

FINANCIAL REPORT

ST. BERNARD PARISH HOME
MORTGAGE AUTHORITY
(A Component Unit of St. Bernard Parish)

MARCH 31, 2018

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY

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INDEPENDENT AUDITOR'S REPORT

August 29, 2018

Board of Trustees
St. Bernard Parish Home
Mortgage Authority
Chalmette, Louisiana 70043

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the St. Bernard Parish Home Mortgage Authority (the Authority), a component unit of St. Bernard Parish, as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the St. Bernard Parish Home Mortgage Authority as of March 31, 2018 and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the St. Bernard Parish Home Mortgage Authority's basic financial statements. The supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2018, on our consideration of the St. Bernard Parish Home Mortgage Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of the St. Bernard Parish Home Mortgage Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Bernard Parish Home Mortgage Authority's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

ST. BERNARD PARISH
HOME MORTGAGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2018

The Management's Discussion and Analysis of the St. Bernard Parish Home Mortgage Authority's financial performance presents a narrative overview and analysis of St. Bernard Parish Home Mortgage Authority's financial activities for the year ended March 31, 2018. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the information contained in the St. Bernard Parish Home Mortgage Authority's financial statements, which begin on page 8.

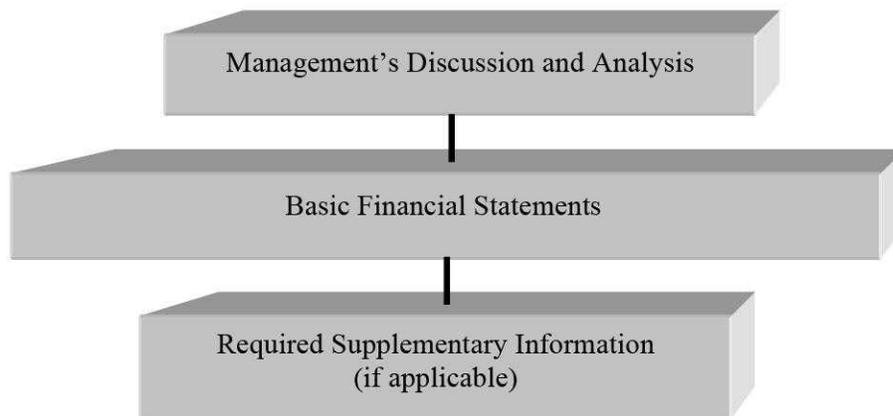
FINANCIAL HIGHLIGHTS

- ★ The St. Bernard Parish Home Mortgage Authority's assets exceeded its liabilities at the close of fiscal years 2018 and 2017 by \$113,842 and \$118,586, respectively. This represents a decrease from 2017 to 2018 in net position by \$4,744 (or 4.00%) which is due to operating expenses in excess of revenues.

- ★ The St. Bernard Parish Home Mortgage Authority had an operating loss of \$(8,929) for the year ended March 31, 2018, compared to an operating loss of \$(200,400) for 2017. The change is attributable to a decrease in professional services relating to federal grant revenue received in the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements, for Special Purpose Governments Engaged in Business-Type Activities established by the Government Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



ST. BERNARD PARISH
HOME MORTGAGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2018

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information (if applicable).

BASIC FINANCIAL STATEMENTS

The basic financial statements present information for the St. Bernard Parish Home Mortgage Authority as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Fund Net Position; and the Statement of Cash Flows.

The Statement of Net Position (page 8) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net position and may provide a useful indicator of whether the financial position of the St. Bernard Parish Home Mortgage Authority is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Position (page 9) presents information showing how the St. Bernard Parish Home Mortgage Authority's net position changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (page 10) presents information showing how the St. Bernard Parish Home Mortgage Authority's cash changed as a result of current year operations. The statement is prepared using the direct method and includes the reconciliation of operating loss to net cash used by operating activities (indirect method) as required by *Government Auditing Standards*.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

ST. BERNARD PARISH
HOME MORTGAGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2018

FINANCIAL ANALYSIS OF THE ENTITY

Condensed Statements of Net Position
as of March 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Current and other assets	\$113,842	\$122,338
Total assets	<u>113,842</u>	<u>122,338</u>
Current liabilities	-	3,752
Total liabilities	<u>-</u>	<u>3,752</u>
Net position		
Unrestricted	113,472	118,214
Restricted	370	372
Total net position	<u>113,842</u>	<u>118,586</u>
 Total liabilities and net position	 <u>\$113,842</u>	 <u>\$122,338</u>

Restricted net position represents those assets that are not available for spending as a result of legislative requirements, loan agreements, or other requirements. Conversely, unrestricted net position are those that do not have any limitations on what these amounts may be used for.

Net position of the St. Bernard Parish Home Mortgage Authority decreased by \$4,744 (or 4.00%), from March 31, 2017 to March 31, 2018, which is due to operating expenses in excess of revenues.

Condensed Statements of Revenues, Expenses, and Changes
for the years ended March 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating revenues	\$ 2,469	\$ -
Operating expenses	<u>(11,398)</u>	<u>(200,400)</u>
Operating loss	<u>(8,929)</u>	<u>(200,400)</u>
Non-operating revenues	<u>4,185</u>	<u>97,615</u>
Change in net position	(4,744)	(102,785)
Net position, beginning of year	<u>118,586</u>	<u>221,371</u>
Net position, end of year	<u>\$113,842</u>	<u>\$118,586</u>

ST. BERNARD PARISH
HOME MORTGAGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2018

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The St. Bernard Parish Home Mortgage Authority has no capital assets.

Debt

The St. Bernard Parish Home Mortgage Authority had \$1,075,000 in defeased bonds outstanding at March 31, 2017, which were rated "Baa3". The bonds were redeemed in full on September 1, 2017. There was no debt outstanding at March 31, 2018.

NEXT YEAR'S BUDGET

The St. Bernard Parish Home Mortgage Authority's appointed officials considered the following factor when setting next year's budget:

- The activities of the mortgage programs

**CONTACTING THE ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the St. Bernard Parish Home Mortgage Authority's finances and to show the St. Bernard Parish Home Mortgage Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Howard Luna, Chairman, 8201 W. Judge Perez Drive, Chalmette, Louisiana 70043.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
STATEMENT OF NET POSITION
MARCH 31, 2018

ASSETS

CURRENT ASSETS:

Cash	\$ 113,472
Restricted cash	370
Total current assets	<u>113,842</u>

TOTAL ASSETS \$ 113,842

LIABILITIES AND NET POSITION

CURRENT LIABILITIES:

Total current liabilities \$ -

NET POSITION:

Unrestricted	113,472
Restricted	370
TOTAL LIABILITIES AND NET POSITION	<u>\$ 113,842</u>

See accompanying notes.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED MARCH 31, 2018

OPERATING REVENUES	
Loan fees	\$ 2,469
OPERATING EXPENSES:	
Professional services	9,350
Other expenses	2,048
Total operating expenses	11,398
OPERATING LOSS	(8,929)
NON-OPERATING REVENUES:	
Interest income	4,185
Total non-operating revenues	4,185
CHANGE IN NET POSITION	(4,744)
Net position, beginning of year	118,586
NET POSITION, END OF YEAR	\$ 113,842

See accompanying notes.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received:	
Fees for services	\$ 2,469
Cash paid:	
For goods and services	(15,150)
Net cash used by operating activities	<u>(12,681)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Investment income received	<u>4,185</u>
Net cash provided by investing activities	<u>4,185</u>

DECREASE IN CASH AND CASH EQUIVALENTS (8,496)

Cash and cash equivalents - beginning of year 122,338

CASH AND CASH EQUIVALENTS - END OF YEAR \$ 113,842

PRESENTED ON THE STATEMENT OF NET POSITION AS:

Cash	\$ 113,472
Restricted cash	370
	<u><u>\$ 113,842</u></u>

RECONCILIATION OF OPERATING LOSS TO NET CASH
USED BY OPERATING ACTIVITIES:

Operating loss	\$ (8,929)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Change in accounts payable	(3,752)
Net cash used in operating activities	<u><u>\$ (12,681)</u></u>

See accompanying notes.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

NATURE OF OPERATIONS:

The St. Bernard Parish Home Mortgage Authority (the "Authority") was created through a Trust Indenture dated May 9, 1979 pursuant to provisions of Chapter 2-A of Title 9 of the Louisiana Revised Statutes of 1950, as amended, as a public trust authority with the Parish of St. Bernard, State of Louisiana as its beneficiary. The purposes for which the Authority was created were, among others, (i) to provide a means of financing the cost of residential home ownership, development, and rehabilitation that will provide adequate housing for residents of St. Bernard Parish who are persons of low and moderate income, and (ii) to expand the supply of funds in St. Bernard Parish available for mortgage loans.

The Authority has a Board of Trustees which contracts with outside parties to conduct the day-to-day operations of the programs it initiates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basis of Presentation:

The Authority is considered a proprietary fund, which is used to account for governmental activities that are similar to those found in the private sector where the determination of operating income and changes in net position is necessary or useful for sound financial administration. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Measurement Focus:

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (revenues) and decreases (expenses) in total net position. The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its activities.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Reporting Entity:

The GASB Codification Section 2100, *Defining the Financial Reporting Entity*, has established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. 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. The criteria include:

1. Appointment of a voting majority of the governing board
 - a. The ability of the parish government to impose its will on the organization
 - b. The potential of the organization to provide specific financial benefits to or impose specific financial burdens on the reporting entity
2. Organizations which are fiscally dependent
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship

Because the parish government appoints the governing board, the Authority was determined to be a component unit of the St. Bernard Parish Government, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the Authority and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

Annually, the St. Bernard Parish Government issues audited financial statements, which include the activity contained in the accompanying financial statements.

Statement of Cash Flows:

For purposes of the statement of cash flows, the Authority considers all short-term, highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Revenue and Expenses:

Operating revenues and expenses generally result from providing services in accordance with the Authority's statutory purpose. Federal grant revenues and expenses are ancillary to the Authority's statutory purpose and are classified as non-operating revenues and expenses.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Restricted Cash:

Restricted cash consists of funds received from a federal government grant. The terms of the grant specify these funds are to be used for activities in connection with the grant.

Net Position:

In the Statement of Net Position, the difference between the Authority's assets and liabilities is recorded as net position. The three components of net position are as follows:

Net investment in capital assets – The category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets. The Authority does not own any capital assets.

Restricted net position – Net positions that are restricted by external sources such as creditors, grantors, contributors, or by law are reported separately as restricted net position.

Unrestricted net position – Unrestricted consists of net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

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

Estimates:

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

2. CASH:

Custodial credit risk is that risk that, in the event of a bank failure, the Authority's deposits might not be recovered. The Authority's deposit policy for custodial credit risk conforms to state law. At March 31, 2018, cash balances in the amount \$113,249 were entirely covered by federal deposit insurance.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

3. AGREEMENTS:

On October 1, 2016, the Authority entered into an agreement with Capital Area Finance Authority (CAFA). The agreement allows moderate income borrowers of St. Bernard Parish to participate in the mortgage loan programs offered by CAFA. The Authority will earn 50% of the net fee from the mortgage programs currently in place and in development. The agreement is effective until July 31, 2019. The Authority recognized \$1,378 in revenue from the agreement during the year ended March 31, 2018.

On March 20, 2017, the Authority entered into an agreement with Jefferson Parish Finance Authority (JPFA) which allows St. Bernard Parish's low to moderate income borrowers to participate in JPFA's Southern Mortgage Assistance Program. The Authority and JPFA equally split revenues generated by the Program. The Authority is responsible for all costs associated with the advertising and marketing of the Program. The agreement is effective until terminated by either party. During the year ended March 31, 2018, the Authority recognized \$1,091 in revenue from the agreement.

4. BOARD OF TRUSTEES EXPENSES:

The members of the Authority's Board of Trustees receive no compensation for their services rendered.

5. RECLASSIFICATIONS:

Certain amounts in 2017 have been reclassified to conform to the 2018 presentation.

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
SUPPLEMENTARY INFORMATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Fund Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Business Type Activities</u>
Business-type activities:					
Mortgage programs	\$ 11,398	\$ 2,469	\$ -	\$ -	\$ (8,929)
TOTAL	<u>\$ 11,398</u>	<u>\$ 2,469</u>	<u>\$ -</u>	<u>\$ -</u>	(8,929)
General revenues (expenses):					
Interest income					4,185
Total					<u>4,185</u>
Change in net position					(4,744)
Net position, beginning of year					<u>118,586</u>
NET POSITION, END OF YEAR					<u>\$ 113,842</u>

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF COMPENSATION, BENEFITS, AND
 OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED MARCH 31, 2018

Agency Head Name: Howard Luna, Chairman of the Board

<u>PURPOSE:</u>	<u>AMOUNT</u>
Salary	\$ -
Benefits - insurance	-
Benefits - retirement	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
TOTAL	<u>\$ -</u>



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

August 29, 2018

Board of Trustees
St. Bernard Parish Home Mortgage Authority
Chalmette, Louisiana 70043

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the St. Bernard Parish Home Mortgage Authority, a component unit of St. Bernard Parish, as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the St. Bernard Parish Home Mortgage Authority's basic financial statements, and have issued our report thereon dated August 29, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Bernard Parish Home Mortgage Authority'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Bernard Parish Home Mortgage Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Bernard Parish Home Mortgage Authority's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

ST. BERNARD PARISH HOME MORTGAGE AUTHORITY
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED MARCH 31, 2018

SUMMARY OF AUDITOR'S RESULTS:

Financial Statements:

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- | | | |
|--|---------|-------------|
| * Material weakness(es) identified? | ___ Yes | <u>X</u> No |
| * Significant deficiencies identified? | ___ Yes | <u>X</u> No |

Noncompliance material to financial statements noted?	___ Yes	<u>X</u> No
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FINDINGS REQUIRED TO BE REPORTED UNDER GOVERNMENTAL AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA:

None noted.

SUMMARY OF PRIOR YEAR FINDINGS:

None noted.