

BAYOU MALLET AND PLAQUEMINE GRAVITY
DRAINAGE DISTRICT NO. 10
OF ST. LANDRY PARISH

REVIEWED FINANCIAL REPORT

December 31, 2018

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners
Bayou Mallet and Plaquemine Gravity Drainage
District No. 10 of St. Landry Parish
Opelousas, Louisiana

We have reviewed the accompanying financial statements of the governmental activities of the Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

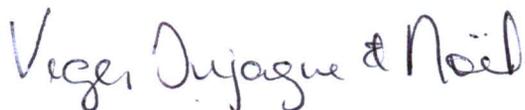
Accounting principles generally accepted in the United States of America require that the budgetary comparison information in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The Management Discussion and Analysis, 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.

Other Supplementary Information

The Schedule of Compensation, Benefits and Other Payments to Agency Head is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed this information and, accordingly, do not express an opinion or provide any assurance on the Schedule of Compensation, Benefits and Other Payments to Agency Head.

In accordance with the Louisiana Government Audit Guide and the provisions of State law, we have issued a report, dated June 3, 2019, on the results of our agreed upon procedures.



Vige, Tujague & Noël
Eunice, Louisiana
June 3, 2019

BASIC FINANCIAL STATEMENTS

The Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish's basic financial statements comprise the following three components.

Government-wide financial statements – provides readers with a broad overview of Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish's finances in a manner similar to a private sector business.

Fund financial statements – provides readers information with an emphasis on inflows and outflows of resources useful for making decisions in a budgetary context where the focus is on meeting near-term financial needs.

Notes to basic financial statements – provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
STATEMENT OF NET POSITION
DECEMBER 31, 2018

ASSETS

Current assets:	
Cash	\$ 937,835
Receivables (net of allowances)	
Property tax	470,764
State revenue sharing	5,719
Total current assets	1,414,318
Noncurrent assets:	
Capital assets, net	306,913
Water deposit	275
Total non-current assets	307,188
Total assets	1,721,506

LIABILITIES

Current liabilities:	
Accounts payable and accrued expenses	4,379
Interest payable	2,854
Current portion of bonds payable	38,000
Total current liabilities	45,233
Noncurrent liabilities:	
Bonds payable	218,000
Total noncurrent liabilities	218,000
Total liabilities	263,233

NET POSITION

Invested in capital assets, net of related debt	50,913
Unrestricted	1,407,360
Total net position	\$ 1,458,273

See accompanying notes and independent accountant's review report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

		<u>Program Revenue</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital and Operating Grant</u>
			<u>Net (Expenses) Revenues and Change in Net Position</u>
			<u>Governmental Activities</u>
Governmental Activities:			
General Government			
Public safety	\$ 295,461	\$ -	\$ -
Interest	8,704	-	-
Total Governmental Activities	<u>\$ 304,165</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues:			
			489,130
			7,499
			2,984
			<u>499,613</u>
Change in net position			195,448
Net position - December 31, 2017			<u>1,262,825</u>
Net position - December 31, 2018			<u>\$ 1,458,273</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS (FFS)

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
BALANCE SHEET ALL - GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS			
Cash in bank	\$ 788,519	\$ 149,316	\$ 937,835
Property taxes receivable, net	441,959	28,805	470,764
State revenue sharing receivable	5,719	-	5,719
Water deposit	275	-	275
Due from other funds	-	-	-
Total assets	<u>\$ 1,236,472</u>	<u>\$ 178,121</u>	<u>\$ 1,414,593</u>
 LIABILITIES AND FUND BALANCES			
Deferred inflows of resources:			
Unavailable revenues	\$ 34,325	\$ 1,902	\$ 36,227
Total deferred inflows of resources	<u>34,325</u>	<u>1,902</u>	<u>36,227</u>
Liabilities:			
Accounts payable	2,715	-	2,715
Accrued payroll taxes	1,664	-	1,664
Due to other funds	-	-	-
Total liabilities	<u>4,379</u>	<u>-</u>	<u>4,379</u>
Fund balances:			
Committed for debt service	-	176,219	176,219
Unassigned	1,197,768	-	1,197,768
Total fund balances	<u>1,197,768</u>	<u>176,219</u>	<u>1,373,987</u>
 Total liabilities and fund balances	<u>\$ 1,236,472</u>	<u>\$ 178,121</u>	<u>\$ 1,414,593</u>

See accompanying notes and independent accountant's review report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

Total fund balance for governmental funds at December 31, 2018		\$ 1,373,987
Total net position reported for governmental activities in the statement of net position are different because:		
The statement of net position reports receivables at their net value. However, receivables not available to pay for current period expenditures are deferred in governmental funds.		
Property tax	30,508	
State Revenue Sharing	5,719	36,227
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Equipment net of \$550,820 accumulated depreciation		306,913
Long-term liabilities at December 31, 2018		
Bonds payable		(256,000)
Interest payable on bonds		(2,854)
Total net position of governmental activities at December 31, 2018		\$ 1,458,273

See accompanying notes and independent accountant's review report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Revenues:			
Property tax	\$ 443,443	\$ 30,894	\$ 474,337
Intergovernmental	7,499	-	7,499
Interest	2,575	409	2,984
Miscellaneous	-	-	-
Total revenues	<u>453,517</u>	<u>31,303</u>	<u>484,820</u>
Expenditures:			
Current:			
Salaries	48,390	-	48,390
Payroll taxes and benefits	9,375	-	9,375
Chemical treatment - canals	68,895	-	68,895
Fuel and oil	30,630	-	30,630
Equipment repairs and maintenance	18,034	-	18,034
Insurance	22,640	-	22,640
Travel reimbursement	12,331	-	12,331
Telephone	3,067	-	3,067
Board per diem	5,900	-	5,900
Miscellaneous	1,892	-	1,892
Professional fees	24,205	-	24,205
Debt service			
Principal	-	38,000	38,000
Interest	-	8,989	8,989
Total expenditures	<u>245,359</u>	<u>46,989</u>	<u>292,348</u>
Excess (deficiency) of revenues over expenditures	208,158	(15,686)	192,472
Fund balance, beginning	<u>989,610</u>	<u>191,905</u>	<u>1,181,515</u>
Fund balance, ending	<u>\$ 1,197,768</u>	<u>\$ 176,219</u>	<u>\$ 1,373,987</u>

See accompanying notes and independent accountant's review report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Total net change in fund balance for the year ended December 31, 2018 per Statements of Revenues, Expenditures and Changes in Fund Balances		\$ 192,472
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.		
Property Tax	\$ 13,799	
State Revenue Sharing	<u>994</u>	14,793
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the Statements of Revenues, Expenditures, and Changes in Fund Balances		
	-	
Depreciation expense for the years ended December 31, 2018	<u>(50,102)</u>	(50,102)
Bond principal retirement considered an expenditure on the Statement of Revenues, Expenditures, and Changes in Fund Balances		
		38,000
Accrued interest payable at December 31, 2018		<u>285</u>
Total changes in net position for the year ended December 31, 2018 per Statement of Activities		<u>\$ 195,448</u>

See accompanying notes and independent accountant's review report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The accounting and reporting practices of the Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish, Louisiana conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants. The following is a summary of certain significant accounting policies:

Reporting entity:

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the District for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

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

The entity being reported on is the Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish, Louisiana, which is a component unit of the St. Landry Parish Government. The financial report includes all funds over which the District exercises oversight

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

responsibility. This responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

The District was created by the St. Landry Parish Government as authorized by Louisiana Revised Statute 38:1751. The District is governed by a Board of Commissioners, which consists of five commissioners, appointed by the St. Landry Parish Government.

The District was established for the purpose of opening and maintaining all natural drains in the District, where drainage is accomplished using the natural force of gravity.

Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish, Louisiana, as a whole. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods and services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statement:

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The general fund, a governmental fund type, is the general operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds.

The debt service fund, a governmental fund type, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs. The debt service fund is established to meet requirements of bond ordinances.

Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as described below.

In the fund financial statements, the “current financial resources” measurement focus or the economic resources” measurement focus is used as appropriate:

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

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

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Fees and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days.

Those revenues susceptible to accrual are ad valorem and state revenue sharing income.

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

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Uncollectible ad valorem taxes are estimated based on the prior year's history.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry; program revenues reduce the cost of the function to be financed from the District's revenues.

Allocation of indirect expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to these functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Use of estimates in the preparation of financial statements:

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Concentration of Risks

Concentration of risks with respect to the District is subject to the conditions of the limited geographical area of the District.

Budgets:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to January 1, the Commissioner submits to the Board a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through the passage of a resolution; amendments are also legally enacted through the passage of a resolution.
4. The budget for the general fund is adopted on a fund financial statement basis.
5. The budget for the general fund is employed as a management control device during the year.

All budget appropriations lapse at year end. Revenues may not legally fall short of budgeted amounts by more than five percent and expenditures may not legally exceed budgeted appropriations by more than five percent at the individual fund level. The District does not use encumbrance accounting.

The budget amounts disclosed in this report are as originally adopted and amended by the Board.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest – bearing demand, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the municipality may deposit funds in demand deposits, interest – bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Interest-bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

Allowances for Uncollectibles

All receivables that historically represent uncollectible accounts are shown net of an allowance for uncollectible. The allowance for uncollectible accounts in the general fund is estimated at \$2,884. The allowance for uncollectible accounts in the debt service fund is estimated at \$771.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activity column in the government-wide financial statements. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

The District maintains a threshold level of \$300 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Equipment	5 - 20 years
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BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Net Position and Fund Equity

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

Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net positions that do not meet the definition of “restricted: or “invested in capital assets, net of related debt.”

When both restricted and unrestricted net positions are available for use, it is the District’s policy to use restricted resources first.

Generally, governmental fund balances represent the difference between current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the fire district’s board –

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the district board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the district's "intent" to be used for specific purposes but are neither restricted nor committed. The fire district's board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance) are available for use, it is the District's policy to use restricted resources first. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Revenues, Expenditures, and Expenses

Program Revenues

Program revenues consist of taxes, fees, fines, and charges for services related to governmental fund activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

In the fund financial statements, governmental funds report expenditures of financial resources.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods-and-services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Compensated Absences/Pension Plan

The District does not have a pension plan. Board members and employees participate in the Social Security Retirement System. The vacation and sick leave policy was adopted in May 2011. Full time employees of the District may earn five days of annual leave and five days of sick leave after the first full year of employment. Annual leave must be taken in the year earned and cannot be paid or carried forward from year to year. A maximum of five days of unused sick leave may be carried forward to the following year. Payment of unused annual leave or sick leave will not be made upon retirement or termination of employment.

Long-Term Debt

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements.

Note 2. Cash and Cash Equivalents

The cash and cash equivalents of Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish are subject to the following risk:

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 2. Cash and Cash Equivalents (Continued)

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

Bank account balances at December 31, 2018, totaled \$788,571, and of this amount \$250,000 was secured by FDIC Insurance. The remaining amount of \$538,571 was secured with pledged securities from St. Landry Homestead.

Note 3. Ad Valorem Taxes

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Property taxes are due on October 1 and become delinquent by January 1 of the following year. The St. Landry Parish Sheriff bills, collects, and distributes the property taxes for the District using the assessed values determined by the Tax Assessor of St. Landry Parish.

The millage assessed by the District in 2018 was:

Debt Service	1.48 mills
Maintenance	22.26 mills

The District was required to remit 3.5410% in 2018 of the total ad valorem taxes per the tax roll to the pension fund. This amount is determined by the legislative auditor each year. Since the Sheriff collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, the ad valorem tax receivable and revenue are shown net of pension fund distributions. A breakdown of tax receivable, prior to any year-end receipts, per the tax roll is as follows:

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 3. Ad Valorem Taxes (Continued)

Total per tax roll	\$ 511,454
Pension fund requirements	(16,439)
Allowance for uncollectible tax	<u>(3,655)</u>
	491,360
Taxes collected in December 2018	<u>(20,596)</u>
Tax receivable	<u><u>\$ 470,764</u></u>

An estimated allowance for uncollectible property tax has been set up based on prior year experience.

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year-end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue.

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2018 is as follows:

	Balance 12/31/2017	Additions	Deletions	Balance 12/31/2018
Governmental Activities				
Equipment	\$ 857,733			\$ 857,733
Totals	<u>857,733</u>	<u>-</u>	<u>-</u>	<u>857,733</u>
Less accumulated depreciation				
Equipment	500,718	50,102		550,820
Total accumulated depreciation	<u>500,718</u>	<u>50,102</u>	<u>-</u>	<u>550,820</u>
Governmental Activities				
Capital assets, net	<u>\$ 357,015</u>	<u>\$ (50,102)</u>	<u>\$ -</u>	<u>\$ 306,913</u>

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 5. General Obligation Bonds

Changes in bonds payable are as follows:

	Balances at January 1, 2018	Additions	Retirements	Balances at December 31, 2018	Balances Due Within One Year
2014 Bonds Payable	\$ 294,000	\$ -	\$ 38,000	\$ 256,000	\$ 38,000

The District had an election November 16, 2013, which provided for issuance of \$400,000 of general obligation bonds. The District has general obligation bonds dated July 16, 2014. These bonds are payable over a ten (10) year period with the final payment due on March 1, 2024. These bonds carry a variable rate of interest, from 1.00% to 4.25%. Annual debt service requirements to maturity for these bonds are as follows:

Year Ending December 31,	Interest Payments	Principal Payments	Total
2019	\$ 8,062	\$ 40,000	\$ 48,062
2020	6,988	41,000	47,988
2021	5,784	42,000	47,784
2022	4,402	43,000	47,402
2023	2,802	44,000	46,802
2024	978	46,000	46,978
	<u>\$ 29,016</u>	<u>\$ 256,000</u>	<u>\$ 285,016</u>

Bond proceeds are to be used to purchase equipment.

This Bond and the issue of which it forms a part constitute general obligations of the Issuer, and the full faith and credit of the Issuer is pledged for the payment of this Bond and the issue of which it forms a part. Said Bonds are secured by a special ad valorem tax to be imposed and collected annually in excess of all other taxes on all property subject to such taxation within the territorial limits of the Issuer, under the Constitution and laws of Louisiana, sufficient in amount to pay the principal of this Bond and the issue of which it forms a part and the interest thereon as they severally mature.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 6. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB required a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Note 7. Accounting Pronouncements

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in futures years as shown below:

Statement No. 87, "*Leases*" increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 88, "*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*" improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The Statement clarifies which liabilities governments would include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 30, 2018. Management has not yet determined the effect of this Statement on the financial statements.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH, LOUISIANA

Notes to Financial Statements

Note 8. Compensation Paid to Board Members

Compensation paid to board members for the year ended December 31, 2018, is as follows:

Wayne Reiners	\$1,200
Floyd Dupre	1,200
Howard Owens	1,200
Herbert Amy, Jr.	1,100
James H. Lafleur	1,200

The following board members were reimbursed for the business use of their personal vehicles for the year ended December 31, 2018.

Floyd Dupre	\$7,139
James H. Lafleur	5,192

Note 9. Subsequent Events

The District has evaluated subsequent events through June 3, 2019, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance-</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues:				
Property tax	\$ 348,946	\$ 422,558	\$ 443,443	\$ 20,885
Intergovernmental	6,227	7,003	7,499	496
Interest	1,132	1,758	2,575	817
Miscellaneous	-	-	-	-
Total revenues	<u>356,305</u>	<u>431,319</u>	<u>453,517</u>	<u>22,198</u>
Expenditures:				
Current:				
Salaries	44,753	48,390	48,390	-
Payroll taxes and benefits	7,398	9,373	9,375	(2)
Chemical treatment - canals	66,397	68,895	68,895	-
Fuel and oil	22,748	32,274	30,630	1,644
Equipment repairs and maintenance	4,641	25,098	18,034	7,064
Insurance	26,461	31,410	22,640	8,770
Travel reimbursement	12,360	12,379	12,331	48
Telephone	2,690	3,259	3,067	192
Board per diem	6,000	5,900	5,900	-
Miscellaneous	3,935	4,155	1,892	2,263
Professional fees	16,690	25,945	24,205	1,740
Total expenditures	<u>214,073</u>	<u>267,078</u>	<u>245,359</u>	<u>21,719</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 142,232</u>	<u>\$ 164,241</u>	208,158	<u>\$ 43,917</u>
Fund balance, beginning			<u>989,610</u>	
Fund balance, ending			<u>\$ 1,197,768</u>	

See accompanying notes and independent accountant's review report.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH

Notes to Budgetary Comparison Schedules

(1) Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

(2) Budgetary Practices

The District prepares and adopts a budget in accordance with LSA – RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting used by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

SUPPLEMENTARY INFORMATION

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
DECEMBER 31, 2018

Agency Head Name: Floyd Dupre, President
Service Period: 12 months

<u>Purpose</u>	<u>Amount</u>
Board per diem	\$ 1,200
Reimbursements	7,139

VIGE, TUJAGUE  NOEL
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.
FRANK G. TUJAGUE, C.P.A.
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:
337-457-9324
FAX:
337-457-8743

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES

To the Board of Commissioners
Bayou Mallet and Plaquemine Gravity Drainage
District No. 10 of St. Landry Parish
Opelousas, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish and the Legislative Auditor, State of Louisiana, on the District's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year ended December 31, 2018, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

We noted no expenditures made during the year for materials and supplies exceeding \$30,000 or public works exceeding \$154,450.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list provided by management for agreed-upon Procedure 3 appeared on the list provided by management for agreed-upon Procedure 2.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced adoption of the original and amended budget to documentation in the minutes of the meeting of the District's board.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures did not exceed budgeted expenditures by greater than 5% and budgeted revenues did not exceed actual revenues by greater than 5%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account.

All of the disbursements were properly coded to the correct fund and general ledger account.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

All of the disbursements were approved in accordance with management's policies and procedures.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Evidence was obtained to support management's assertion.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned copies of all bank deposit slips for the fiscal year, and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's report was submitted within the required reporting period.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The District was in compliance with R.S. 24:513 for the fiscal year. The District did not enter into any contracts using state funds in the fiscal year.

Prior Comments and Recommendations

15. Obtain and report management’s representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

There were no exceptions, recommendations or comments in the prior year report.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District’s compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District’s compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Vige, Tujague & Noël, CPA’s
Eunice, Louisiana
June 3, 2019

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2018

Current Findings:

There were no findings for the current year ended December 31, 2018.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE
DISTRICT NO. 10 OF ST. LANDRY PARISH
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2018

Findings:

There were not findings for the year ended December 31, 2017.

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)**

March 13, 2019 (Date Transmitted)

Vige, Tujague and Noel (CPA Firm Name)

151 N. 2nd Street (CPA Firm Address)

Eunice, LA 70535 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2018 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [X] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [X] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [X] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [X] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [X] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [X] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [X] No []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [X] No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [X] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes [X] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.
Yes [X] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.
Yes [X] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.
Yes [X] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.
Yes [X] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.
Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.
Yes [X] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.
Yes [X] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.
Yes [X] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.
Yes [X] No []

The previous responses have been made to the best of our belief and knowledge.

<u>Jeremy Taylor</u>	Secretary	<u>4/10/19</u>	Date
<u>Carol H. Lee</u>	Treasurer	<u>4/10/19</u>	Date
<u>Hayd Dupre</u>	President	<u>4/10/19</u>	Date