

**JUBAN CROSSING ECONOMIC  
DEVELOPMENT DISTRICT**

Annual Financial Statements

December 31, 2017



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## Independent Auditor's Report

To the Livingston Parish Council  
Juban Crossing Economic Development District  
Livingston Parish, Louisiana

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major funds of the Juban Crossing Economic Development District (the District), a component unit of Livingston Parish, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the District as of December 31, 2017, and the respective changes in financial position 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 7 to the financial statements, the prior year financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the 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. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head is presented for purposes 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 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 schedule of compensation, benefits, and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2018, on our consideration of the Juban Crossing Economic Development District'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 the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA  
June 14, 2018

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

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Statement of Net Position**  
**December 31, 2017**

	<b>Governmental Activities</b>
<b>Assets</b>	
<b>Restricted Assets</b>	
Cash and Cash Equivalents	\$ 2,440,965
Sales Tax Receivable	<u>681,098</u>
<b>Total Restricted Assets</b>	<u>3,122,063</u>
<b>Capital Assets</b>	
Infrastructure, Net	<u>36,436,706</u>
<b>Total Capital Assets</b>	<u>36,436,706</u>
<b>Total Assets</b>	<u>39,558,769</u>
<b>Deferred Outflows of Resources</b>	
Loss on Refunding	<u>4,168,788</u>
<b>Liabilities</b>	
Accrued Interest	1,010,625
Non-Current Liabilities	
Due Within One Year	220,000
Due in More Than One Year	<u>53,780,000</u>
<b>Total Liabilities</b>	<u>55,010,625</u>
<b>Net Position</b>	
Net Investment in Capital Assets	(14,405,131)
Restricted	<u>3,122,063</u>
<b>Total Net Position</b>	<u>\$ (11,283,068)</u>

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

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**

	<b>Governmental Activities</b>
<b>Expenses</b>	
Economic Development	\$ 966,891
Interest on Long-Term debt	<u>3,626,895</u>
<b>Total Expenses</b>	<u>4,593,786</u>
<b>General Revenues</b>	
Sales Tax	2,983,365
Interest Income	<u>11,858</u>
<b>Total General Revenues</b>	<u>2,995,223</u>
<b>Change in Net Position</b>	(1,598,563)
<b>Net Position, Beginning of Year, as Restated</b>	<u>(9,684,505)</u>
<b>Net Position, End of Year</b>	<u><u>\$ (11,283,068)</u></u>

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

**FUND FINANCIAL STATEMENTS  
GOVERNMENTAL FUNDS**

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2017**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
<b>Restricted Assets</b>			
Cash and Cash Equivalents	\$ 657,126	\$ 1,783,839	\$ 2,440,965
Sales Tax Receivable	681,098	-	681,098
<b>Total Assets</b>	<b>\$ 1,338,224</b>	<b>\$ 1,783,839</b>	<b>\$ 3,122,063</b>
<b>Liabilities</b>			
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balance</b>			
Restricted for Debt Service	1,338,224	1,783,839	3,122,063
<b>Total Fund Balance</b>	<b>1,338,224</b>	<b>1,783,839</b>	<b>3,122,063</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,338,224</b>	<b>\$ 1,783,839</b>	

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 funds.	36,436,706
Long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.	(54,000,000)
Losses on refunding are not available to pay for current period expenses and, therefore, are not reported in the funds.	4,168,788
Accrued interest expense is not reported in the governmental funds.	<u>(1,010,625)</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ (11,283,068)</u></b>

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

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2017**

	General Fund	Debt Service Fund	Total Governmental Funds
<b>Revenues</b>			
Sales Tax	\$ 2,983,365	\$ -	\$ 2,983,365
Other Income	11,858	-	11,858
<b>Total Revenues</b>	<b>2,995,223</b>	<b>-</b>	<b>2,995,223</b>
<b>Expenditures</b>			
<b>Current</b>			
Economic Development	8,030	-	8,030
<b>Debt Service</b>			
Interest Payments	-	3,465,000	3,465,000
<b>Total Expenditures</b>	<b>8,030</b>	<b>3,465,000</b>	<b>3,473,030</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,987,193</b>	<b>(3,465,000)</b>	<b>(477,807)</b>
<b>Other Financing Sources (Uses)</b>			
Transfer In	-	2,451,603	2,451,603
Transfer Out	(2,451,603)	-	(2,451,603)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,451,603)</b>	<b>2,451,603</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>535,590</b>	<b>(1,013,397)</b>	<b>(477,807)</b>
<b>Fund Balance, Beginning of Year</b>	<b>802,634</b>	<b>2,797,236</b>	<b>3,599,870</b>
<b>Fund Balance, End of Year</b>	<b>\$ 1,338,224</b>	<b>\$ 1,783,839</b>	<b>\$ 3,122,063</b>

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

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance of the Governmental Funds to the**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**

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Net Change in Fund Balance - Total Governmental Fund	\$ (477,807)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statements of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.	(958,861)
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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.	<u>(161,895)</u>
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<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ (1,598,563)</u></u></b>
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The accompanying notes are an integral part of these financial statements.

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies

#### **Organization**

The Juban Crossing Economic Development District (the District) was established for the purpose of promoting and encouraging the development of economic opportunities within the District. The District is a political subdivision of the State of Louisiana, created pursuant to Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes and Livingston Parish ordinance 07-24 adopted by the Livingston Parish Council in its capacity as the governing authority of Livingston Parish, Louisiana, on June 28, 2007. The District's governing body is the Livingston Parish Council (the Parish).

The District encompasses approximately 80 acres of land where a mixed used development is being constructed in multiple phases. The purpose of the District is to issue sales tax revenue bonds for economic development in the District.

#### **The Reporting Entity**

Governmental accounting standards established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. A component unit is a government that is financially accountable to another government or one for which another government can exert influence over its budget and operations. As the Parish is the governing body of the District, the District is considered to be a component unit of Livingston Parish. The District does not have any component units.

#### **Basic Financial Statements - Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. There were no activities of the District categorized as business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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. Taxes and other items not included among program revenues are reported instead as general revenues.

#### **Basic Financial Statements - Fund Financial Statements**

The District uses fund accounting 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 self-balancing set of accounts.

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### **Basic Financial Statements - Fund Financial Statements (Continued)**

Funds are ordered into three major categories: governmental, proprietary, and fiduciary, which are grouped by fund type in the financial statements. Governmental fund types are those through which general governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities are accounted for through governmental funds. The General Fund, the main operating fund of the District, is used to account for all financial resources of the District except for those required to be accounted for in another fund. The Debt Service Fund accounts for the accumulation of resources for the payment of general long-term debt principal and interest.

#### **Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

#### **Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The District is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the United States, or laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State law provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposit insured by federal deposit insurance.

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### Capital Assets

Capital assets, which include infrastructure (e.g., roads, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets, if any, are recorded as capital assets at their estimated fair market value at the date of donation. Capital assets of the governmental funds are recorded as expenditures at the time they are purchased or constructed. Interest expense incurred during 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.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. The District capitalizes assets in excess of \$5,000. Capital assets are included on the statement of net position, net of accumulated depreciation. Depreciation is computed using the straight-line method over a 40 year useful life for infrastructure.

Depreciation expense for the year ended December 31, 2017, amounted to \$958,861.

#### Long-Term Debt

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond issuance costs are reported as expenditures in the period incurred.

In the fund financial statements, governmental funds recognized bond issuance costs during the current period as debt service expenditures. The face amount of debt issued is reported as other financing sources.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

#### Board of Supervisors

For the year ended December 31, 2017, the members of the Board of Supervisors received no compensation or per diem.

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### Net Position

Net position represents the difference between assets, deferred outflows, liabilities, and deferred inflows. Net position should be displayed in three components: *net investment in capital assets*, consisting of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets; *restricted*, distinguishing between major categories of restrictions and consisting of restricted assets reduced by liabilities and deferred inflows of resources related to those assets; and *unrestricted*, consisting of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

#### Fund Balance

In fund financials, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components, as follows:

- *Non-spendable* - consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted* - consists of amounts with constraints either by third-parties (bond creditors) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used for the specific purposes stipulated in the legislation.
- *Committed* - consists of the amounts used for specific purposes pursuant to constraints imposed by formal action of the District's Board. Those committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed previously to commit those amounts.
- *Assigned* - consists of amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* - consists of amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned).

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

### Note 2. Restricted Cash and Cash Equivalents

At December 31, 2017, the District had the following restricted cash and cash equivalents:

	General Fund	Debt Service Fund	Total
<b>Restricted</b>			
Cash and Cash Equivalents	\$ 657,126	\$ 1,783,839	\$ 2,440,965

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District's deposit policy for custodial credit risk conforms to state law, as described in Note 1. At December 31, 2017, the District's demand deposits bank balance was entirely secured by federal deposit insurance. The District's cash equivalents consist of money market mutual funds holding US Treasury and government agency securities.

### Note 3. Capital Assets

The following is a summary of the changes in capital assets for the year ended December 31, 2017:

	Beginning Balance, Restated	Increase	Transfer	Ending Balance
<b>Capital Assets Being Depreciated</b>				
Infrastructure	\$ 38,354,428	\$ -	\$ -	\$ 38,354,428
<b>Total Capital Assets Being Depreciated</b>	38,354,428	-	-	38,354,428
<b>Less Accumulated Depreciation for:</b>				
Infrastructure	(958,861)	(958,861)	-	(1,917,722)
<b>Total Accumulated Depreciation</b>	(958,861)	(958,861)	-	(1,917,722)
<b>Total Capital Assets Being Depreciated, Net</b>	37,395,567	(958,861)	-	36,436,706
<b>Capital Assets, Net</b>	\$ 37,395,567	\$ (958,861)	\$ -	\$ 36,436,706

### Note 4. Dedicated Revenue

On June 28, 2007, the Parish, as the governing authority of the District, levied an additional one cent sales tax within the District. The Parish authorized and approved the pledge by the District of the one cent sales tax collected within the District to secure the payment of the District's bonds.

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

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### Note 4. Dedicated Revenue (Continued)

On December 20, 2010, the Parish, as the governing authority of the District, levied an additional one cent sales tax within the District. The Parish authorized and approved the pledge by the District a total of two cents sales tax collected within the District to secure the payment of the District's bonds.

During the year ended December 31, 2017, the District received \$2,983,365 in sales tax revenue and recorded \$681,098 as sales tax receivable at December 31, 2017.

### Note 5. Long-Term Debt

The following is a summary of long-term debt transactions of the District for the year ended December 31, 2017:

<b>Balance of Long-Term Debt at January 1, 2017</b>	\$ 54,000,000
Plus: Issuance of Additional Debt	-
Less: Payments of Outstanding Principal	<u>-</u>
<b>Balance of Long-Term Debt at December 31, 2017</b>	<u>\$ 54,000,000</u>
<b>Due within One Year</b>	<u>\$ 220,000</u>

Revenue bonds secured by sales and use taxes are as follows:

\$4,500,000 Revenue Bonds, Series 2013D-1, dated October 1, 2013; balance due in one principal installment in 2025, with semi-annual interest payments through September 2025, with interest at 0.6%.	\$ 4,500,000
\$6,205,000 Revenue and Refunding Bonds, Series 2015A, dated March 5, 2015; balance due in annual principal installments beginning in 2018, with semi-annual interest payments through September 2044, with interest at 7%.	6,205,000
\$4,130,000 Revenue and Refunding Bonds, Series 2015B, dated March 5, 2015; balance due in annual principal installments beginning in 2018, with semi-annual interest payments through September 2044, with interest at 7%.	4,130,000
\$39,165,000 Revenue and Refunding Bonds, Series 2015C, dated March 5, 2015; balance due in annual principal installments beginning in 2018, with semi-annual interest payments through September 2044, with interest at 7%.	<u>39,165,000</u>
<b>Total</b>	<u>\$ 54,000,000</u>

# JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT

## Notes to Financial Statements

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### Note 5. Long-Term Debt (Continued)

The annual requirements to maturity as of December 31, 2017 are as follows:

Year Ending December 31,	Revenue Bonds	
	Principal	Interest
2018	\$ 220,000	\$ 3,461,500
2019	680,000	3,438,050
2020	730,000	3,389,575
2021	795,000	3,337,250
2022	860,000	3,280,550
2023 - 2027	9,835,000	15,712,200
2028 - 2032	7,620,000	13,181,700
2033 - 2037	10,745,000	10,053,575
2038 - 2042	15,155,000	5,640,775
2043 - 2044	7,360,000	642,075
<b>Total</b>	<b>\$ 54,000,000</b>	<b>\$ 62,137,250</b>

### Note 6. Interfund Transfers

The general fund transferred \$2,451,603 to the debt service fund for interest payments on the Series 2013 and 2015 Bonds.

### Note 7. Restatement of Prior Period

During fiscal year 2017, the District reviewed its accounting for capitalized costs of infrastructure and adjusted the interest costs capitalized during the construction phase.

The following adjustments were recorded:

<b>Net Position, Beginning of Year, as Previously Reported</b>	<b>\$ (4,218,383)</b>
Prior Period Adjustment to Write-off Certain Capitalized Costs	<u>(5,466,122)</u>
<b>Net Position, Beginning of Year, as Restated</b>	<b><u>\$ (9,684,505)</u></b>

**REQUIRED SUPPLEMENTARY INFORMATION**

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - General Fund**  
**For the Year Ended December 31, 2017**

	Budget		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Sales Tax	\$ 2,731,714	\$ 2,731,714	\$ 2,983,365	\$ 251,651
Other Income	3,500	3,500	11,858	8,358
<b>Total Revenues</b>	<b>2,735,214</b>	<b>2,735,214</b>	<b>2,995,223</b>	<b>260,009</b>
<b>Expenditures</b>				
<b>Current</b>				
Economic Development	10,000	10,000	8,030	1,970
<b>Total Expenditures</b>	<b>10,000</b>	<b>10,000</b>	<b>8,030</b>	<b>1,970</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,725,214</b>	<b>2,725,214</b>	<b>2,987,193</b>	<b>261,979</b>
<b>Other Financing Sources (Uses)</b>				
Transfer Out	(2,725,214)	(2,725,214)	(2,451,603)	273,611
<b>Total Other Financing Sources (Uses)</b>	<b>(2,725,214)</b>	<b>(2,725,214)</b>	<b>(2,451,603)</b>	<b>273,611</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>535,590</b>	<b>\$ 535,590.00</b>
<b>Fund Balance, Beginning of Year</b>			<b>802,634</b>	
<b>Fund Balance, End of Year</b>			<b>\$ 1,338,224</b>	

See independent auditor report.

## **OTHER SUPPLEMENTARY INFORMATION**

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head**  
**For the Year Ended December 31, 2017**

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**Agency Head**  
Marshall Harris, Chairman

<b>Purpose</b>	<b>Amount</b>
Salary	\$0
Benefits - Insurance	\$0
Benefits - Retirement	\$0
Benefits - Other	\$0
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor report.

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

Independent Auditor's Report

To the Livingston Parish Council  
Juban Crossing Economic Development District  
Livingston Parish, 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 financial statements of the governmental activities and the major funds of the Juban Crossing Economic Development District (the District), a component unit of Livingston Parish, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 14, 2018.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material 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 the District'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 is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2017-001.

**The District's Response to Findings**

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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



A Professional Accounting Corporation

Baton Rouge, LA  
June 14, 2018

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Schedule of Findings and Responses**  
**For the Year Ended December 31, 2017**

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**Part I - Summary of Auditor's Results**

Financial Statements

- |    |   |               |
|----|---|---------------|
| 1. | Type of auditor's report issued:  | Unmodified    |
| 2. | Internal control over financial reporting and compliance and other matters: |               |
|    | a. Material weaknesses identified?  | No            |
|    | b. Significant deficiencies identified?                                     | None reported |
|    | c. Non-compliance material to the financial statements?                     | Yes           |

**Part II - Findings Related to the Financial Statements**

None.

**Part III - Compliance and Other Matters**

Compliance

**2017-001 - Local Government Budget Act Violation**

*Criteria:* Louisiana Revised Statute 39:1305 - 1309 details the process for the preparation, public participation, adoption, and amendment of a budget.

*Condition:* The District prepared a budget for the general fund for 2017 but the District did not follow the provisions of the revised statutes regarding the timing of the adoption of the original budget.

*Cause:* Oversight by management.

*Effect:* Non-compliance with state law.

*Recommendation:* The District should review the statutes and take the necessary steps to comply with statutes when preparing and adopting the budget.

*Management's Response:*

The District was impacted by the severe flooding in the area during August 2016. The resulting damage and uncertainty affected the District's processes for the timing and adoption of the 2017 budget. The District will review the applicable statutes and comply with the law when adopting and amending future budgets.

**JUBAN CROSSING ECONOMIC DEVELOPMENT DISTRICT**  
**Schedule of Prior Year Findings and Responses**  
**For the Year Ended December 31, 2016**

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**2016-001 - Local Government Budget Act Violation**

*Condition:* The District prepared a budget for the general fund for 2016 but the District did not follow the provisions of the revised statutes regarding the timing of the adoption of the original budget nor amendments to the budget for variances in excess of the 5% threshold contained in the statutes.

*Status:* This condition has been partially resolved. See finding 2017-001.

**AGREED-UPON PROCEDURES REPORT**  
Juban Crossing Economic Development District

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period January 1, 2017 - December 31, 2017**

To the Livingston Parish Council  
Livingston Parish, Louisiana

We have performed the procedures enumerated below, which were agreed to by Juban Crossing Economic Development District (the District), on the control and compliance (C/C) areas identified in the District's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2017 through December 31, 2017. The District's management is responsible for those C/C areas identified in the SAUPs.

The sufficiency of these procedures is solely the responsibility of the specified users of this 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.

Our procedures and associated results are as follows:

***Written Policies and Procedures***

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1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.
  - d) ***Receipts***, including receiving, recording, and preparing deposits.
  - e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: The following areas are not applicable to the District: purchasing, disbursements, receipts, payroll/personnel, credit cards, travel and expense reimbursement, and ethics. The District does not have written policies and procedures over the following areas: budgeting, contracting, and debt service.

Management Response: The District will prepare written policies and procedures over budgeting, contracting, and debt service.

***Board (or Finance Committee, if applicable)***

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- 2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
    - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
  - c) Report whether the minutes referenced or included non-budgetary financial information (e.g., approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results: The District met with a quorum as needed (twice) during the fiscal year in accordance with the enabling legislation. The minutes of the meetings referenced review of the financial information of the District along with the 2017 budget. The minutes referenced approval of non-budgetary financial information during one of the meetings.

## ***Bank Reconciliations***

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3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Results: LaPorte obtained a listing of client bank accounts from management and management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than five accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a) Bank reconciliations have been prepared;
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results: LaPorte obtained bank statements and reconciliations for the District's only operational account. Criteria 4.a. was met without exception. While performing procedure 4.b., we noted that for all 12 months during the fiscal year there were no review tickmarks or a signature to evidence that a review had occurred. While performing procedure 4.c., no exceptions were noted.

## ***Collections***

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**This section is not applicable to the District as they do not process any cash, check, or money order collections.**

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:
  - a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

- b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
  - c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
    - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
    - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.
7. Obtain existing written documentation (e.g., policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

***Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

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**This section is not applicable to the District. The District does not process any non contract related disbursements.**

- 8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.
- 9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
  - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
  - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
  - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; (2) a receiving report showing receipt of goods purchased, or electronic equivalent; and (3) an approved invoice.

10. Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.
11. Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.
12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.
13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

#### **Credit Cards/Debit Cards/Fuel Cards/P-Cards**

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**This section is not applicable. The District does not have any active credit cards, bank debit cards, fuel cards or P-cards.**

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e., each of the 10 cards should have one month of transactions subject to testing).
- a) For each transaction, report whether the transaction is supported by:
    - An original itemized receipt (i.e., identifies precisely what was purchased).
    - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
    - Other documentation that may be required by written policy (e.g., purchase order, written authorization).
  - b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
  - c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., cash advances or non-business purchases, regardless of whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

### ***Travel and Expense Reimbursement***

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**This section is not applicable. The District does not incur any travel related expenses.**

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.
18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.
19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

- b) Report whether each expense is supported by:
  - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
  - Documentation of the business/public purpose. (Note: For meal charges, there should also be documentation of the individuals participating.)
  - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### **Contracts**

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Results: LaPorte obtained the general ledger and sorted for contract payments. LaPorte obtained management's representation that the general ledger is complete.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
  - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).
  - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Results: The District has one contract in effect during the year. Each of the criteria listed in 21a through 21e were met without exception.

### ***Payroll and Personnel***

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**This section is not applicable. The District does not have any employees.**

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
  - a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
  - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.
- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
  - a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
  - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.
- 25. Obtain supporting documentation (e.g., cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

***Ethics (excluding nonprofits)***

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**This section is not applicable. The District does not have any employees.**

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.
27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

***Debt Service (excluding nonprofits)***

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28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Results: No new debt was issued during 2017.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Results: The District made scheduled debt service payments and maintained the debt reserve as required.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Results: The District does not have a millage related to debt service.

***Other***

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: LaPorte inquired of management. The District indicated there were no misappropriations of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: The District does not have a designated premises or website.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results: No exceptions regarding management's representations were noted.

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*. We were not engaged to perform, and did not perform, an examination or review, the objective of which would be the expression of an opinion or conclusion. 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.

This report is intended solely for the use of management and Board of Directors of Research Park Corporation and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA  
June 25, 2018