

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

FINANCIAL REPORT

December 31, 2016

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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 Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish, Louisiana, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. 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**

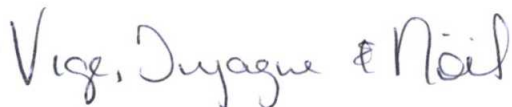
Accounting principles generally accepted in the United States of America require that the budgetary comparison information listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting 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 provision of State law, we have issued a report, dated June 13, 2017, on the results of our agreed upon procedures.



Vige, Tujague & Noël  
Eunice, Louisiana  
June 13, 2017

## 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, 2016

ASSETS

Current assets:	
Cash	\$ 576,854
Receivables (net of allowances)	
Property tax	353,296
State revenue sharing	6,222
Total current assets	936,372
Noncurrent assets:	
Capital assets, net	408,367
Water deposit	275
Total non-current assets	408,642
Total assets	1,345,014

LIABILITIES

Current liabilities:	
Accounts payable and accrued expenses	5,015
Interest payable	2,516
Current portion of bonds payable	37,000
Total current liabilities	44,531
Noncurrent liabilities:	
Bonds payable	294,000
Total noncurrent liabilities	294,000
Total liabilities	338,531

NET POSITION

Invested in capital assets, net of related debt	77,367
Unrestricted	929,116
Total net position	\$ 1,006,483

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, 2016

		<u>Program Revenue</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital and Operating Grant</u>
			<u>Governmental Activities</u>
			<u>Net (Expenses) Revenues and Change in Net Position</u>
Governmental Activities:			
General Government			
Public safety	\$ 272,156	\$ -	\$ -
Interest	9,316	-	-
Total Governmental Activities	<u>\$ 281,472</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues:			
			358,996
			6,428
			1,656
			<u>367,080</u>
Change in net position			<u>85,608</u>
Net position - January 01, 2016			920,875
Net position - December 31, 2016			<u>\$ 1,006,483</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, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
<b>ASSETS</b>			
Cash in bank	\$ 439,150	\$ 137,704	\$ 576,854
Property taxes receivable, net	353,296	-	353,296
State revenue sharing receivable	6,222	-	6,222
Water deposit	275	-	275
Due from other funds	-	543	543
Total assets	<u>\$ 798,943</u>	<u>\$ 138,247</u>	<u>\$ 937,190</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
Deferred inflows of resources:			
Unavailable revenues	<u>\$ 37,987</u>	<u>\$ -</u>	<u>\$ 37,987</u>
Total deferred inflows of resources	<u>37,987</u>	<u>-</u>	<u>37,987</u>
Liabilities:			
Accounts payable	3,378	-	3,378
Accrued payroll taxes	1,637	-	1,637
Due to other funds	543	-	543
Total liabilities	<u>5,558</u>	<u>-</u>	<u>5,558</u>
Fund balances:			
Committed for debt service	-	138,247	138,247
Unassigned	755,398	-	755,398
Total fund balances	<u>755,398</u>	<u>138,247</u>	<u>893,645</u>
 Total liabilities and fund balances	 <u>\$ 798,943</u>	 <u>\$ 138,247</u>	 <u>\$ 937,190</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, 2016

Total fund balance for governmental funds at December 31, 2016	\$ 893,645
Total net position reported for governmental activities in the statement of net position are different because:	
<p>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.</p>	
Property tax	37,987
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:</p>	
Equipment net of \$449,366 accumulated depreciation	408,367
Long-term liabilities at December 31, 2016	
Bonds payable	(331,000)
Interest payable on bonds	<u>(2,516)</u>
Total net position of governmental activities at December 31, 2016	<u>\$ 1,006,483</u>

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, 2016

	<u>General</u>	Debt <u>Service</u>	<u>Total</u>
Revenues:			
Property tax	\$ 355,694	\$ 7,509	\$ 363,203
Intergovernmental	6,428	-	6,428
Interest	1,350	306	1,656
Miscellaneous	-	-	-
Total revenues	<u>363,472</u>	<u>7,815</u>	<u>371,287</u>
Expenditures:			
Current:			
Salaries	52,133	-	52,133
Payroll taxes and benefits	7,535	-	7,535
Chemical treatment - canals	60,270	-	60,270
Fuel and oil	23,195	-	23,195
Equipment repairs and maintenance	7,281	-	7,281
Insurance	24,776	-	24,776
Travel reimbursement	12,414	-	12,414
Telephone	3,446	-	3,446
Board per diem	5,900	-	5,900
Miscellaneous	5,126	-	5,126
Professional fees	16,978	-	16,978
Capital outlay	-	-	-
Debt service			
Principal	-	36,000	36,000
Interest	-	10,335	10,335
Bank charges	-	-	-
Total expenditures	<u>219,054</u>	<u>46,335</u>	<u>265,389</u>
Excess (deficiency) of revenues over expenditures	<u>144,418</u>	<u>(38,520)</u>	<u>105,898</u>
Net change in fund balance	<u>144,418</u>	<u>(38,520)</u>	<u>105,898</u>
Fund balance, beginning	<u>610,980</u>	<u>176,767</u>	<u>787,747</u>
Fund balance, ending	<u>\$ 755,398</u>	<u>\$ 138,247</u>	<u>\$ 893,645</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, 2016

Total net change in fund balance for the year ended December 31, 2016 per Statements of Revenues, Expenditures and Changes in Fund Balances		\$ 105,898
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		(4,207)
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, 2016	<u>(53,102)</u>	(53,102)
Bond principal retirement considered an expenditure on the Statement of Revenues, Expenditures, and Changes in Fund Balances		36,000
Accrued interest payable at December 31, 2016		<u>1,019</u>
Total changes in net position for the year ended December 31, 2016 per Statement of Activities		<u>\$ 85,608</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. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. 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 \$7,973. The allowance for uncollectible accounts in the debt service fund is estimated at \$0.

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 Interest-Bearing Deposits

For reporting purposes, cash and investments include cash, demand deposits, time deposits, and government backed mortgage securities. The District may invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks having their principal

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

Notes to Financial Statements

**Note 2.** Cash and Interest-Bearing Deposits (continued)

office in the State of Louisiana, or any other federally insured investment. The District may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount. At December 31, 2016 the District has cash and interest bearing deposits totaling \$576,854.

Under state law, these deposits in financial institutions must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, be equal to the amount on deposit with the bank. At December 31, 2016, deposits in financial institutions were fully secured by federal deposit insurance and the market value of securities pledged in the District's name.

**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 2016 was 22.26 mills.

The District was required to remit 2.744% in 2016 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:

Total per tax roll	\$ 373,313
Pension fund requirements	(12,044)
Allowance for uncollectible tax	<u>(7,973)</u>
	353,296
Taxes collected in December 2016	<u>-</u>
Tax receivable	<u><u>\$ 353,296</u></u>



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

Notes to Financial Statements

**Note 3.** Ad Valorem Taxes (Continued)

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, 2016 is as follows:

	Balance 1/1/2016	Additions	Deletions	Balance 12/31/2016
Governmental Activities				
Equipment	\$ 857,733			\$ 857,733
Totals	857,733	-	-	857,733
Less accumulated depreciation				
Equipment	396,264	53,102		449,366
Total accumulated depreciation	396,264	53,102	-	449,366
Governmental Activities				
Capital assets, net	\$ 461,469	\$ (53,102)	\$ -	\$ 408,367

**Note 5.** General Obligation Bonds

Changes in bonds payable are as follows:

	Balances at January 1, 2016	Additions	Retirements	Balances at December 31, 2016	Balances Due Within One Year
2014 Bonds Payable	\$ 367,000	\$ -	\$ 36,000	\$ 331,000	\$ 37,000

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

Notes to Financial Statements

**Note 5.** General Obligation Bonds

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
2017	\$ 9,741	\$ 37,000	\$ 46,741
2018	8,990	38,000	46,990
2019	8,062	40,000	48,062
2020	6,988	41,000	47,988
2021	5,784	42,000	47,784
2022-2024	8,181	133,000	141,181
	\$ 47,746	\$ 331,000	\$ 378,746

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.

**Note 6.** Compensation Paid to Board Members

Compensation paid to board members for the year ended December 31, 2016, is as follows:

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

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

Notes to Financial Statements

**Note 6.** Compensation Paid to Board Members

The following board members were reimbursed for the business use of their personal vehicles for the year ended December 31, 2016.

Floyd Dupre	\$7,824
James H. Lafleur	5,616

**Note 7.** Subsequent Events

The District has evaluated subsequent events through June 13, 2017, 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Property tax	\$ 315,000	\$ 336,323	\$ 355,694	\$ 19,371
Intergovernmental	8,000	6,670	6,428	(242)
Interest	1,429	755	1,350	595
Miscellaneous	490	-	-	-
Total revenues	<u>324,919</u>	<u>343,748</u>	<u>363,472</u>	<u>19,724</u>
Expenditures:				
Current:				
Salaries	42,822	52,933	52,133	800
Payroll taxes and benefits	6,514	7,684	7,535	149
Chemical treatment - canals	61,500	60,270	60,270	-
Fuel and oil	28,323	20,345	23,195	(2,850)
Equipment repairs and maintenance	5,605	9,238	7,281	1,957
Insurance	16,949	24,453	24,776	(323)
Travel reimbursement	13,514	12,462	12,414	48
Telephone	2,747	3,523	3,446	77
Board per diem	6,000	5,900	5,900	-
Miscellaneous	3,933	5,392	5,126	266
Professional fees	18,770	17,918	16,978	940
Election expense			-	-
Capital outlay			-	-
Total expenditures	<u>206,677</u>	<u>220,118</u>	<u>219,054</u>	<u>1,064</u>
Excess (deficiency) of revenues over expenditures	<u>118,242</u>	<u>123,630</u>	144,418	<u>20,788</u>
Fund balance, beginning			<u>610,980</u>	
Fund balance, ending			<u>\$ 755,398</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, 2016

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

<u>Purpose</u>	<u>Amount</u>
Board per diem	\$ 1,200
Reimbursements	7,824



**VIGE, TUJAGUE  NOEL**

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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337-457-9324  
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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 included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish's compliance with certain laws and regulations during the year ended December 31, 2016 included in the accompanying *Louisiana Attestation Questionnaire*. Management of 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. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

We noted no expenditures made during the year for materials and supplies exceeding \$30,000. Expenditures for public works exceeding \$150,000 were made in accordance with the Public Bid Law.

**Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all

board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

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

### **Budgeting**

5. Obtained a copy of the legally adopted budget and all amendments.

Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish prepared budget is in accordance with the Local Government Budget Act.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of both the proposed budget and the amended budget to the minutes.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more, or if 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 revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

### **Accounting and Reporting**

8. Randomly select six disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

The payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six disbursements indicated proper approval.

**Meetings**

9. Examine evidence indicating 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).

Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish posted agendas for meeting as required by the open meetings law.

**Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We scanned bank deposit slips and discussed deposits with management for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

**Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances or gifts.

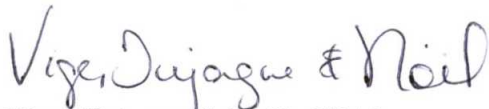
We inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

**Prior Comments and Recommendations**

The prior year's audit report, dated June 17, 2016, did not include any findings.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. 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 of Bayou Mallet and Plaquemine Gravity Drainage District No. 10 of St. Landry Parish 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 Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.



Vige, Tujague & Noël, CPA's

Eunice, Louisiana

June 13, 2017

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE  
DISTRICT NO. 10 OF ST. LANDRY PARISH  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2016

Current Findings:

There were no findings for the current year ended December 31, 2016.

BAYOU MALLET AND PLAQUEMINE GRAVITY DRAINAGE  
DISTRICT NO. 10 OF ST. LANDRY PARISH  
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2016

There were no findings for the year ended December 31, 2015.

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

June 13, 2017

Vige, Tujaque & Noel (A Corporation of CPA's)

P.O. Box 1006

Eunice, LA 70535

In connection with your review of our financial statements as of December 31, 2016 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. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with these laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 13, 2017.

**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 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 [ ]

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies 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 this report. We acknowledge our responsibility to disclose to you and the Legislative Auditor any known noncompliance that may occur subsequent to the issuance of your report.

<u>Dora Aubert</u>	Secretary	<u>10/13/17</u>	Date
_____	Treasurer	_____	Date
<u>Floyd Dupre</u>	President	<u>10/13/17</u>	Date