

MINUTES OF A REGULAR MEETING OF THE MAYOR AND COUNCIL, TOWN OF
SORRENTO, TUESDAY, AUGUST 7, 2018, 6:00 P.M., SORRENTO TOWN HALL,
SORRENTO, LOUISIANA

Members Present:

Councilmen: Patti Poche, Wanda Bourgeois, Randy Anny

Mayor: Michael Lambert

Town Clerk: Paige Robert

Absent: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Patti Poche to approve the minutes of the regular meeting of the mayor and council taken Tuesday, July 10, 2018.

Motion carried. Vote as follows:

YEAS: Patti Poche, Wanda Bourgeois, Randy Anny

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Wanda Bourgeois to approve the bills for the month of July 2018 in the amount of \$39,752.48. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Randy Anny, Patti Poche

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Patti Poche to accept the budget to actual reports presented by Jacob Waguespack from Faulk and Winkler to the Mayor and Council for the month of June 2018. A copy is available at the town hall for review. Motion carried. Vote as follows:

YEAS: Randy Anny, Patti Poche, Wanda Bourgeois

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Patti Poche to accept the engagement letter for the statewide agreed upon procedures and the financial statement audit for the fiscal year ending June 30, 2018 from Diez, Dupuy, and Ruiz, LLC. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Randy Anny, Patti Poche,

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Patti Poche and seconded by Councilman Randy Anny approve the Louisiana Compliance Questionnaire, a required part of the financial audit for the town. Motion carried. Vote as follows:

YEAS: Randy Anny, Patti Poche, Wanda Bourgeois

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Patti Poche to send a certified letter to Blake Rivet giving him until the next meeting to remove the abandoned trailer on his property located at 44259 Guedry St. Motion carried. Vote as follows:

YEAS: Patti Poche, Wanda Bourgeois, Randy Anny

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Wanda Bourgeois to authorize the town to cut the tall grass at 44240 Mathilda St. and 8201 Main St. and send a bill to the property owners. Motion carried. Vote as follows:

YEAS: Wanda Bourgeois, Randy Anny, Patti Poche,

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Wanda Bourgeois to accept the recommendation from the Planning and Zoning board for revocation and relocation of servitude for Edwin Pezant property on Mary Lane. Motion carried. Vote as follows:

YEAS: Randy Anny, Patti Poche, Wanda Bourgeois

NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

Motion by Councilman Randy Anny and seconded by Councilman Patti Poche to approve the CEA between the Town of Sorrento and Parish of Ascension for road repairs. Motion carried.

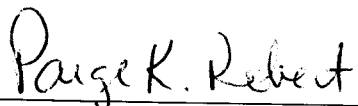
Vote as follows:

YEAS: Randy Anny, Patti Poche, Wanda Bourgeois

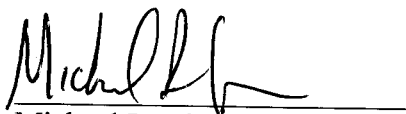
NAYS: None

ABSENT: Donald Schexnaydre, Randi Sutton

There being no further business to be brought before the Mayor and Council, on motion duly made and seconded, the meeting was adjourned.



Paige K. Robert, Town Clerk



Michael Lambert, Mayor

To: Mayor and City Council

Re: Ascension Parish Sheriff's Office Activity Report during the Month of March


Mayor and City Council Report


City Calls and Arrest


Sorrento, Louisiana

	May 2018	June 2018	July 2018					
Veh. Accidents	6	16	10					
Burglaries	0	1	1					
Thefts	3	5	2					
Armed Robbery	0	0	0					
Simple Robbery	0	0	0					
Alarms, Canceled	2	3	1					
Alarms, Residential	5	6	4					
Alarms Business	7	3	5					
Narcotics	1	0	0					
Total Service Calls	112	118	77					
SCO/Loud Music	2	0	1					

Traffic Citations	8	19	4					
Adult Arrests	2	1	1					


Stacy Fodenberry
East Patrol Division


Jeffery F. Wiley, Sheriff
Parish of Ascension



Call Type	Count of Incident Number
Accident - No Injuries	8
Accident - w/ Injuries	2
Burglary - Alarm	10
Burglary-vehicle	1
Civil Matter	3
Disturbance - Domestic	3
Disturbance - Non Domestic	2
Escort - Funeral	2
Extra Patrol	3
Hit and Run	3
illegal use of weapons	2
Littering	1
Loud Music/Noise Complaint	1
Lost or Stolen	1
Medical	7
Narcotics Violation	1
Public Assist	2
Reckless Operation	7
Robbery-Simple	1
Shoplifting	2
Suspicious Activity	9
Theft	2
Traffic Incident	2
Trespassing	1
Welfare Check/Concern	2
Grand Total	77

Sorrento

LOUISIANA

FINANCIAL STATEMENTS

June 30, 2018

Town of Sorrento
Key stats
June 30, 2018

1) Cash position

	<u>Total</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Change since - June 30, 2017</u>	<u>Change since - June 30, 2016</u>
June 30, 2018	\$ 838,386	\$ 356,604	\$ 481,782		
June 30, 2017	869,551			\$ (31,165)	
June 30, 2016	908,795				\$ (70,409)
June 30, 2015	732,362				

Restricted breakdown

Recreation	197,875
Senior citizen programs	56,455
Public safety - fire	70,858
Public safety - police - restricted	10,823
Public safety - police - misc donations	7,384
Other	13,208

2) Revenue trends

Sales tax	<u>FYE</u>	<u>General Fund Collections</u>		<u>Restricted Fund Collections</u>	
	2018	\$ 567,257		\$ 100,104	
	2017	543,170	3%	95,854	3%
	2016	526,282	5%	92,873	5%
	2015	497,964		87,969	
	2017 budget	\$ 530,000	107.0%	\$ 92,250	108.5%

Utility charges	<u>FYE</u>	<u>Sewer</u>		<u>Garbage</u>	
	2018	\$ 57,033		\$ 114,778	
	2017	57,304	1%	115,064	2%
	2016	56,984	2%	112,764	2%
	2015	55,804		110,404	
	2017 budget	\$ 56,000	101.8%	\$ 112,000	102.5%

3) Utility receivable aging

	<u>Total</u>	<u>Current</u>	<u>30 days</u>	<u>60 days</u>	<u>90 days</u>	<u>120 days</u>
Amount owed - 06/30/2018	\$ 14,514	\$ 13,664	\$ (1,953)	\$ (449)	\$ (1,179)	\$ 4,431
Amount owed - 06/30/2017	14,879	13,660	(2,089)	402	(28)	2,934
Amount owed - 06/30/2016	17,527	13,365	(2,022)	872	(264)	5,576
Amount owed - 06/30/2015	31,822	7,972	3,729	705	493	18,923

4) Profitability - operating cash flows

	<u>General Fund</u>	<u>Restricted</u>			
FYE 2018					
Surplus (deficit)	\$ (2,756)	\$ (973)			
Capital outlay activity, net of grants and proceeds	-	7,331			
Depreciation	-	-			
Operating cash flows	\$ (2,756)	\$ 6,358			
<u>Utility</u>	<u>2018B</u>	<u>YTD 2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Operating deficit	\$ (89,550)	\$ (93,289)	\$ (67,657)	\$ (56,049)	\$ (65,596)
Depreciation	85,000	85,000	85,000	85,000	85,000
Net	\$ (4,550)	\$ (8,289)	\$ 17,343	\$ 28,951	\$ 19,404

Town of Sorrento
 Overview
 June 30, 2018

	YTD as of	Current Year - FYE 2017/2018			% of budget
	6/30/2017	Actual	Budget	Remaining	
General:					
Sales tax	550,079	567,257	530,000	(37,257)	
Property tax	62,502	60,080	62,000	1,920	
Franchise fees	96,634	93,115	95,000	1,885	
Beer Tax	4,160	2,854	2,500	(354)	
Licenses and permits	108,187	129,375	90,000	(39,375)	
Charges for Services	10,372	10,310	11,000	690	
Fines	2,957	952	4,750	3,798	
Intergovernmental grants - Operational	20,000	12,500	38,000	25,500	
FEMA	125,687	-	-	-	
Transfers In	12,000	32,900	32,900	(0)	
Proceeds from sale of assets	19,843	-	-	-	
Proceeds from sale of right of way	5,000	-	-	-	
Other	3,138	4,099	-	(4,099)	
Total revenue	1,020,559	913,443	866,150	(47,293)	105%
Administration	240,566	263,154	237,100	(26,054)	111%
Police	425,698	366,000	363,400	(2,600)	101%
Streets	434,876	287,045	263,200	(23,845)	109%
Capital outlay	-	-	-	-	0%
Total expenditures	1,101,140	916,199	863,700	(52,499)	106%
Restricted:					
Sales tax	96,891	100,104	92,250	(7,854)	
General fund	50,000	-	-	-	
Other	10,588	19,190	7,250	(11,940)	
Total revenue	157,478	119,294	99,500	(19,794)	120%
Fire	42,521	36,309	56,000	19,691	
Senior citizen programs	30,051	30,362	25,000	(5,362)	
Recreation	27,356	45,821	36,000	(9,821)	
Other	139	444	250	(194)	
Capital Outlay	-	7,331	-	(7,331)	
Total expenditures	100,068	120,267	117,250	(3,017)	103%
Utility Fund:					
Garbage	115,554	114,776	112,500	(2,276)	
Sewer	58,547	57,033	56,000	(1,033)	
FEMA	19,105	-	-	-	
Other	9,211	11,444	4,550	(6,894)	
Total revenue	202,417	183,254	173,050	(10,204)	106%
Garbage	101,616	101,292	102,500	1,208	
Sewer maintenance	64,582	38,465	12,000	(26,465)	
Sewer operating costs	11,766	25,052	45,000	19,948	
Depreciation	80,779	85,000	85,000	0	
Other	17,723	26,734	18,100	(8,634)	
Total expenses	276,466	276,543	262,600	(13,943)	105%
Total:					
Inflows	1,380,455	1,215,991			
Outflows	1,477,674	1,313,010			
Net	(97,219)	(97,018)			
Depreciation	80,779	85,000			
Capital outlay, net of grants and proceeds	-	7,331			
Operating, net	(16,440)	(4,687)			

Town of Sorrento
Sales and use tax collections
Monthly analysis

General Fund	2016/2017	2017/2018	% change
July	\$ 41,788	\$ 47,661	14.1%
August	45,352	52,570	15.9%
September	36,928	50,481	36.7%
October	35,831	66,021	84.3%
November	48,819	45,065	-7.7%
December	51,192	41,007	-19.9%
January	45,267	37,230	-17.8%
February	50,426	43,142	-14.4%
March	43,661	38,907	-10.9%
April	51,238	27,928	-45.5%
May	53,185	64,365	21.0%
June	39,483	52,879	33.9%
	<u>\$ 543,170</u>	<u>\$ 567,257</u>	
Prior year to date		<u>\$ 543,170</u>	4.4% YoY Change
FYE 2017/2018 Budget		<u>\$ 530,000</u>	107.0% % of Budget

Restricted Fund	2016/2017	2017/2018	% change
July	\$ 7,374	\$ 8,411	14.1%
August	8,003	9,277	15.9%
September	6,517	8,908	36.7%
October	6,323	11,651	84.3%
November	8,615	7,953	-7.7%
December	9,034	7,237	-19.9%
January	7,988	6,570	-17.8%
February	8,899	7,613	-14.4%
March	7,705	6,866	-10.9%
April	9,042	4,928	-45.5%
May	9,386	11,359	21.0%
June	6,968	9,332	33.9%
	<u>\$ 95,854</u>	<u>\$ 100,104</u>	
Prior year to date		<u>\$ 95,854</u>	4.4% YoY Change
FYE 2017/2018 Budget		<u>\$ 92,250</u>	108.5% % of Budget

Town of Sorrento
Utility charges & collections
Monthly analysis

<u>Sewer fees</u>	Users	Charges	Collections	Variance
July	182	\$ 4,781	\$ 4,443	\$ (338)
August	183	4,812	5,347	535
September	182	4,812	4,805	(7)
October	187	4,772	4,508	(264)
November	188	4,772	5,018	246
December	191	4,812	4,543	(269)
January	191	4,692	5,417	725
February	190	4,652	4,361	(291)
March	188	4,732	5,357	625
April	189	4,732	4,642	(90)
May	189	4,712	5,478	766
June	183	4,752	4,634	(118)
		<u>\$ 57,033</u>	<u>\$ 58,552</u>	<u>\$ 1,519</u>

FYE 2017/2018 Budget \$ 56,000 102% % of Budget

<u>Garbage fees</u>	Users	Charges	Collections	% Variance
July	517	\$ 9,653	\$ 8,094	\$ (1,559)
August	522	9,842	9,781	(61)
September	521	9,822	9,325	(497)
October	527	9,842	7,907	(1,935)
November	529	9,556	10,553	997
December	532	9,582	10,050	468
January	531	9,274	12,560	3,286
February	532	9,334	9,511	177
March	530	9,482	10,623	1,141
April	531	9,407	10,303	896
May	534	9,462	10,084	622
June	516	9,522	9,319	(203)
		<u>\$ 114,778</u>	<u>\$ 118,110</u>	<u>\$ 3,332</u>

FYE 2017/2018 Budget \$ 112,000 102% % of Budget

Collection rate \$ 171,811 \$ 176,662 103%

General Fund

	<u>Jun 30, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank Accounts	
LAMP Savings Account	22,326.90
UCB General Account	351,628.24
Total Bank Accounts	<u>373,955.14</u>
Total Checking/Savings	373,955.14
Accounts Receivable	
Accounts Receivable	1,077.80
Total Accounts Receivable	<u>1,077.80</u>
Other Current Assets	
Accounts Receivable-Manual	
Allowance for Accounts Receivab	-100,000.00
Accounts Receivable-Manual - Other	130,217.74
Total Accounts Receivable-Manual	<u>30,217.74</u>
Cash Drawer	
Cash Box	150.00
Total Cash Drawer	<u>150.00</u>
Total Other Current Assets	<u>30,367.74</u>
Total Current Assets	<u>405,400.68</u>
Other Assets	
Due from other gov't agencies	62,124.00
Total Other Assets	<u>62,124.00</u>
TOTAL ASSETS	<u><u>467,524.68</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	23,204.22
Total Accounts Payable	<u>23,204.22</u>
Other Current Liabilities	
Accrued Expenses	32,926.33
Accrued Payroll Expense	2,418.31
Bail Bonds Payable	14,011.50
Direct Deposit Liabilities	-1,032.29
Due to/from Utility account	-91,365.00
Payroll Liabilities	-271.35
Total Other Current Liabilities	<u>-43,312.50</u>
Total Current Liabilities	<u>-20,108.28</u>
Total Liabilities	-20,108.28
Equity	
Fund Balance - Unreserved	490,389.09
Net Income	-2,756.13
Total Equity	<u>487,632.96</u>
TOTAL LIABILITIES & EQUITY	<u><u>467,524.68</u></u>

General Fund

	<u>Jun 18</u>	<u>Jul '17 - Jun 18</u>
Ordinary Income/Expense		
Income		
Fines & Forfeits		
Court Cost-Sheriff	11.00	274.00
Fines		
Fines-Sheriff	22.00	678.48
Total Fines & Forfeits	<u>33.00</u>	<u>952.48</u>
General Gov. Misc. Income		
FEMA Public Assistance Grant		
State Tourism Grant		12,500.00
General Gov. Misc. Income - Other		2,462.96
Total General Gov. Misc. Income		<u>14,962.96</u>
Grass Cutting Revenue		10,310.00
Interest Income	35.98	308.19
Licenses & Permits		
Beer & Liquor Licenses		860.00
Occupational Licenses	25,778.93	128,189.74
Permits	25.00	325.00
Total Licenses & Permits	<u>25,803.93</u>	<u>129,374.74</u>
Planning & Zoning Fees		1,327.50
Taxes		
Advalorem Taxes	440.73	60,080.28
Beer Tax		2,854.40
Franchise Tax		93,115.41
Sales and Use Tax	52,879.01	567,257.32
Total Taxes	<u>53,319.74</u>	<u>723,307.41</u>
Transfers In	2,741.67	32,900.04
Total Income	<u>81,934.32</u>	<u>913,443.32</u>

General Fund

Expense	Jun 18	Jul '17 - Jun 18
Bank Service fee		8.47
General Government		
Capital Outlay-equipment		5,658.57
Conventions and Training	400.00	3,005.98
Dues		1,363.00
Insurance		
Liability Ins		8,702.61
Property and bonds		2,456.59
Workers Comp.	160.57	2,624.39
Total Insurance	160.57	13,783.59
Litigation Expense		
Miscellaneous	150.00	599.94
Office Expense		
Other	265.00	6,572.34
Planning & zoning	165.80	429.80
Repairs & Maintenance	444.47	6,285.13
Supplies	112.70	7,724.83
Telephone	230.65	2,733.56
Utilities	470.89	5,755.78
Total Office Expense	1,689.51	29,501.44
Office P/R Expense		
Admin	11,828.55	112,146.37
Medicare	171.52	1,710.35
Social Security	768.24	7,348.09
Total Office P/R Expense	12,768.31	121,204.81
Professional Services		
Accounting Fees	345.00	50,450.00
Attorney Fees	320.00	7,046.60
Building Inspector	4,000.00	14,000.00
Engineering Fees		
IT Services	581.28	4,495.96
Ordinance codification	225.00	1,090.00
Payroll Fees	181.00	1,955.89
Total Professional Services	5,652.28	79,038.45
Tourism and Promotion		8,989.74
General Government - Other		
Total General Government	20,820.67	263,145.52

General Fund

	Jun 18	Jul '17 - Jun 18
Highway & Streets		6,900.00
Animal Control		37,717.08
Debt Service - Lease Payments	3,143.09	30,217.00
Engineering Fees		
Insurance		1,303.68
Auto		4,499.01
Liability Ins.		2,945.24
Tractors	2,945.24	2,945.24
Workers Comp	642.23	11,042.41
Total Insurance	<u>3,587.47</u>	<u>19,790.34</u>
Operating		16,318.28
Fuel Expense	3,426.31	7.50
Maintenance Misc.	7.50	29,788.22
Repairs	4,688.02	25,631.97
Supplies	6,381.93	2,013.50
Telephone	209.40	2,207.91
Utilities	210.27	75,967.38
Total Operating	<u>14,923.43</u>	<u>75,967.38</u>
P/R Expense		1,153.44
Medicare	135.07	84,222.70
Salaries	9,954.73	4,897.11
Social Security	542.71	90,273.25
Total P/R Expense	<u>10,632.51</u>	<u>1,365.02</u>
Road Maintenance and repairs		24,814.90
Street Lights	1,982.05	287,044.97
Total Highway & Streets	<u>34,268.55</u>	<u>287,044.97</u>
Payroll Expenses	-34.03	
Public Safety		
General Expense		456.00
Contract Expense		5,467.77
Telephone	461.30	1,581.48
Utilities	147.65	7,505.25
Total General Expense	<u>608.95</u>	<u>7,505.25</u>
P/R Expense		353,832.60
Contract Labor	29,486.05	1,168.60
Judges Retirement	97.81	2,927.04
Salaries	243.92	567.00
Supplemental refund	567.00	358,495.24
Total P/R Expense	<u>30,394.78</u>	<u>358,495.24</u>
Total Public Safety	<u>31,003.73</u>	<u>366,000.49</u>
Suspense Account		916,199.45
Total Expense	<u>86,058.92</u>	<u>916,199.45</u>
Net Ordinary Income	<u>-4,124.60</u>	<u>-2,756.13</u>
Net Income	<u>-4,124.60</u>	<u>-2,756.13</u>

General Fund

	<u>Jul '17 - Jun 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Fines & Forfeits				
Court Cost-Sheriff	274.00	750.00	-476.00	36.53%
Fines				
Fines-Sheriff	678.48	4,000.00	-3,321.52	16.96%
Total Fines & Forfeits	<u>952.48</u>	<u>4,750.00</u>	<u>-3,797.52</u>	<u>20.05%</u>
General Gov. Misc. Income				
FEMA Public Assistance Grant				
State LGAP Grant		20,000.00	-20,000.00	
State Tourism Grant	12,500.00	18,000.00	-5,500.00	69.44%
General Gov. Misc. Income - Otl	2,462.96			
Total General Gov. Misc. Income	<u>14,962.96</u>	<u>38,000.00</u>	<u>-23,037.04</u>	<u>39.38%</u>
Grass Cutting Revenue	10,310.00	10,300.00	10.00	100.1%
Interest Income	308.19		308.19	100.0%
Licenses & Permits				
Beer & Liquor Licenses	860.00	2,500.00	-1,640.00	34.4%
Occupational Licenses	128,189.74	87,000.00	41,189.74	147.35%
Permits	325.00	500.00	-175.00	65.0%
Total Licenses & Permits	<u>129,374.74</u>	<u>90,000.00</u>	<u>39,374.74</u>	<u>143.75%</u>
Planning & Zoning Fees	1,327.50	700.00	627.50	189.64%
Taxes				
Advalorem Taxes	60,080.28	62,000.00	-1,919.72	96.9%
Beer Tax	2,854.40	2,500.00	354.40	114.18%
Franchise Tax	93,115.41	95,000.00	-1,884.59	98.02%
Sales and Use Tax	567,257.32	530,000.00	37,257.32	107.03%
Total Taxes	<u>723,307.41</u>	<u>689,500.00</u>	<u>33,807.41</u>	<u>104.9%</u>
Transfers In	32,900.04	32,900.00	0.04	100.0%
Total Income	<u>913,443.32</u>	<u>866,150.00</u>	<u>47,293.32</u>	<u>105.46%</u>

Expense	General Fund			
	Jul '17 - Jun 18	Budget	\$ Over Budget	% of Budget
Bank Service fee	8.47			
General Government				
Capital outlay-buildings				
Capital Outlay-equipment	5,658.57		5,658.57	100.0%
Conventions and Training	3,005.98	2,000.00	1,005.98	150.3%
Dues	1,363.00	900.00	463.00	151.44%
Insurance				
Liability Ins	8,702.61	12,000.00	-3,297.39	72.52%
Property and bonds	2,456.59	1,800.00	656.59	136.48%
Workers Comp.	2,624.39	1,400.00	1,224.39	187.46%
Insurance - Other		1,000.00	-1,000.00	
Total Insurance	13,783.59	16,200.00	-2,416.41	85.08%
Litigation Expense				
Miscellaneous	599.94	1,000.00	-400.06	59.99%
Office Expense				
Fuel				
Other	6,572.34	1,500.00	5,072.34	438.16%
Planning & zoning	429.80	500.00	-70.20	85.96%
Repairs & Maintenance	6,285.13	2,500.00	3,785.13	251.41%
Supplies	7,724.83	5,000.00	2,724.83	154.5%
Telephone	2,733.56	1,000.00	1,733.56	273.36%
Utilities	5,755.78	5,000.00	755.78	115.12%
Total Office Expense	29,501.44	15,500.00	14,001.44	190.33%
Office P/R Expense				
Admin	112,146.37	106,000.00	6,146.37	105.8%
Medicare	1,710.35	1,500.00	210.35	114.02%
Retirement				
Social Securiry	7,348.09	6,900.00	448.09	106.49%
Total Office P/R Expense	121,204.81	114,400.00	6,804.81	105.95%
Professional Services				
Accounting Fees	50,450.00	50,000.00	450.00	100.9%
Attorney Fees	7,046.60	5,300.00	1,746.60	132.96%
Building Inspector	14,000.00	12,000.00	2,000.00	116.67%
Engineering Fees				
IT Services	4,495.96	1,800.00	2,695.96	249.78%
Ordinance codification	1,090.00			
Payroll Fees	1,955.89			
Total Professional Services	79,038.45	69,100.00	9,938.45	114.38%
Tourism and Promotion	8,989.74	18,000.00	-9,010.26	49.94%
General Government - Other				
Total General Government	263,145.52	237,100.00	26,045.52	110.99%

General Fund

	Jul '17 - Jun 18	Budget	\$ Over Budget	% of Budget
Highway & Streets				
Animal Control	6,900.00	8,000.00	-1,100.00	86.25%
Capital outlay		6,000.00	-6,000.00	
Debt Service - Lease Payments	37,717.08	38,000.00	-282.92	99.26%
Drainage maintenance				
Engineering Fees	30,217.00	6,000.00	24,217.00	503.62%
Insurance				
Auto	1,303.68	2,100.00	-796.32	62.08%
Liability Ins.	4,499.01	8,500.00	-4,000.99	52.93%
Tractors	2,945.24	3,200.00	-254.76	92.04%
Workers Comp	11,042.41	10,000.00	1,042.41	110.42%
Total Insurance	19,790.34	23,800.00	-4,009.66	83.15%
Operating				
Fuel Expense	16,318.28	10,000.00	6,318.28	163.18%
Maintenance Misc.	7.50			
Repairs	29,788.22	3,000.00	26,788.22	992.94%
Supplies	25,631.97	7,500.00	18,131.97	341.76%
Telephone	2,013.50	600.00	1,413.50	335.58%
Utilities	2,207.91	4,000.00	-1,792.09	55.2%
Total Operating	75,967.38	25,100.00	50,867.38	302.66%
P/R Expense				
Medicare	1,153.44	1,700.00	-546.56	67.85%
Salaries	84,222.70	117,000.00	-32,777.30	71.99%
Social Security	4,897.11	7,600.00	-2,702.89	64.44%
Total P/R Expense	90,273.25	126,300.00	-36,026.75	71.48%
Road Maintenance and repairs	1,365.02	5,000.00	-3,634.98	27.3%
Street Lights	24,814.90	25,000.00	-185.10	99.26%
Total Highway & Streets	287,044.97	263,200.00	23,844.97	109.06%
Payroll Expenses				
Public Safety				
General Expense				
Contract Expense	456.00			
Telephone	5,467.77	3,500.00	1,967.77	156.22%
Utilities	1,581.48	1,800.00	-218.52	87.86%
Total General Expense	7,505.25	5,300.00	2,205.25	141.61%
P/R Expense				
Contract Labor	353,832.60	354,000.00	-167.40	99.95%
Judges Retirement	1,168.60	1,150.00	18.60	101.62%
Salaries	2,927.04	2,950.00	-22.96	99.22%
Supplemental refund	567.00			
Total P/R Expense	358,495.24	358,100.00	395.24	100.11%
Total Public Safety	366,000.49	363,400.00	2,600.49	100.72%
Suspense Account				
Total Expense	916,199.45	863,700.00	52,499.45	106.08%
Net Ordinary Income	-2,756.13	2,450.00	-5,206.13	-112.5%
Net Income	-2,756.13	2,450.00	-5,206.13	-112.5%

Restricted Fund

	<u>Jun 30, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank accounts	
Savings Account-LAMP	137,968.38
UCB Restricted Fund	218,635.30
Total Bank accounts	<u>356,603.68</u>
Total Checking/Savings	356,603.68
Other Current Assets	
Due from other govt. units	8,411.00
Total Other Current Assets	<u>8,411.00</u>
Total Current Assets	<u>365,014.68</u>
TOTAL ASSETS	<u><u>365,014.68</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Assurity Bond	9,500.00
Community Center Deposit	2,900.00
Unclaimed Forfeitures	2,650.69
Total Other Current Liabilities	<u>15,050.69</u>
Total Current Liabilities	<u>15,050.69</u>
Total Liabilities	15,050.69
Equity	
Fund Balance - Reserved	265,092.29
Retained Earnings	85,844.65
Net Income	-972.95
Total Equity	<u>349,963.99</u>
TOTAL LIABILITIES & EQUITY	<u><u>365,014.68</u></u>

Restricted Fund

	<u>Jun 18</u>	<u>Jul '17 - Jun 18</u>
Ordinary Income/Expense		
Income		
Restricted Fund Income		
Christmas Fund	0.00	400.00
Community Center Rental Income	2,460.00	16,660.00
Interest Income	240.11	2,129.91
Sales & Use Taxes		
Fire Department	3,110.53	33,368.14
Recreation	3,110.53	33,368.03
Senior Citizens	3,110.53	33,368.12
Total Sales & Use Taxes	<u>9,331.59</u>	<u>100,104.29</u>
Restricted Fund Income - Other	<u>0.00</u>	<u>0.00</u>
Total Restricted Fund Income	<u>12,031.70</u>	<u>119,294.20</u>
Total Income	<u>12,031.70</u>	<u>119,294.20</u>
Gross Profit	12,031.70	119,294.20
Expense		
Christmas Fund (Celebration)	0.00	393.72
Restricted Fund Expense		
Fire Department		
Operating Expense	677.23	36,248.59
Fire Department - Other	<u>0.00</u>	<u>60.00</u>
Total Fire Department	677.23	36,308.59
Recreation		
Capital Outlay - Comm. Center	0.00	7,331.00
Insurance - Community Center	0.00	4,655.00
Operating Expense	2,163.98	22,666.36
Transfers Out - Debt Service	<u>1,541.67</u>	<u>18,500.04</u>
Total Recreation	3,705.65	53,152.40
Senior Citizen	3,140.00	30,362.36
Restricted Fund Expense - Other	<u>-0.04</u>	<u>50.08</u>
Total Restricted Fund Expense	<u>7,522.84</u>	<u>119,873.43</u>
Total Expense	<u>7,522.84</u>	<u>120,267.15</u>
Net Ordinary Income	<u>4,508.86</u>	<u>-972.95</u>
Net Income	<u><u>4,508.86</u></u>	<u><u>-972.95</u></u>

Restricted Fund

	<u>Jul '17 - Jun 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Restricted Fund Income				
Christmas Fund	400.00	0.00	400.00	100.0%
Community Center Rental Income	16,660.00	5,500.00	11,160.00	302.91%
Fire Department				
Fire Department Donation	0.00	0.00	0.00	0.0%
Fire Department - Other	0.00	0.00	0.00	0.0%
Total Fire Department	0.00	0.00	0.00	0.0%
Interest Income	2,129.91	1,000.00	1,129.91	212.99%
Miscellaneous	0.00	0.00	0.00	0.0%
Sales & Use Taxes				
Fire Department	33,368.14	30,750.00	2,618.14	108.51%
Recreation	33,368.03	30,750.00	2,618.03	108.51%
Senior Citizens	33,368.12	30,750.00	2,618.12	108.51%
Total Sales & Use Taxes	100,104.29	92,250.00	7,854.29	108.51%
Restricted Fund Income - Other	0.00	750.00	-750.00	0.0%
Total Restricted Fund Income	119,294.20	99,500.00	19,794.20	119.89%
Total Income	119,294.20	99,500.00	19,794.20	119.89%
Gross Profit	119,294.20	99,500.00	19,794.20	119.89%
Expense				
Christmas Fund (Celebration)	393.72	0.00	393.72	100.0%
Police Donation	0.00	0.00	0.00	0.0%
Police Unclaimed Forfeiture	0.00	0.00	0.00	0.0%
Restricted Fund Expense				
Fire Department				
Hydrant Maintenance	0.00	6,000.00	-6,000.00	0.0%
Operating Expense	36,248.59	50,000.00	-13,751.41	72.5%
Fire Department - Other	60.00	0.00	60.00	100.0%
Total Fire Department	36,308.59	56,000.00	-19,691.41	64.84%
Recreation				
Capital Outlay - Comm. Center	7,331.00	0.00	7,331.00	100.0%
Insurance - Community Center	4,655.00	5,500.00	-845.00	84.64%
Operating Expense	22,666.36	12,000.00	10,666.36	188.89%
Transfers Out - Debt Service	18,500.04	18,500.01	0.03	100.0%
Recreation - Other	0.00	0.00	0.00	0.0%
Total Recreation	53,152.40	36,000.01	17,152.39	147.65%
Senior Citizen	30,362.36	25,000.00	5,362.36	121.45%
Supplies	0.00	0.00	0.00	0.0%
Restricted Fund Expense - Other	50.08	250.00	-199.92	20.03%
Total Restricted Fund Expense	119,873.43	117,250.01	2,623.42	102.24%
Total Expense	120,267.15	117,250.01	3,017.14	102.57%
Net Ordinary Income	-972.95	-17,750.01	16,777.06	5.48%
Net Income	-972.95	-17,750.01	16,777.06	5.48%

Utility Fund

Jun 30, 18

ASSETS	
Current Assets	
Checking/Savings	
Bank Accounts	
LAMP Savings Account	11,277.49
UCB - Utility Deposit Account	15,819.68
UCB Utility Account	80,680.00
Total Bank Accounts	<u>107,777.17</u>
Cash on hand	50.00
Total Checking/Savings	<u>107,827.17</u>
Accounts Receivable	
Accounts Receivable	
Accounts Receivable	19,105.00
Accounts Receivable - Other	15,602.82
Total Accounts Receivable	<u>34,707.82</u>
Allowance for Bad Debts	<u>-3,300.00</u>
Total Accounts Receivable	<u>31,407.82</u>
Total Current Assets	<u>139,234.99</u>
Fixed Assets	
Accum. Depreciation-Water Tower	-1,112,824.92
Fixed Assets	1,417,602.30
Land	60,366.00
Water Tower	773,283.00
Total Fixed Assets	<u>1,138,426.38</u>
TOTAL ASSETS	<u><u>1,277,661.37</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	10,743.83
Total Accounts Payable	<u>10,743.83</u>
Other Current Liabilities	
Due to General Fund	91,365.00
Garbage Deposits Liability	16,042.00
Total Other Current Liabilities	<u>107,407.00</u>
Total Current Liabilities	<u>118,150.83</u>
Total Liabilities	118,150.83
Equity	
Contributed Capital	611,885.00
Opening Bal Equity	-44.80
Retained Earnings	640,959.69
Net Income	-93,289.35
Total Equity	<u>1,159,510.54</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,277,661.37</u></u>

Utility Fund

	<u>Jun 18</u>	<u>Jul '17 - Jun 18</u>
Ordinary Income/Expense		
Income		
Interest Income		
LAMP Account	18.18	154.85
Total Interest Income	<u>18.18</u>	<u>154.85</u>
Other Income	0.00	15.12
Utility Income		
Garbage Fee	9,520.00	114,776.18
Late Payment Penalties	247.00	4,399.40
Return Fee	50.00	1,800.00
Sewer Fee	4,752.00	57,033.18
Sundry	0.00	0.00
Water Franchise fees	0.00	5,075.00
Total Utility Income	<u>14,569.00</u>	<u>183,083.76</u>
Total Income	<u>14,587.18</u>	<u>183,253.73</u>
Expense		
Bank Service charges	4.10	309.01
Depreciation Expense	7,083.33	84,999.96
Fire Hydrants	0.00	8,550.00
Garbage Department Expenses		
Garbage Service	8,441.00	101,292.00
Garbage Department Expenses - Other	0.00	0.00
Total Garbage Department Expenses	<u>8,441.00</u>	<u>101,292.00</u>
General Administrative		
Billing Supplies	0.00	633.70
Dues & Memberships	0.00	1,104.00
Postage	138.25	1,737.73
Transfer Out - Debt Service	1,200.00	14,400.00
Total General Administrative	<u>1,338.25</u>	<u>17,875.43</u>
Sewer Department Expenses		
Engineering	1,200.00	15,670.00
Other	0.00	1,569.60
Repairs	0.00	65.00
Sewer System Maintenance	1,179.13	38,464.92
Sundry	0.00	0.00
Utility Bills	512.43	7,747.16
Sewer Department Expenses - Other	0.00	0.00
Total Sewer Department Expenses	<u>2,891.56</u>	<u>63,516.68</u>
Suspense Account	0.00	0.00
Total Expense	<u>19,758.24</u>	<u>276,543.08</u>
Net Ordinary Income	<u>-5,171.06</u>	<u>-93,289.35</u>
Net Income	<u>-5,171.06</u>	<u>-93,289.35</u>

	Utility Fund			
	Jul '17 - Jun 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Interest Income				
LAMP Account	154.85	0.00	154.85	100.0%
Interest Income - Other	0.00	50.00	-50.00	0.0%
Total Interest Income	154.85	50.00	104.85	309.7%
Other Income	15.12	0.00	15.12	100.0%
Utility Income				
Garbage Fee	114,776.18	112,000.00	2,776.18	102.48%
Late Payment Penalties	4,399.40	500.00	3,899.40	879.88%
Return Fee	1,800.00	500.00	1,300.00	360.0%
Sewer Fee	57,033.18	56,000.00	1,033.18	101.85%
Sundry	0.00			
Water Franchise fees	5,075.00	4,000.00	1,075.00	126.88%
Utility Income - Other	0.00	0.00	0.00	0.0%
Total Utility Income	183,083.76	173,000.00	10,083.76	105.83%
Total Income	183,253.73	173,050.00	10,203.73	105.9%
Expense				
Bank Service charges	309.01	200.00	109.01	154.51%
Depreciation Expense	84,999.96	85,000.00	-0.04	100.0%
Fire Hydrants	8,550.00	0.00	8,550.00	100.0%
Garbage Department Expenses				
Garbage Service	101,292.00	102,500.00	-1,208.00	98.82%
Other	0.00	0.00	0.00	0.0%
Garbage Department Expenses - Other	0.00	0.00	0.00	0.0%
Total Garbage Department Expenses	101,292.00	102,500.00	-1,208.00	98.82%
General Administrative				
Billing Supplies	633.70	1,500.00	-866.30	42.25%
Dues & Memberships	1,104.00	300.00	804.00	368.0%
Postage	1,737.73	1,700.00	37.73	102.22%
Transfer Out - Debt Service	14,400.00	14,400.00	0.00	100.0%
Total General Administrative	17,875.43	17,900.00	-24.57	99.86%
Sewer Department Expenses				
Capital Outlay - Sewer	0.00	26,000.00	-26,000.00	0.0%
Engineering	15,670.00	6,000.00	9,670.00	261.17%
Grant consultant	0.00	3,000.00	-3,000.00	0.0%
Other	1,569.60	1,500.00	69.60	104.64%
Repairs	65.00	0.00	65.00	100.0%
Sewer System Maintenance	38,464.92	12,000.00	26,464.92	320.54%
Sundry	0.00	0.00	0.00	0.0%
Utility Bills	7,747.16	8,500.00	-752.84	91.14%
Sewer Department Expenses - Other	0.00	0.00	0.00	0.0%
Total Sewer Department Expenses	63,516.68	57,000.00	6,516.68	111.43%
Suspense Account	0.00			
Total Expense	276,543.08	262,600.00	13,943.08	105.31%
Net Ordinary Income	-93,289.35	-89,550.00	-3,739.35	104.18%
Net Income	-93,289.35	-89,550.00	-3,739.35	104.18%



July 5, 2018

To the Honorable Mayor and
Members of the Town Council
Sorrento, Louisiana

Dear Mayor Michael Lambert:

As certified public accountants licensed to practice in Louisiana, we are pleased to confirm our understanding of the services we are to provide Town of Sorrento as of and for the year ended June 30, 2018.

Audit Scope

We will audit the financial statements of the governmental activities, the business-type activities, and each major fund, including the notes to the financial statements, which collectively comprise the basic financial statements, of Town of Sorrento as of and for the year ended June 30, 2018.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Sorrento's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Sorrento's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison information
3. Schedule of proportionate share of the net pension liability
4. Schedule of pension contributions

We have also been engaged to report on supplementary information other than RSI that accompanies Town of Sorrento's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of compensation, benefits, and other payments to agency head

See Exhibit 1 to this engagement letter.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles, and to report on the fairness of the supplementary information referred to in the fourth paragraph of the previous section, when considered in relation to the financial statements taken as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements, in accordance with *Government Auditing Standards*.
- The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (b) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (c) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our engagement will be performed in accordance with the *Louisiana Governmental Audit Guide*, authorized by Louisiana Revised Statute 24:513 A. (5) (a) (i), which is published jointly by the Louisiana Legislative Auditor and the Society of Louisiana Certified Public Accountants. Our engagement will be performed in accordance with *Government Auditing Standards*, and *US Office of Management and Budget publication Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, if applicable. We will issue a written report upon completion of our audit of Town of Sorrento's financial statements. Our report will be addressed to the Honorable Mayor and Members of the Town Council.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement. We will notify the Legislative Auditor, immediately and in writing, of:

- Any fraud, abuse or illegal acts that are detected during our engagement
- Any client-imposed scope restrictions, to include failure to provide the appropriate books and records in a timely manner; or denial of access to appropriate books and records
- Any significant disagreements with the local auditee
- Any change in the scope of the engagement (for example, a change from an audit engagement to a review/attestation engagement), to include all reasons for such change
- Any decision to withdraw from or cancel the engagement, to include all substantive reasons for the withdrawal or cancellation
- Our decision to disclaim the auditor's opinion, or to render an adverse opinion on the financial statements for any reason other than omitted component units.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any fraudulent financial reporting, misappropriation of assets, or material abuse that come to our attention, and will also notify the Legislative Auditor in writing. Furthermore, should we become aware of fraud or misappropriation of assets, we shall also notify the appropriate enforcement agency, including the local district attorney and sheriff. We will also inform the appropriate level of management of any material errors or violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required by *Government Auditing Standards* and the Louisiana Governmental Audit Guide. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements, and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Sorrento's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Management's Responsibilities

Management of Town of Sorrento is responsible for the basic financial statements and all accompanying information, as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Town of Sorrento and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it is necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming in the written representation letter that the effects of any uncorrected misstatements, aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others.

In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Administration, Fees, and Other

Immediately upon completion of the engagement, the auditor shall send a copy of the reporting package to Town of Sorrento and the Legislative Auditor. The reporting package will consist of:

1. An opinion (or disclaimer of opinion) as to whether the financial statements are presented fairly in all material respects in conformity with accounting principles generally accepted in the United States and, when applicable, an opinion (or disclaimer of opinion) as to whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole. It is our understanding that these statements will include a schedule of per diem paid to the board members and a schedule of expenditures of federal awards (if applicable). The schedule(s) will be reviewed as part of our audit in an attempt to provide supplemental information assurance on these schedules as part of our audit report.
2. A report on internal control and compliance with laws and regulations material to the financial statements and, when applicable, major federal programs. This report shall describe the scope of testing of internal control and compliance, the results of the tests, and, where applicable, refer to the separate schedule of findings and questioned costs. The state laws and regulations included in this report shall include all of the compliance matters included in the Louisiana Compliance Questionnaire.

3. A report on internal control and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on major federal programs. The report will include an opinion (or disclaimer of opinion) as to whether you have complied with laws, regulations, and the provisions of contracts or grant agreements which could have a direct and material effect on each major program, and, where applicable, refer to the separate schedule of findings and questioned costs.
4. If applicable, a summary schedule of findings and questioned costs.
5. If applicable, a summary schedule of the current status of any prior findings, which you will prepare.
6. Management's corrective action plans, which you will prepare.
7. If applicable, a management letter to convey suggestions and recommendations not suitable for the foregoing reports. We will ask you to respond to any matters included in the management letter and include your response as a part of the issued management letter, or you may place your response to these matters in your corrective action plan.

We will assist you in the preparation of the data collection form and sign, or disclaim, the form. In the preparation of the form should there be any material disagreements, we reserve the right to refuse to sign the form and report such matters to the appropriate federal officials and the Legislative Auditor.

Either we or the West Baton Rouge Parish Assessor shall send a copy of the report, any management letter, and management's corrective action plan, if applicable, to the following persons and agencies, as applicable:

- Each member of the governing board
- Each Louisiana state agency providing financial assistance to the local auditee
- The Federal Audit Clearinghouse, as required by CFR Section 200.512

Our audit will include a review of any prior-year suggestions and recommendations and will indicate the extent to which the summary schedule of prior year audit findings is fairly stated. As to any current-year recommendations and suggestions, we will afford you the opportunity to respond to such matters and will include your response(s) in management's corrective action plan.

The audit documentation for this engagement is the property of Diez, Dupuy & Ruiz, LLC, and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Louisiana Legislative Auditor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Diez, Dupuy & Ruiz, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. We will follow the Legislative Auditor's policy regarding confidentiality of audit/engagement documentation found at Section 350.02 of the Louisiana Governmental Audit Guide when giving access to audit documentation to any parties other than named individuals and organizations.

Should we become aware of any illegal acts, we shall make our audit documentation available to the local district attorney or any other state or federal enforcement or regulatory agency without liability. The audit documentation shall be retained by Diez, Dupuy & Ruiz, LLC for a minimum of five years after the issuance of the report.

Subsequent to the issuance of the report, should it be necessary to alter or reissue the report and/or any management letter, Diez, Dupuy & Ruiz, LLC shall distribute such reissued report and/or management letter in the same manner as the original report and management letter.

The Town of Sorrento will prepare and sign the attached compliance questionnaire; adopt it in an open meeting of the local auditee's board (if applicable) and return it to us. We will test the local auditee's compliance with the applicable laws during the performance of our audit and will report on any matters of noncompliance that are material to the financial statements

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Town of Sorrento; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Louisiana Legislative Auditor. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately November 1, 2018 and to issue our reports no later than December 31, 2018.

Anthony V. Ruiz is the engagement partner and is responsible for supervising the engagement and signing the report. It is our understanding that you have assigned Paige Robert of your staff (8173 Main St., Sorrento, LA 70778 and 225-675-5355 as your representative during the engagement.

Our fees for all services, including out-of-pocket cost, which we estimate, will not exceed \$13,000. This fee is based on the assumption that you will provide assistance, anticipated cooperation from your personnel, and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Any amendments to the not-to-exceed amount of the fees will be in writing and signed by both our firm and the Town of Sorrento. Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation.

The Legislative Auditor will be notified immediately, in writing, if our audit is cancelled or if there are any significant disagreements. The Legislative Auditor will be notified, immediately, in writing if there are any changes in this agreement or if there are any restrictions placed on our staff during the audit that would impact the scope of the audit, which includes the failure to produce required records in a timely manner, or the nature of the tests required under the previously discussed standards. If federally-assisted programs are involved, we are required to notify (the cognizant or oversight agency).

During the course of our audit, it is possible that we may observe opportunities for economies of operation and for improved internal administrative and accounting controls, or we may observe variances with applicable laws and regulations or other matters that should be brought to your attention. Our comments and recommendations concerning such matters, if any, will be conveyed to you in writing.

You may request that we perform additional nonattest services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Under the provisions of *Government Auditing Standards*, our ability to provide nonattest services may result in an impairment of our independence, and therefore may be limited for the duration of this engagement and for the period covered by this engagement. We will consult those standards and the Louisiana Legislative Auditor to determine whether such an impairment exists, prior to the performance of any nonattest services.

These limited procedures may not meet the needs of all users of audit reports, who may require additional information and assurances on internal control and compliance with laws and regulations. In accordance with *Government Auditing Standards*, you should consider whether additional testing of controls and compliance are necessary to supplement the financial statement audit's coverage of these areas and to meet the reasonable needs of report users. These additional needs are quite often met in the following two ways:

- Supplemental (or agreed-upon) procedures or an examination resulting in an opinion.

We are available to discuss the expanded needs of report users, the nature of this expanded work, and the degree to which these type examinations, or other examinations, will meet the needs of the parish and its report users.

Approval

We appreciate the opportunity to be of service to Town of Sorrento, and believe this letter accurately summarizes the significant terms of our engagement. If these comments and arrangements meet with your approval, please sign below and return the agreement to us.

In accordance with the provisions of state law, this engagement agreement must be approved by the Legislative Auditor prior to commencement of our work. Upon your signature and approval, we will seek approval of the Legislative Auditor of this engagement.

We look forward to a pleasant association and the opportunity to provide the services included in this engagement. If you have any questions, please let us know.

Very truly yours,



Diez, Dupuy & Ruiz

RESPONSE:

This letter correctly sets forth the understanding of Town of Sorrento.

Management signature: Paige K. Robert
Title: Town Clerk
Date: 8-9-18

This letter correctly sets forth the understanding of governance of Town of Sorrento.

Governance signature: Michael J. [Signature]
Title: Mayor
Date: 8-9-18

Exhibit 1 to Engagement Letter

Professional standards require that we provide those charged with governance of the Town of Sorrento with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

Our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the Town of Sorrento's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of Town of Sorrento's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Pension Contributions, which supplement(s) the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on Schedule of Compensation, Benefits, and Other Payments to Agency Head, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

This information is intended solely for the use of Honorable Mayor, Members of the Town Council and management of Town of Sorrento and is not intended to be, and should not be, used by anyone other than these specified parties.



July 5, 2018

To the Honorable Mayor and
Members of the Town Council
Sorrento, Louisiana

Dear Mayor Michael Lambert:

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for the Town of Sorrento, Louisiana.

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the Town of Sorrento and the Louisiana Legislative Auditor's (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal year ended June 30, 2018. The Town of Sorrento is responsible for those C/C areas identified in the SAUPs.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of the procedures performed or to be performed is solely the responsibility of the Town of Sorrento, and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination or review, we will not express an opinion or conclusion on the C/C areas. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Town of Sorrento and will be published on the LLA's website as a public document. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. This report is intended solely for the use of the Town of Sorrento and the LLA and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations (unless otherwise specified in the agreed-upon procedures); however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the C/C areas that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the results of the procedures performed in the C/C areas, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

You are responsible for the C/C areas and ensuring that these areas are administered in accordance with the best practice criteria presented in the SAUPs; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are responsible for, and agree to provide us with, written assertions about the C/C areas. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the Town of Sorrento from whom we determine it necessary to obtain evidence relating to performing those procedures.

Tony Ruiz is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately November 1, 2018 and, unless unforeseeable problems are encountered, the engagement should be completed by December 31, 2018. At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the C/C areas and administration of those areas in accordance with the best practice criteria in the SAUPs.

We estimate that our fees for these services will range from \$2,000 to \$3,000. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

It is understood that our working papers are confidential information. However, we will make those working papers available to any successor auditor, LLA, or recognized external quality control review organizations as requested. We will retain the working papers for five years.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter.

If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Respectfully submitted,

Diez, Dupuy & Ruiz

Diez, Dupuy & Ruiz

APPROVED BY:

By: *[Signature]*

Title: Mayor

Date: 8-9-18

Phone No. 225-675-5337

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):¹
 - 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/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or 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).
 - 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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
 - h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

¹ For governmental organization, the practitioner may eliminate those categories and subcategories that do not apply to the organization's operations. For quasi-public organizations, including non-profits, the practitioner may eliminate those categories and subcategories that do not apply to public funds administered by the quasi-public.

- i) **Ethics**², 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.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board or Finance Committee³

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.⁴ *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

² The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the non-profit should have written policies and procedures relating to ethics.

³ These procedures are not applicable to entities managed by a single elected official, such as sheriff or assessor.

⁴ Major funds are defined under GASB standards. The related procedure addresses major funds as a way to verify that boards are provided with financial information necessary to make informed decisions about significant entity operations, including proprietary operations that are not required to be budgeted under the LGBA.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts⁵ (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

4. Obtain a listing of deposit sites⁶ for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations⁷ and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

⁵ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

⁶ A deposit site is a physical location where a deposit is prepared and reconciled.

⁷ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day)⁸. *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

⁸ If "bank reconciliations" have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for bank reconciliations.

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, 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.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) 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) Observe that finance charges and late fees were not assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements⁹ (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

⁹ Non-travel reimbursements are not required to be tested under this category.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law¹⁰ (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that 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) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

¹⁰ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics¹¹

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above¹², obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service¹³

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises¹⁴ and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.¹⁵

¹¹ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the procedures should be performed.

¹² If "payroll and personnel" have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for payroll and personnel.

¹³ This AUP category is generally not applicable to non-profit entities; however, if applicable, the procedures should be performed.

¹⁴ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

¹⁵ This notice is available for download or print at www.la.la.gov/hotline.

**LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Governments)**

Dear Chief Executive Officer:

Attached is the Louisiana Compliance Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of a financial audit of Louisiana state and local government agencies. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected officials should sign the document, in lieu of such a resolution.

The completed questionnaire and a copy of the adoption instrument, if appropriate, must be given to the auditor at the beginning of the audit. The auditor will, during the course of his/her regular audit, test the accuracy of the responses in the questionnaire. It is not necessary to return the questionnaire to my office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the auditor during the course of his/her examination. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor

Enclosure

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Government Agencies)

_____ (Date Transmitted)

Audit Firm Name
123 Main Street
Gonzales, LA 70737

In connection with your audit of our financial statements as of June 30, 2018 and for the year ended for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of _____ (date completed/date of the representations).

PART I. AGENCY PROFILE

1. Name and address of the organization.

Town of Sorrento
P.O. Box 65
Sorrento, LA 70778

2. List the population of the municipality or parish based upon the last official United States Census or most recent official census (municipalities and police juries only). Include the source of the information.

1391 – United States Census – Year 2010

3. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

Michael Lambert, Mayor | 225-675-5337 | 8173 Main Street, Sorrento, LA
Wanda Bourgeois, Mayor Pro-tem | 225-675-5337 | 8173 Main Street, Sorrento, LA
Randy Anny, Town Council | 225-675-5337 | 8173 Main Street, Sorrento, LA
Donald Schexnaydre, Town Council | 225-675-5337 | 8173 Main Street, Sorrento, LA
Patti Poche, Town Council | 225-675-5337 | 8173 Main Street, Sorrento, LA
Randi Sutton, Town Council | 225-675-5337 | 8173 Main Street, Sorrento, LA

4. Period of time covered by this questionnaire.

July 1, 2017 through June 30, 2018

5. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

Lawrson Act

6. Briefly describe the public services provided.

General government, street and sanitation, public safety, sewerage and solid waste

7. Expiration date of current elected/appointed officials' terms.

June 30, 2021

LEGAL COMPLIANCE

PART II. PUBLIC BID LAW

8. The provisions of the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

A) All public works purchases exceeding \$154,450 have been publicly bid.

B) All material and supply purchases exceeding \$30,000 have been publicly bid.

Yes No

PART III. CODE OF ETHICS LAW FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

9. 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 No

10. 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 No

PART IV. LAWS AFFECTING BUDGETING

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

A. Local Budget Act

1. We have adopted a budget for the general fund and all special revenue funds (R.S. 39:1305).

2. The chief executive officer, or equivalent, has prepared a proposed budget that included a budget message, a proposed budget for the general fund and each special revenue fund, and a budget adoption instrument that specified the chief executive's authority to make budgetary amendments without approval of the governing authority. Furthermore, the proposed expenditures did not exceed estimated funds to be available during the period (R.S. 39:1305).

3. The proposed budget was submitted to the governing authority and made available for public inspection at least 15 days prior to the beginning of the budget year (R.S. 39:1306).

4. To the extent that proposed expenditures were greater than \$500,000, we have made the budget available for public inspection and have advertised its availability in our official journal. The advertisement included the date, time, and place of the public hearing on the budget. Notice has also been published certifying that all actions required by the Local Government Budget Act have been completed (R.S. 39:1307).

5. If required, the proposed budget was made available for public inspection at the location required by R.S. 39:1308.

6. All action necessary to adopt and finalize the budget was completed prior to the date required by state law. The adopted budget contained the same information as that required for the proposed budget (R.S. 39:1309).

7. After adoption, a certified copy of the budget has been retained by the chief executive officer or

equivalent officer (R.S. 39:1309).

8. To the extent that proposed expenditures were greater than \$500,000, the chief executive officer or equivalent notified the governing authority in writing during the year when actual receipts plus projected revenue collections for the year failed to meet budgeted revenues by five percent or more, or when actual expenditures plus projected expenditures to year end exceeded budgeted expenditures by five percent or more (R.S. 39:1311).

9. The governing authority has amended its budget when notified, as provided by R.S. 39:1311. (Note, general and special revenue fund budgets should be amended, regardless of the amount of expenditures in the fund, when actual receipts plus projected revenue collections for the year fail to meet budgeted revenues by five percent or more; or when actual expenditures plus projected expenditures to year end exceed budgeted expenditures by five percent or more. State law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$500,000 or less, and exempts special revenue funds whose revenues are expenditure-driven - primarily federal funds - from the requirement to amend revenues.)

Yes No

B. State Budget Requirements

1. The state agency has complied with the budgetary requirements of R.S. 39:33.

Yes No

C. Licensing Boards

1. The licensing board has complied with the budgetary requirements of R.S. 39:1331-1342.

Yes No

PART V. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING LAWS

12. We have maintained our accounting records in such a manner as to provide evidence of legal compliance and the preparation of annual financial statements to comply with R.S. 24:513 and 515, and/or 33:463.

Yes No

13. 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 No

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

Yes No

15. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes No

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

Yes No

17. 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 No

PART VI. MEETINGS

18. We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:11 through 42:28.

Yes No

PART VII. ASSET MANAGEMENT LAWS

19. We have maintained records of our fixed assets and movable property records, as required by R.S. 24:515 and/or 39:321-332, as applicable.

Yes No

PART VIII. FISCAL AGENCY AND CASH MANAGEMENT LAWS

20. We have complied with the fiscal agency and cash management requirements of R.S. 39:1211-45 and 49:301-327, as applicable.

Yes No

PART IX. DEBT RESTRICTION LAWS

21. It is true we have not incurred any long-term indebtedness 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 No

22. We have complied with the debt limitation requirements of state law (R.S. 39:562).

Yes No

23. We have complied with the reporting requirements relating to the Fiscal Review Committee of the State Bond Commission (R.S. 39:1410.62).

Yes No

PART X. REVENUE AND EXPENDITURE RESTRICTION LAWS

24. We have restricted the collections and expenditures of revenues to those amounts authorized by Louisiana statutes, tax propositions, and budget ordinances.

Yes No

25. 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 No

26. It is true that no property or things of value have been loaned, pledged, or granted to anyone in violation of Article VII, Section 14 of the 1974 Louisiana Constitution.

Yes No

PART XI. ISSUERS OF MUNICIPAL SECURITIES

27. It is true that we have complied with the requirements of R.S. 39:1438.C.

Yes No N/A

PART XI. QUESTIONS FOR SPECIFIC GOVERNMENTAL UNITS

Parish Governments

28. We have adopted a system of road administration that provides as follows:

- A. Approval of the governing authority of all expenditures, R.S. 48:755(A).
- B. Development of a capital improvement program on a selective basis, R.S. 48:755.
- C. Centralized purchasing of equipment and supplies, R.S. 48:755.
- D. Centralized accounting, R.S. 48:755.
- E. A construction program based on engineering plans and inspections, R.S. 48:755.
- F. Selective maintenance program, R.S. 48:755.
- G. Annual certification of compliance to the auditor, R.S. 48:758.

Yes No N/A

School Boards

29. We have complied with the general statutory, constitutional, and regulatory provisions of the Louisiana Department of Education, R.S. 17:51-400.

Yes [] No [] N/A

30. We have complied with the regulatory circulars issued by the Louisiana Department of Education that govern the Minimum Foundation Program.

Yes [] No [] N/A

31. We have, to the best of our knowledge, accurately compiled the performance measurement data contained in the following schedules and recognize that your agreed-upon procedures will be applied to such schedules and performance measurement data:

Parish school boards are required to report, as part of their annual financial statements, measures of performance. These performance indicators are found in the supplemental schedules:

- Schedule 1, General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
- Schedule 2, Education Levels of Public School Staff
- Schedule 3, Number and Type of Public Schools
- Schedule 4, Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
- Schedule 5, Public School Staff Data: Average Salaries
- Schedule 6, Class Size Characteristics
- Schedule 7, Louisiana Educational Assessment Program (LEAP)
- Schedule 8, Graduation Exit Examination (GEE) (Note: this schedule is no longer applicable.)
- Schedule 9, iLEAP Tests

Yes [] No [] N/A

Tax Collectors

32. We have complied with the general statutory requirements of R.S. 47.

Yes [] No [] N/A

Sheriffs

33. We have complied with the state supplemental pay regulations of R.S. 40:1667.7.

Yes [] No [] N/A

34. We have complied with R.S. 13:5535 relating to the feeding and keeping of prisoners.

Yes [] No [] N/A

District Attorneys

35. We have complied with the regulations of the DCFS that relate to the Title IV-D Program.

Yes [] No [] N/A

Assessors

36. We have complied with the regulatory requirements found in R.S. Title 47.

Yes [] No [] N/A

37. We have complied with the regulations of the Louisiana Tax Commission relating to the reassessment of property.

Yes [] No [] N/A

Clerks of Court

38. We have complied with R.S. 13:751-917 and applicable sections of R.S. 11:1501-1562.

Yes [] No [] N/A

Libraries

39. We have complied with the regulations of the Louisiana State Library.

Yes [] No [] N/A

Municipalities

40. Minutes are taken at all meetings of the governing authority (R.S. 42:20).
Yes No
41. Minutes, ordinances, resolutions, budgets, and other official proceedings of the municipalities are published in the official journal (R.S. 43:141-146 and A.G. 86-528).
Yes No
42. All official action taken by the municipality is conducted at public meetings (R.S. 42:11 to 42:28).
Yes No

Airports

43. We have submitted our applications for funding airport construction or development to the Department of Transportation and Development as required by R.S. 2:802.
Yes No N/A
44. We have adopted a system of administration that provides for approval by the department for any expenditures of funds appropriated from the Transportation Trust Fund, and no funds have been expended without department approval (R.S. 2:810).
Yes No N/A
45. All project funds have been expended on the project and for no other purpose (R.S. 2:810).
Yes No N/A
46. We have certified to the auditor, on an annual basis, that we have expended project funds in accordance with the standards established by law (R.S. 2:811).
Yes No N/A

Ports

47. We have submitted our applications for funding port construction or development to the Department of Transportation and Development as required by R.S. 34:3452.
Yes No N/A
48. We have adopted a system of administration that provides for approval by the department for any expenditures of funds made out of state and local matching funds, and no funds have been expended without department approval (R.S. 34:3460).
Yes No N/A
49. All project funds have been expended on the project and for no other purpose (R.S. 34:3460).
Yes No N/A
50. We have established a system of administration that provides for the development of a capital improvement program on a selective basis, centralized purchasing of equipment and supplies, centralized accounting, and the selective maintenance and construction of port facilities based upon engineering plans and inspections (R.S. 34:3460).
Yes No N/A
51. We have certified to the auditor, on an annual basis, that we have expended project funds in accordance with the standards established by law (R.S. 34:3461).
Yes No N/A

Sewerage Districts

52. We have complied with the statutory requirements of R.S. 33:3881-4159.10.
Yes No N/A

Waterworks Districts

53. We have complied with the statutory requirements of R.S. 33:3811-3837.
Yes No N/A

Utility Districts

54. We have complied with the statutory requirements of R.S. 33:4161-4546.21.
Yes No N/A

Drainage and Irrigation Districts

55. We have complied with the statutory requirements of R.S. 38:1601-1707 (Drainage Districts); R.S. 38:1751-1921 (Gravity Drainage Districts); R.S. 38:1991-2048 (Levee and Drainage Districts); or R.S. 38:2101-2123 (Irrigation Districts), as appropriate.

Yes [] No [] N/A

Fire Protection Districts

56. We have complied with the statutory requirements of R.S. 40:1491-1509.

Yes [] No [] N/A

Other Special Districts

57. We have complied with those specific statutory requirements of state law applicable to our district.

Yes [] No [] N/A

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>Paige K. Robert</u>	Town Clerk	<u>8-8-18</u>	Date
<u>M. O. [Signature]</u>	Mayor	<u>8-8-18</u>	Date