	653,631	437,248	292,415	644,770	158,788	1,092,181	5,325,355
-	-	-	-	-	-	-	-	-	-	23,850
-	-	-	-	-	-	-	-	-	-	23,850
-	-	324,800	1,717,672	672,618	437,248	292,415	644,770	158,788	1,092,181	13,878,658
-	-	(324,783)	(1,717,597)	(188,267)	(437,248)	(292,406)	(644,770)	(158,788)	(1,092,103)	(4,243,555)
-	-	-	1,712,989	-	-	293,032	-	-	1,091,381	3,631,591
-	(242,460)	-	-	-	-	-	-	-	-	(1,313,841)
-	-	-	-	-	293,700	-	644,196	162,288	-	1,369,100
-	-	-	-	-	3,820,000	-	-	-	-	3,820,000
-	-	-	-	-	112,207	-	-	-	-	112,207
-	-	-	-	-	(4,033,738)	-	-	-	-	(4,033,738)
-	(242,460)	-	1,712,989	-	192,169	293,032	644,196	162,288	1,091,381	3,585,319
-	(242,460)	(324,783)	(4,608)	(188,267)	(245,079)	626	(574)	3,500	(722)	(658,236)
-	242,460	324,783	1,274,088	1,558,854	398,057	97,478	792,441	242,119	364,572	8,072,572
\$ -	\$ -	\$ -	\$ 1,269,480	\$ 1,370,587	\$ 152,978	\$ 98,104	\$ 791,867	\$ 245,619	\$ 363,850	\$ 7,414,336

LIVINGSTON PARISH COUNCIL
Schedule of Insurance in Force
For the Year Ended December 31, 2015

Schedule 3

Issuer	Expiration Date	Coverage	Amount
AmRisc	9/28/2016	Property and mobile equipment Blanket Earthquake Flood	\$ 5,000,000 1,000,000 1,000,000
Henry Insurance Services	12/22/2016	General Liability	1,000,000 /per occurrence 2,000,000 aggregate limit
One Beacon	9/28/2016	Commercial Vehicles and equipment items Property and equipment items	60,345,948 62,685,228
Crump	9/28/2016	Crime Employee theft Forgery or alteration Inside the premises - theft of money/securities Inside the premises - robbery or safe burglary Outside the premises Computer fraud Money orders and counterfeit paper currency	250,000 250,000 250,000 250,000 250,000 250,000 250,000
Hartford	9/28/2016	Boiler and machinery equipment breakdown limit	60,345,948

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Sewer Rates and
Number of Customers
For the Year Ended December 31, 2015

Schedule 4

Records maintained by the Livingston Parish Council indicated the number of residential and commercial users for sewer systems for the year ended December 31, 2015, were as follows:

Residential Customer Count	205	Commercial Customer Count	5
Flat Fee:	\$30	Flat Fee:	\$40

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2015

Schedule 5

Agency Head
L. Layton Ricks, Jr., Parish President

Purpose	Amount
Salary	\$142,122
Benefits - Insurance	\$11,053
Benefits - Retirement	\$13,228
Benefits - Other	\$0
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$255
Travel	\$1,223
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.

**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**

Independent Auditor's Report

To the Honorable Parish President
and Members of the Livingston Parish Council
Livingston, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparison schedules of the major funds, and the aggregate remaining fund information of the Livingston Parish Council (the Council), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated June 22, 2016. Our report expresses an adverse opinion on the aggregate discretely presented component units due to their exclusion from the financial statements.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency, which is identified as item 2015-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2015-002.

Livingston Parish Council's Responses to Findings

The Council's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Council's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Covington, LA
June 22, 2016

**REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Independent Auditor's Report

To the Honorable Parish President
and Members of the Livingston Parish Council
Livingston, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Livingston Parish Council's (the Council) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended December 31, 2015. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Council's compliance.

Opinion on Each Major Federal Program

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2015-003. Our opinion on each major federal program is not modified with respect to these matters. The Council's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Council's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document. Accordingly, this report is not suitable for any other purpose.



A Professional Accounting Corporation

Covington, LA
June 22, 2016

LIVINGSTON PARISH COUNCIL
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Schedule 6

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Expenditures
United States Department of Housing and Urban Development			
Passed through the Louisiana Office of Community Development			
CDBG - State-Administered CDBG Cluster			
Community Development Block Grant -			
Gustav/Ike Recovery [1]	14.228		\$ 2,536,933
Isaac HMGP Assistance LMI Cost Share	14.228		137,714
Isaac DRU - Waterway Debris	14.228		<u>279,566</u>
Total United States Department of Housing and Urban Development			<u>2,954,213</u>
United States Department of the Interior			
Bureau of Ocean Energy Management, Regulation and Enforcement			
Gulf of Mexico Energy Security Act of 2006 - ARRA	15.435		7,533
Fish and Wildlife Service			
Coastal Impact Assistance Program			
Bald Cypress/Tupelo Forest - Second Land Purchase	15.668		316,515
Hydrologic Restoration	15.668	F12AF70245	130,265
Office of the Secretary			
Payment in Lieu of Taxes	15.226		<u>1,648</u>
Total United States Department of the Interior			<u>455,961</u>
United States Department of Transportation			
Federal Highway Administration			
Passed through Capital Region Planning Commission			
CRPC Mapping	20.205		20,000
Passed through Louisiana Department of Transportation and Development			
Highway Planning and Construction Cluster			
Wax Road Overlay	20.205		201,658
Council on Aging Grant [2]	20.509		240,377
Local Technical Assistance Program			
LP Railroad Safety Improvements	20.607		<u>114,246</u>
Total United States Department of Transportation			<u>576,281</u>

LIVINGSTON PARISH COUNCIL
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Schedule 6
(Continued)

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Expenditures
United States Department of Homeland Security /			
Federal Emergency Management Agency			
Passed through Governor's Office of Homeland Security and Emergency Preparedness			
Hazard Mitigation Grant Program			
Hazard Mitigation Grant Program State Generator Project	97.039	1603-DR-LA-0079	46,310
Hazard Mitigation Grant Program Statewide 5% Generator Project	97.039	1786-022-0002	112,399
Hazard Mitigation Grant Program Acquisition and Elevation	97.039	4080-063-001	1,350,237
Hazard Mitigation Grant Program Acquisition and Elevation	97.039	1792-063-0004	1,657,604
Hazard Mitigation Grant Program Acquisition and Elevation	97.039	4080-063-001	567,674
Hazard Mitigation Grant Program Middle Colyell	97.039	1603-063-0007	238,826
Hazard Mitigation Grant Program Live Oak Retrofit	97.039	4080-063-003	37,082
Homeland Security Cluster			
State Homeland Security Program (SHSP) 2013 [3]	97.067		16,464
State Homeland Security Program (SHSP) 2014 [3]	97.067		63,899
Public Assistance - Waterway Debris	97.036		<u>484,413</u>
Total United States Department of Homeland Security / Federal Emergency Management Agency			<u>4,574,908</u>
Total Expenditures of Federal Awards			<u><u>\$ 8,561,363</u></u> *

[1] CDBG - State Administered CDBG Cluster

[2] Highway Planning and Construction Cluster

[3] Homeland Security Cluster

* These amounts do not include amounts from FEMA that are currently being contested and/or prior year amounts released by FEMA in 2011 that are being contested concerning the debris removal costs from Hurricane Gustav.

Basis of Presentation

The schedule of expenditures of federal awards includes the grant activity of the Livingston Parish Council and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Sub-Recipients

Livingston Parish Council provided federal awards to the following sub-recipients:

- \$240,377 to Livingston Parish Council on Aging on CFDA number 20.509.
- \$87,656 to City of Walker on CFDA number 97.039.
- \$37,082 to Livingston Parish School Board on CFDA number 97.039.
- \$24,743 to Livingston Parish Fire District No. 4 on CFDA number 97.039

LIVINGSTON PARISH COUNCIL
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2015

Part I - Summary of Auditor's Results

Financial Statements

1. Type of auditor's report	Unmodified
2. Internal control over financial reporting	
a. Material weaknesses identified?	None
b. Significant deficiencies identified?	Yes
c. Noncompliance material to the financial statements?	Yes
d. Other matters identified?	None

Federal Awards

1. Internal control over major programs	
a. Material weaknesses identified?	None
b. Significant deficiencies identified?	None
2. Type of auditor's report issued on compliance for each major program	Unmodified
3. Audit findings disclosed that are required in accordance with the Uniform Guidance	Yes
4. Identification of major programs	
15.668 Coastal Impact Assistance Program	
97.039 Hazard Mitigation	
5. Dollar threshold used to distinguish between Type A and B programs	\$750,000
6. Auditee qualified as a low-risk auditee?	No

LIVINGSTON PARISH COUNCIL
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2015

Part II - Findings and Questioned Costs Related to the Financial Statements

2015-001 Permits and Licenses

Criteria: Permit sales revenue should be reconciled to the general ledger monthly and include a complete listing of all permit transactions or licenses for the month. This is necessary to account for all of the licenses in the permit system and to document a complete record of transactions.

Condition: During the testing of permits and licenses, we noted that there were gaps in the sequence of numbers assigned to EMP permits.

Effect: Gaps in the sequence of numbers assigned to EMP permits may indicate the existence of errors in the documentation for permits.

Recommendation: We recommend that management consider purchasing software which would improve the accounting for permit revenue.

Management's Response: The Permit Department is exploring new software options that would be able to handle the permitting and reconciliation requirements.

2015-002 Failure to Amend Budget (LRS 39:1310)

Criteria: The Council is required to follow the requirements of the Louisiana Local Government Budget Act at LRS 39:1301 through 39:1315.

Condition: State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures exceed budgeted expenditures and other financing uses exceed budgeted amounts by 5% or more. See Note 26 to the financial statements for a complete list of unfavorable budget variances that exceed the 5% variance required by state law. Also, two funds had fund deficits at December 31, 2015. The Jail Sales Tax Fund budgeted a deficit which is also a violation of LRS 39:1301 through 39:1315.

Effect: The Council did not comply with all of the requirements of the Louisiana Local Government Budget Act as outlined above.

LIVINGSTON PARISH COUNCIL
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2015

Recommendation: We recommend the monitoring of actual costs accumulated by department and fund more closely and making appropriate budget amendments to comply with the law requiring the budget to actual variance to be within 5%. We further recommend that the Council be provided a budgetary report that contains actual balances as of the date of the report including a column showing the variance between the actual and budgetary balances to assist with identifying unfavorable budget variances.

Additionally, the Council should review the funds with fund balance deficits and develop a funding plan for the elimination of those deficits.

Management's Response: Management will take this under advisement.

Part III - Other Matters Related to the Financial Statements

None

Part IV - Findings and Questioned Costs Related to Major Federal Programs

2015-003 Period of Availability of Funds (CFDA 97.039)

Criteria: 2 CFR Section 215.28

Condition: During our testing of Hazard Mitigation Grant disbursements, we noted that a purchase of generators on March 12, 2015 in the amount of \$46,310 was disbursed after the period of availability for the 2013 statewide generator grant. That grant had a period of availability from February 1, 2013 to August 1, 2014.

Effect: Noncompliance with requirements of 2 CFR Section 215.28.

Recommendation: We recommend that management review grant disbursements to ensure that disbursements are within the period of availability.

Management's Response: The generators were reimbursed under the grant by the State who was the grantee. In the future, management will review disbursements to determine if they are within the period of availability.

**LIVINGSTON PARISH COUNCIL
Schedule of Prior Audit Findings
For the Year Ended December 31, 2015**

2014-001 Permits and Licenses

Status: This finding has not been resolved. See current year finding 2015-001 in the accompanying schedule of findings and questioned costs.

2014-002 Incomplete or Inaccurate Listing of Streets for Parish Transportation Fund Act Expenditures

Status: This finding has been resolved.

2014-003 Failure to Amend Budget (LRS 39:1310)

Status: This finding has not been resolved. See current year finding 2015-002 in the accompanying schedule of findings and questioned costs.