

LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS**STATE OF LOUISIANA****Compilation Report****For the year ended
June 30, 2014**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 10 2014

Louisiana Board of Wholesale Drug Distributors
Department of Health and Hospitals
State of Louisiana
BATON ROUGE, LOUISIANA

Annual Financial Report
As of and for the year ended
June 30, 2014

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MICHAEL K. GLOVER

Certified Public Accountant

Member
American Institute of
Certified Public Accountants

Independent Accountant's Report
On Applying Agreed-Upon Procedures
For the Year Ended June 30, 2014

Member
Society of Louisiana
Certified Public Accountants

Exhibit A

Louisiana Board of Wholesale Drug Distributors
State of Louisiana
Baton Rouge, LA

I have performed the procedures enumerated below as they are a required part of the engagement. I am required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, I have marked "not applicable."

Management of the Louisiana Board of Wholesale Drug Distributors is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Louisiana Board of Wholesale Drug Distributors and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Louisiana Board of Wholesale Drug Distributors compliance with certain laws and regulations during the year ended June 30, 2014.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

General

1. Determine if there are adequate written policies and procedures for the primary financial/business functions of the entity (budgeting, receipts, purchasing, disbursements, payroll/personnel, contracting, travel, related parties, ethics).

To Board has written policies that cover all of the policies and procedures that appear to be adequate to the functions of the entity.

2. Using the financial statements or AFR, perform analytical procedures comparing current and prior year financial statements, by line item. Identify and obtain explanations for variances of 10% or greater for line items that are 10% or more of the respective total assets, liabilities, equity, revenues, or expenses.

There are variances of greater than 10% when comparing assets, equity and expenses to prior year financial statements. The variance increase in assets and equity are both attributed to the increase of revenues over expenditures for the fiscal year of June 30, 2014. Expenses also increased by 14% due to a change made for the renewal of licenses and a rate change of the employers contribution to LASERS. Effective this fiscal year, the issuance of renewals and the review of licenses were available on line, additional fees are charged to keep the data base updated, to electronically process the deposit transactions and to develop the data base. These additional charges are 12% of the increased expenses. LASERS contribution for the employers increased by 16% over last years required contribution.

Cash

1. Prepare a proof of cash for the period covered by the financial statements.

A proof of cash was prepared for the period covered by the financial statements without exception.

2. Determine if cash collection responsibilities are adequately segregated to ensure that the person responsible for cash collections is not responsible for posting accounts receivable or making deposits.

The agency has only one office staff employee who collects the checks (there is no cash collected), makes the deposits and post the entries to the general ledger; however, an outside accountant is hired to perform the bank reconciliations.

3. Determine if bank reconciliations have been prepared for all months in the period covered by the financial statements. Determine if there is evidence of management review of the bank reconciliations. Determine if the reconciled balance for the final month of the fiscal year agrees to the general ledger.

Bank reconciliations have been prepared for all months in the period covered by the financial statements and are being review by management. The reconciled balance for the final month of the fiscal year agrees to the general ledger.

Credit Cards

1. Obtain from management a listing of all active credit cards (and bank debit cards if applicable) for the period under examination, including the card numbers and the names of the persons who maintained possession of the cards.

The information was obtained.

2. Obtain the monthly statements for all credit/debit cards used during the period under examination and select for detailed review the largest (dollar amount) statement for the two cards with the most (dollar amount) activity:

- A. Obtain the entity's supporting documentation for the largest purchase/charge shown on each selected monthly statement:

The information was obtained,

- Determine if each purchase is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating)
 - Other documentation as may be required by policy (e.g., purchase order, authorization, etc.)

Purchases were supported by original receipts and business purpose was documented. No other documentation was required.

- Determine if selected purchases effectively circumvented the entity's normal procurement/purchasing process and/or the Louisiana Public Bid Law (i.e., large or recurring purchases requiring the solicitation of bids or quotes).

Public Bid Laws were not applicable.

- B. Determine if there is evidence of management review of the two selected statements.

There was evidence of management reviewed the statements and the individual receipts attached to the statements.

Travel and Expense Reimbursement

1. Obtain a listing of all travel and related expense reimbursements during the period under examination and trace to the general ledger for completeness. Select for review the three persons who were reimbursed the most money:

A list of travel and related expense reimbursements was obtained from the detail general ledger. Travel and expense are reimbursed for the outside investigator and board member and employees travel expense reimbursements. The three largest reimbursements were reviewed.

- A. Obtain all of the expense reimbursement reports of each selected person, including the supporting documentation, and choose the largest expense report from each person to review in detail:
 - Determine if each expenditure is:
 - Reimbursed in accordance with written policy (e.g., rates established for meals, mileage, lodging, etc.) and applicable laws.

Reimbursements were in compliance with the State of Louisiana travel and expense reimbursement policies.
 - For an appropriate and necessary business purpose relative to the travel.

The travel expense examined, were for business purposes related to the agency.
 - Determine if each expenditure is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased) [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) generally does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating)
 - Other documentation as may be required by policy (e.g., authorization for travel, conference brochure, certificate of attendance, etc.)

Original receipts were available where applicable. The business purpose of the reimbursements were identified on the Travel account voucher that was turned in with the receipts.
 - Determine if each expense report (including documentation) was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Each expense report was reviewed and approved in writing by the administrator.

Contracts

1. Review accounting records (e.g., general ledgers, accounts payable reports, etc.) for the period under examination to identify individuals/businesses being paid for contracted services (e.g., professional, technical, etc.). Select the five "vendors" that were paid the most money during the period and determine if there is a formal/written contract that supports the services arrangement.

I reviewed the accounting records for the period under examination and identified five individual/business being paid for contracted services. Each of these had formal/written contracts that supported the service arrangements.

2. Obtain a listing of all active contracts and the expenditures made during the period under examination and trace to the general ledger for completeness. Select for detailed review, the largest (dollar amount) contract in each of the following categories that was entered into during the period.

(1) Services

A list was obtained. Missing from the list was a contract for the development of software for the renewal of licenses. This document was not sent to the Office of Contractual Review as required by RS 39:1483

(2) Materials and supplies - Not applicable

(3) Public works - Not applicable

A. Obtain the selected contracts and the related paid invoices and:

- Determine if the contract is a related party transaction by obtaining management's representation.

I obtained managements representation that none of the contracts were related parties.

- Determine if the transaction is subject to the Louisiana Public Bid Law or Procurement Code:
 - If yes, determine if the entity complied with all requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder, etc.)

Not applicable

- If no, determine if the entity provided an open and competitive atmosphere (a good business practice) for the transaction/work.

This agency does not purchase the quantity of office supplies or have services that are subject to the bidding process; however, they are using good business practices to assure themselves that they are getting supplies and services at a reasonable competitive price.

- Determine if the contract was amended. If so, determine whether the original contract contemplated or provided for such an amendment. Furthermore, determine if the amendment is outside the scope of the original contract, and if so, whether it should have been separately bid and contracted.

None of the contracts were amended.

- Select the largest payment from each of the 3 largest contracts selected above and determine if the invoice(s) received and payment complied with the terms and conditions of the contract.

Of the 3 contracts selected, the payments were in compliance with the terms and conditions of the contracts.

- Determine if there is documentation of board approval, if required.

There is documentation of the Board approving each of the contacts.

Payroll and Personnel

1. Obtain a listing of employment contracts/salaries in force during the period under examination and trace to the general ledger for completeness. Select the five highest paid employees and:

I did obtain a list of the three employees hired for the agency.

- Determine if payments issued during the period under examination were done in strict accordance with the terms and conditions of the contract or pay rate structure.

There are no employment contracts but the pay rate structures were done in strict accordance with the approval of the Board and/or management.

- Determine if changes made to hourly pay rates/salaries during the period under examination were approved in writing and in accordance with policy.

Changes made to the hourly rates were approved by the board and/or the executive director.

2. Select the attendance and leave records for one pay period in which leave has been taken by at least one employee and:

- Determine if all employees are documenting their daily attendance and leave (e.g., vacation, sick, etc.). (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.)

Daily attendance and leave are documented on a payroll worksheet that covers the entire payroll pay period; but, there is no indication if this sheet are completed daily or at the time the payroll is being prepared.

- Determine if supervisors are approving, in writing, the attendance and leave of all employees.

The supervisor is approving the payroll worksheet for all employees.

- Determine if the entity is maintaining accurate written leave records (e.g., hours earned, hours used, and balance available) on all eligible employees.

It does appear that the records maintained are accurate.

3. Select the two largest termination payments (e.g., vacation, sick, compensatory time, etc.) made during the period under examination. Determine if the payments were supported by adequate documentation, made in strict accordance with policy and/or contract, and properly approved.

There were no termination payments made during the period under examination.

Budget

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

A copy and the legally adopted budget and an amendment was obtained.

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

The original budget and the amendment were both traced to the board minutes where they were approved.

3. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

There were no variances of the final budget to actual total of revenues or expenditures that were greater than 10%

Debt Service

1. If debt was issued during the financial statement period, verify that State Bond Commission approval was obtained, as applicable.
2. Determine compliance with applicable debt covenants.

Not applicable

Corrective Action

1. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

See below

Current Year Findings

Contracts

Finding - A contract was made for the development of software to be able to renew license on line and for licensees to update their information. This contract was not submitted to the Office of Contractual Review as required by RS 39:1483.

Response - We overlooked the requirement to request a contract review for professional services for the development of software to operate the Board's licensing system. In the future we will be sure to check into each and every contract signed by the board with the Office of Contractual

Cash

Finding - The person collecting payments for licenses renewals is the same individual that post deposits and accounts receivables. This is the same finding as the previous year.

Response - Management reviews the deposits and initials those documents that are being reviewed. There is only one administrative personnel which prevents any further segregation of duties.

Prior year finding

Cash

Finding - The person collecting payments for licenses renewals is the same individual that post deposits and accounts receivables.

Response - Management reviews the deposits and initials those documents that are being reviewed. There is only one administrative personnel which prevents any further segregation of duties.

I was not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

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

July 30, 2014



Michael K. Glover
Michael K. Glover APAC

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)

9497 BROOKLINE
BATON ROUGE, LOUISIANA 70809
(225) 295-1860

Exhibit B

Separate Schedule of Requested Disclosures

July 30, 2014

Daryl G. Pupera, CPA, CFE
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Re: Louisiana Board of Wholesale Drug Distributors

Contract for Professional Services between Louisiana Legislative Auditor and Michael K Glover APAC Section V. Report Deliverables Part B for the fiscal year ended June 20, 2014

1. Per Diem was paid to the governing board as follows:

| Name | Amount |
|-------------------------|------------------------|
| <u>Robert V Broadus</u> | \$ <u>600</u> |
| <u>Randall Brooks</u> | <u>900</u> |
| <u>Michael Davis</u> | <u>225</u> |
| <u>Jacob Dickson</u> | <u>225</u> |
| <u>Kenneth R Dugas</u> | <u>75</u> |
| <u>Chas Gielen</u> | <u>225</u> |
| <u>Wayne Gremillion</u> | <u>525</u> |
| Total | \$ <u><u>2,775</u></u> |

2. There were no professional services payments made to contractors for surveys, feasibility studies, or special studies.

Sincerely,

Michael K Glover APAC

Michael K. Glover CPA
Michael K Glover APAC

Louisiana Board of Wholesale Drug Distributors
(Agency Name)
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2014

Exhibit C

C O N T E N T S

Independent Accountants Compilation Report

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Louisiana Board of Wholesale Drug Distributors
(Agency Name)
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2014

C O N T E N T S

Affidavits

Independent Accountants Compilation Report

Statements

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| G. | Leave | 17 |
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| I. | Other Postemployment Benefits (See Appendices Packet - Appendix D at http://www.doa.louisiana.gov/OSRAP/afrpackets.htm) | 19 |
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| R. | Government-Mandated Nonexchange Transactions (Grants) | 34 |
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| T. | Short-Term Debt | 35 |
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| 16 | Schedule of Cooperative Endeavors (see Appendices Packet - Appendix F at http://www.doa.louisiana.gov/OSRAP/afrpackets.htm) |

The Appendices Packet is located as a separate packet on OSRAP's website at <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>.

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)

9497 BROOKLINE
BATON ROUGE, LOUISIANA 70809
(225) 295-1860

Independent Accountant's Compilation Report

Louisiana Board of Wholesale Drug Distributors
State of Louisiana
Baton Rouge, Louisiana

I have compiled the accompanying financial statements of the business-type activities of Louisiana Board of Wholesale Drug Distributors as of June 30, 2014 which collectively comprise of the basic financial statements as listed in the table of contents for the year then ended included in the accompanying prescribed form. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplemental information are in accordance with the form prescribed by the State of Louisiana Division of Administration Office of Statewide Reporting and Accounting Policy.

Management is responsible for the preparation and fair presentation of the financial statements accordance with requirements prescribed by the State of Louisiana Division of Administration Office of Statewide Reporting and Accounting Policy and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modification that should be made to the financial statements and supplemental information.

These financial statements and the supplementary information in Schedules 1, 3, 4, 15 and 16 including related disclosures are presented in accordance with the requirements of the State of Louisiana, Division of Administration, Office of Statewide Reporting and Accounting Policy, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and supplementary schedules are not designed for those who are not informed about such differences.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Michael K. Glover APAC

Michael K. Glover APAC
August 2, 2014

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
STATEMENT OF NET POSITION
AS OF June 30, 2014

Statement A

ASSETS

CURRENT ASSETS

| | |
|--|--------------|
| Cash and Cash equivalents | \$ 1,086,207 |
| Restricted Cash and Cash Equivalents | |
| Investments | |
| Derivative Instruments | |
| Receivables (net of allowance for doubtful accounts)(Note U) | |
| Due from other funds (Note Y) | |
| Due from federal government | |
| Inventories | |
| Prepayments | |
| Notes Receivable | |
| Other Current Assets | |
| Total current assets | 1,086,207 |

NONCURRENT ASSETS

| | |
|--|--------------|
| Restricted assets (Note F): | |
| Cash | |
| Investments | |
| Receivables | |
| Investments | |
| Notes Receivable | |
| Capital assets, net of depreciation (Note D) | |
| Land non-depreciable easements | |
| Buildings and improvements | |
| Machinery and equipment | |
| Infrastructure | |
| Intangible assets | |
| Construction/Development-in-progress | |
| Other noncurrent assets | |
| Total noncurrent assets | |
| Total assets | \$ 1,086,207 |

DEFERRED OUTFLOWS OF RESOURCES

| | |
|--|--------------|
| Accumulated decrease in fair value of hedging derivatives | \$ |
| Deferred amounts on debt refunding | |
| Adjustments of capital lease obligations | |
| Grants paid prior to meeting time requirements | |
| Intra-entity transfer of future revenues (transferee) | |
| Losses from sale-leaseback transactions | |
| Direct loan origination costs for mortgage loans held for sale | |
| Fees paid to permanent investors prior to sale of mortgage loans | |
| Total deferred outflow of resources | \$ |
| Total assets and deferred outflow of resources | \$ 1,086,207 |

LIABILITIES

CURRENT LIABILITIES:

| | |
|--|----------|
| Accounts payable and accruals (Note V) | \$ 30013 |
| Derivative instrument | |
| Due to other funds (Note Y) | |
| Due to federal government | |
| Unearned revenues | |
| Amounts held in custody for others | |
| Other current liabilities | |

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
STATEMENT OF NET POSITION
AS OF June 30, 2014

Statement A

| | |
|---|---------------------|
| Compensated absences payable | |
| Capital lease obligations | |
| Claims and litigation payable | |
| Notes payable | |
| Pollution remediation obligation | |
| Bonds payable (include unamortized costs) | |
| Other long-term liabilities | |
| Total current liabilities | 30,013 |
| NONCURRENT LIABILITIES | |
| Contracts payable | |
| Compensated absences payable | 34,416 |
| Capital lease obligations | |
| Claims and litigation payable | |
| Notes payable | |
| Pollution remediation obligation | |
| Bonds payable (include unamortized costs) | |
| OPEB payable | 263,368 |
| Other long-term liabilities | |
| Total noncurrent liabilities | 297,784 |
| Total liabilities | 327,797 |
| DEFERRED INFLOWS OF RESOURCES | |
| Accumulated increase in fair value of hedging derivatives | \$ |
| Deferred amounts related to service concession arrangement | |
| Deferred amounts of debt refunding | |
| Adjustments of capital lease obligations | |
| Grants received prior to meeting time requirements | |
| Property taxes received before the period of which the taxes were levied | |
| Fines and penalties received in advance of meeting time requirements | |
| Sales/intra-entity transfers of future revenues (transferor) | |
| Gains from sale-leaseback transactions | |
| Points received on loan origination | |
| Loan origination fees received for mortgage loans held for sale | |
| Total deferred inflows of resources | |
| NET POSITION | |
| Net investment in capital assets | |
| Restricted for: | |
| Capital projects | |
| Debt service | |
| Unemployment compensation | |
| Other specific purposes | |
| Unrestricted | 758,410 |
| Total net position | 758,410 |
| Total liabilities, deferred inflows of resources, and net position | \$ 1,086,207 |

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA

Statement B

Louisiana Board of Wholesale Drug Distributors (BTA)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED June 30, 2014**OPERATING REVENUE**

| | |
|---|----------|
| Sales of commodities and services | \$ _____ |
| Assessments | _____ |
| Use of money and property | _____ |
| Licenses, permits, and fees | 757,577 |
| Federal grants and contracts | _____ |
| State, local and nongovernmental grants and contracts | _____ |
| Other | _____ |
| Total operating revenues | 757,577 |

OPERATING EXPENSES

| | |
|----------------------------|---------|
| Cost of sales and services | _____ |
| Administrative | 584,321 |
| Depreciation | _____ |
| Amortization | _____ |
| Total operating expenses | 584,321 |
| Operating income(loss) | 173,256 |

NON-OPERATING REVENUES (EXPENSES)

| | |
|--|-------|
| State appropriations | _____ |
| Intergovernmental revenues(expenses) | _____ |
| Taxes | _____ |
| Use of money and property | 1,059 |
| Gain on disposal of fixed assets | _____ |
| Loss on disposal of fixed assets | _____ |
| Federal grants | _____ |
| Interest expense | _____ |
| Other revenue | _____ |
| Other expense | _____ |
| Total non-operating revenues(expenses) | 1,059 |

| | |
|---|---------|
| Income(loss) before contributions, extraordinary items, & transfers | 174,315 |
|---|---------|

| | |
|-----------------------|-------|
| Capital contributions | _____ |
| Extraordinary item | _____ |
| Transfers in | _____ |
| Transfers out | _____ |

| | |
|------------------------|---------|
| Change in net position | 174,315 |
|------------------------|---------|

| | |
|--------------------------------|---------|
| Total net position – beginning | 584,095 |
|--------------------------------|---------|

| | |
|-----------------------------|------------|
| Total net position – ending | \$ 758,410 |
|-----------------------------|------------|

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED June 30, 2014

Statement C

| | Program Revenues: | | | Net (Expense) Revenue and Changes in Net Position | |
|--|-------------------|-------------------------|--|--|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | | Capital Grants and Contributions |
| Entity | \$ 584,321 | \$ 757,577 | \$ | \$ | \$ 173,256 |
| General revenues: | | | | | |
| Taxes | | | | | |
| State appropriations | | | | | |
| Grants and contributions not restricted to specific programs | | | | | |
| Interest | | | | | 1,059 |
| Miscellaneous | | | | | |
| Special items: | | | | | |
| Extraordinary item | | | | | |
| Transfers | | | | | |
| Total general revenues, special items, and transfers | | | | | 1,059 |
| Change in net assets | | | | | 174,315 |
| Net position - beginning as restated | | | | | 584,095 |
| Net position - ending | | | | \$ | \$ 758,410 |

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
(continued)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED June 30, 2014

Statement D

| | | |
|---|-----------------------------|------------------|
| Cash flows from operating activities | | |
| Cash receipts from customers | \$ <u>757,577</u> | |
| Cash receipts from grants and contracts | <u> </u> | |
| Cash receipts from interfund services provided | <u> </u> | |
| Other operating cash receipts, if any | <u> </u> | |
| Cash payments to suppliers for goods or services | <u>(152,756)</u> | |
| Cash payments to employees for services | <u>(373,329)</u> | |
| Cash payments for interfund services used, including payments "In Lieu of Taxes" | <u> </u> | |
| Other operating cash payments, if any (* provide explanation) | <u> </u> | |
| Net cash provided(used) by operating activities | | <u>231,492</u> |
| Cash flows from non-capital financing activities | | |
| State Appropriations | <u> </u> | |
| Federal receipts | <u> </u> | |
| Federal disbursements | <u> </u> | |
| Proceeds from sale of bonds | <u> </u> | |
| Principal paid on bonds | <u> </u> | |
| Interest paid on bond maturities | <u> </u> | |
| Proceeds from issuance of notes payable | <u> </u> | |
| Principal paid on notes payable | <u> </u> | |
| Interest paid on notes payable | <u> </u> | |
| Operating grants received | <u> </u> | |
| Transfers in | <u> </u> | |
| Transfers out | <u> </u> | |
| Other (**provide explanation) | <u> </u> | |
| Net cash provided(used) by non-capital financing activities | | <u>-</u> |
| Cash flows from capital and related financing activities | | |
| Proceeds from sale of bonds | <u> </u> | |
| Principal paid on bonds | <u> </u> | |
| Interest paid on bond maturities | <u> </u> | |
| Proceeds from issuance of notes payable | <u> </u> | |
| Principal paid on notes payable | <u> </u> | |
| Interest paid on notes payable | <u> </u> | |
| Acquisition/construction of capital assets | <u> </u> | |
| Proceeds from sale of capital assets | <u> </u> | |
| Capital contributions | <u> </u> | |
| Deposits with trustees | <u> </u> | |
| Deferred proceeds from capital leases | <u> </u> | |
| Net cash provided(used) by capital and related financing activities | | <u>-</u> |
| Cash flows from investing activities | | |
| Purchases of investment securities | <u> </u> | |
| Proceeds from sale of investment securities | <u> </u> | |
| Interest and dividends earned on investment securities | <u>1,059</u> | |
| Net cash provided(used) by investing activities | | <u>1,059</u> |
| Net increase(decrease) in cash and cash equivalents | | <u>232,551</u> |
| Cash and cash equivalents at beginning of year | | <u>853,656</u> |
| Cash and cash equivalents at end of year | \$ | <u>1,086,207</u> |

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
 (concluded)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED June 30, 2014

Statement D

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

| | | |
|---|--------|------------------------------|
| Operating income(loss) | | \$ <u>173,255</u> |
| Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities: | | |
| Depreciation/amortization | | |
| Provision for uncollectible accounts | | |
| Other | | |
| Changes in assets and liabilities: | | |
| (Increase)decrease in accounts receivable, net | | |
| (Increase)decrease in due from other funds | | |
| (Increase)decrease in prepayments | | |
| (Increase)decrease in inventories | | |
| (Increase)decrease in other assets | | |
| Increase(decrease) in accounts payable and accruals | 30,001 | |
| Increase(decrease) in compensated absences payable | 3,654 | |
| Increase(decrease) in due to other funds | | |
| Increase(decrease) in deferred revenues | | |
| Increase(decrease) in OPEB payable | 24,582 | |
| Increase(decrease) in other liabilities | | |
| Net cash provided(used) by operating activities | | \$ <u><u>231,492</u></u> |

Schedule of noncash investing, capital, and financing activities:

| | |
|--|----------------------------|
| Borrowing under capital lease(s) | \$ _____ |
| Contributions of fixed assets | _____ |
| Purchases of equipment on account | _____ |
| Asset trade-ins | _____ |
| Other (specify) | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| Total noncash investing, capital, and financing activities: | \$ <u><u>_____</u></u> |

The accompanying notes are an integral part of this statement.

Louisiana Board of Wholesale Drug Distributors (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED June 30, 2014

Please provide an explanation of what is included in "other." If there are multiple reasons, please list each out separately along with the amount.

* Other (operating cash payments)

**Other (cash flows from non capital financing activities)

***Other (cash flows from capital and related financing activities)

STATE OF LOUISIANA

Louisiana Board of Wholesale Drug Distributors (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2014

INTRODUCTION

The Louisiana Board of Wholesale Drug Distributors (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:3173. The following is a brief description of the operations of Louisiana Board of Wholesale Drug Distributors (BTA) and includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Louisiana Board of Wholesale Drug Distributors (BTA) present information only as to the transactions of the programs of the Louisiana Board of Wholesale Drug Distributors (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Louisiana Board of Wholesale Drug Distributors (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration - Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2014

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana Board of Wholesale Drug Distributors (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

| | <u>APPROPRIATIONS</u> |
|--------------------------|--------------------------|
| Original approved budget | \$ <u>555,025</u> |
| Amendments: | <u>(3,778)</u> |
| Final approved budget | \$ <u><u>551,247</u></u> |

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendices Packet - Appendix A at <http://www.doa.louisiana.gov/OSRAP/afpackets.htm>, for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana Board of Wholesale Drug Distributors (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the statement of cash flows and statement of net position presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2014

equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2014, consisted of the following:

| | Cash | Nonnegotiable Certificates of Deposit | Other (Describe) | Total |
|---|------------|---|---------------------|--------------|
| Deposits per statement of net position (Reconciled bank balance) | \$ 883,530 | \$ 202,677 | \$ | \$ 1,086,207 |
| Deposits in bank accounts per bank | \$ 910,256 | \$ 202,677 | \$ | \$ 1,112,933 |
| Bank balances exposed to custodial credit risk: | \$ | \$ | \$ | \$ |
| a. Uninsured and uncollateralized | | | | |
| b. Uninsured and collateralized with securities held by the pledging institution | | | | |
| c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's | | | | |

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Deposits per statement of net position" due to outstanding items.

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2014

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

| <u>Banking Institution</u> | <u>Program</u> | <u>Amount</u> |
|----------------------------------|----------------|---------------|
| 1. Chase operating | | \$ 883,530 |
| 2. Chase Certificate of Deposits | | 202,677 |
| 3. | | |
| 4. | | |
| Total | | \$ 1,086,207 |

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the statement of net position to amounts reported in this note, list below any cash in treasury and petty cash that are included on the statement of net position.

| | | |
|------------------------|----|-------|
| Cash in state treasury | \$ | _____ |
| Petty cash | \$ | _____ |

2. INVESTMENTS None

3. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES None

4. DERIVATIVES (GASB 53) None

5. POLICIES:

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

No policy exist with regards to interest rate risk

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the statement of net position of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2014

Schedule of Capital Assets:(includes capital leases)

| <u>Agency</u> | Balance 6/30/2013 | Prior Period Adjustments | Restated Balance 6/30/2013 | Additions | Reclassifi- cation of CIP | ** Retirements | Balance 6/30/2014 |
|---|----------------------|-----------------------------|----------------------------------|-----------|------------------------------|-------------------|----------------------|
| Capital assets not depreciated: | | | | | | | |
| Land | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Non-depreciable land improvements | - | - | - | - | - | - | - |
| Non-depreciable easements | - | - | - | - | - | - | - |
| Capitalized collections | - | - | - | - | - | - | - |
| Software - development in progress | - | - | - | - | - | - | - |
| Construction in progress | - | - | - | - | - | - | - |
| Total capital assets not depreciated | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other capital assets: | | | | | | | |
| Depreciable land improvements | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| ** Accumulated depreciation | - | - | - | - | - | - | - |
| Total land improvements | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - |
| ** Accumulated depreciation | - | - | - | - | - | - | - |
| Total buildings | - | - | - | - | - | - | - |
| Machinery & equipment | 24,291 | - | 24,291 | - | - | - | 24,291 |
| ** Accumulated depreciation | (24,291) | - | (24,291) | - | - | - | (24,291) |
| Total machinery & equipment | - | - | - | - | - | - | - |
| Infrastructure | - | - | - | - | - | - | - |
| ** Accumulated depreciation | - | - | - | - | - | - | - |
| Total infrastructure | - | - | - | - | - | - | - |
| Software (internally generated & purchased) | - | - | - | - | - | - | - |
| Other intangibles | - | - | - | - | - | - | - |
| ** Accumulated amortization - software | - | - | - | - | - | - | - |
| ** Accumulated amortization - other intangibles | - | - | - | - | - | - | - |
| Total intangibles | - | - | - | - | - | - | - |
| Total other capital assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital asset summary: | | | | | | | |
| Capital assets not depreciated | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other capital assets, book value | 24,291 | - | 24,291 | - | - | - | 24,291 |
| Total cost of capital assets | 24,291 | - | 24,291 | - | - | - | 24,291 |
| Accumulated depreciation/amortization | (24,291) | - | (24,291) | - | - | - | (24,291) |
| Capital assets, net | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

* Should only be used for those completed projects coming out of construction-in-progress to capital assets.

** Enter a negative number except for accumulated depreciation in the retirement column

STATE OF LOUISIANA

Louisiana Board of Wholesale Drug Distributors (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2014

E. INVENTORIES None

F. RESTRICTED ASSETS None

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana Board of Wholesale Drug Distributors (BTA) has the following policy on annual and sick leave: (Describe leave policy.)

An example disclosure follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2014 (fiscal year end) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ 34,416. The leave payable is recorded in the accompanying financial statements.

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2014

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2013 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. A copy of the report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at: http://www.lasersonline.org/uploads/CAFR_2013.pdf

All members are required by state statute to contribute with the vast majority of employees of the state who became members before July 1, 2006 contributing 7.5% of gross salary. Act 75 of the 2005 Regular Session increases the member contribution rate from 7.5% to 8% for

STATE OF LOUISIANA
Louisiana Board of Wholesale Drug Distributors (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2014

new members hired after June 30, 2006. The (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2014, increased to 31.3% of annual covered payroll from the 29.1% and 25.6% required in fiscal years ended June 30, 2013 and 2012 respectively. The (BTA) contributions to the System for the years ending June 30, 2014, 2013, and 2012, were \$81,011, \$70,267, and \$58,767, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

GASB Statement 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, addresses accounting and financial reporting for OPEB trust and agency funds of the employer. GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. See the GASB Statement 45 note disclosures requirements in section 2 of this note.

1. Calculation of Net OPEB Obligation

Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits. The ARC, NOO at the beginning of the year, interest, ARC adjustment, and Annual OPEB Expense have been computed for OGB participants (see OSRAP's website - <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>) and select "GASB 45 OPEB Valuation Report as of July 1, 2013, to be used for fiscal year ending June 30, 2014." Report note disclosures for other plans, not administrated by OGB, separately.

| Fiscal year ending | Annual OPEB expense and net OPEB Obligation | 6/30/2014 |
|--|---|--------------------|
| 1. * ARC | | <u>\$24,100.0</u> |
| 2. * Interest on NOO | | <u>\$9,600.0</u> |
| 3. * ARC adjustment | | <u>(\$9,100.0)</u> |
| 4. * Annual OPEB Expense (1. + 2. - 3.) | | <u>\$24,600.0</u> |
| 5. Contributions (employer pmts. to OGB for retirees' cost of 2014 insurance premiums) | | <u> </u> |
| 6. Increase in Net OPEB Obligation (4. - 5.) | | <u>\$24,600.0</u> |
| 7. *NOO, beginning of year (see actuarial valuation report on OSRAP's website) | | <u>238,786</u> |
| 8. **NOO, end of year (6. + 7.) | | <u>\$263,386.0</u> |

*This must be obtained from the OSRAP website on the spreadsheet "GASB 45 OPEB Valuation Report as of July 1, 2013, to be used for fiscal year ending June 30, 2014."

**This should be the same amount as that shown on the statement of net position for the year ended June 30, 2014 if your entity's only OPEB is administered by OGB.

For more information on calculating the net OPEB obligation, see the Appendices Packet, Appendix D, at <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>.

STATE OF LOUISIANA

Louisiana Board of Wholesale Drug Distributors (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2014

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; however, GASB Statement 45 note disclosures are required for separately issued GAAP financial statements. Please provide OSRAP with the applicable GASB Statements 43 and 45 note disclosures if your entity's OPEB group insurance plan is administered by an entity other than OGB. Following is a summary of the requirements of GASB Statement 45:

I. Plan Description

- a) Name of Plan
- b) Identify entity that administers the plan
- c) Type of plan
- d) Brief description of the types of benefits
- e) Authority under which benefit provisions are established or may be amended
- f) Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity, and, if so how to obtain the report.

II. Funding Policy

- a) Authority under which the obligations of the plan members, employers, and other contributing entities (e.g., state contributions to local government plans) to contribute to the plan are established or may be amended.
- b) Required contribution rates of plan members (amount per member or percentage of covered payroll).
- c) Required contribution rates of the employer in accordance with the funding policy (in dollars or as percentage of current-year covered payroll) and, if applicable, legal or contractual maximum contribution rates: If the plan is a single-employer or agent plan and the rate differs significantly from the ARC, disclose how the rate is determined (e.g., by statute or contract) or that the plan is financed on a pay-as-you-go basis. If the plan is a cost-sharing plan, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined (e.g., by statute or by contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis.

III. Additional disclosures for sole and agent employers for each plan:

- a) For current year (CY), disclose annual OPEB cost and the dollar amount of contributions made. If the employer has a net OPEB obligation, also disclose the components of annual OPEB cost (ARC, interest on the net OPEB

STATE OF LOUISIANA

Louisiana Board of Wholesale Drug Distributors (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2014

- obligation, and the adjustment to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year.
- b) For the current year and each of the two preceding years, disclose annual OPEB cost, percentage of annual OPEB cost contributed that year, and net OPEB obligation at the end of the year. (For the first two years, the required information should be presented for the transition year, and for the current and transition years, respectively.)
 - c) Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll. The information should be calculated in accordance with the parameters. However, employers that meet the criteria in GASB Statement 45, paragraph 11 may elect to use the alternative measurement method discussed in GASB Statement 45, paragraphs 33 through 35. Employers that use the aggregate actuarial cost method should prepare this information using the entry age actuarial cost method for that purpose only.
 - d) Information about the actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based, including the following:
 - 1) Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.
 - 2) Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.
 - 3) Disclosure that calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, if applicable, the employer should disclose that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations (as discussed in the disclosure of funding policy in paragraph II(c) above) on the pattern of cost sharing between the employer and plan members in the future.
 - 4) Disclosure that actuarial calculations reflect a long-term perspective. In addition, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

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- 5) Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph III(c) above. The disclosures should include:
- (a) The actuarial cost method.
 - (b) The method(s) used to determine the actuarial value of assets.
 - (c) The assumptions with respect to the inflation rate, investment return (including the method used to determine a blended rate for a partially funded plan, if applicable), postretirement benefit increases if applicable, projected salary increases if relevant to determination of the level of benefits, and, for postemployment healthcare plans, the healthcare cost trend rate. If the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates.
 - (d) The amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent actuarial valuation and whether the period is closed or open. Employers that use the aggregate actuarial cost method should disclose that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan.

IV. Required Supplementary Information:

Sole and agent employers should present the following information for the most recent actuarial valuation and the two preceding valuations:

- a. Information about the funding progress of the plan, including, for each valuation, each of the elements of information listed in paragraph III(c) above.
- b. Factors that significantly affect the identification of trends in the amounts reported, including, for example, changes in benefit provisions, the size or composition of the population covered by the plan, or the actuarial methods and assumptions used. (The amounts reported for prior years should not be restated.) The information should be calculated in accordance with the parameters and should be presented as RSI. Employers that use the aggregate actuarial cost method should prepare the information using the entry age actuarial cost method and should disclose that fact and that the purpose of this disclosure is to provide information that approximates the funding progress of the plan.

If the cost-sharing plan in which an employer participates does not issue and make publicly available a stand-alone plan financial report prepared in accordance with the requirements of Statement 43, and the plan is not included in the financial

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report of a PERS or another entity, the cost-sharing employer should present as RSI in its own financial report schedules of funding progress and employer contributions for the plan (and notes to these schedules), prepared in accordance with the requirements of Statement 43. The employer should disclose that the information presented relates to the cost-sharing plan as a whole, of which the employer is one participating employer, and should provide information helpful for understanding the scale of the information presented relative to the employer.

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year June 30, 2014 amounted to \$ 34,965. (Note: If lease payments extend past FY 2029, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

| Nature of lease | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020-2024 | FY 2025-2029 |
|-----------------|-----------|-----------|---------|---------|---------|--------------|--------------|
| Office Space | \$ 34,965 | \$ 34,965 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Equipment | | | | | | | |
| Land | | | | | | | |
| Other | | | | | | | |
| Total | \$ 34,965 | \$ 34,965 | \$ - | \$ - | \$ - | \$ - | \$ - |

2. CAPITAL LEASES

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As of and for the year ended June 30, 2014

| | |
|---------------------|----------|
| Year ending _____ : | |
| 2015 | \$ _____ |
| 2016 | _____ |
| 2017 | _____ |
| 2018 | _____ |
| 2019 | _____ |
| 2020-2024 | _____ |
| 2025-2029 | _____ |
| 2030-2034 | _____ |
| Total | \$ _____ |

4. LESSOR – OPERATING LEASE

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2014:

| | Balance June 30, 2013 | Year ended June 30, 2014 | | Balance June 30, 2014 | Amounts due within one year |
|----------------------------------|-----------------------------|--------------------------|------------|-----------------------------|-----------------------------------|
| | | Additions | Reductions | | |
| Notes and bonds payable: | | | | | |
| Notes payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| Bonds payable | - | - | - | - | - |
| Total notes and bonds | - | - | - | - | - |
| Other liabilities: | | | | | |
| Contracts payable | - | - | - | - | - |
| Compensated absences payable | 30,762 | 26,994 | 23,340 | 34,416 | - |
| Capital lease obligations | - | - | - | - | - |
| Claims and litigation | - | - | - | - | - |
| Pollution remediation obligation | - | - | - | - | - |
| OPEB payable | - | - | - | - | - |
| Other long-term liabilities | - | - | - | - | - |
| Total other liabilities | 30,762 | 26,994 | 23,340 | 34,416 | - |
| Total long-term liabilities | \$ 30,762 | \$ 26,994 | \$ 23,340 | \$ 34,416 | \$ - |

(Balances at June 30th should include current and non-current portion of L-T liabilities:)

L. CONTINGENT LIABILITIES None

M. RELATED PARTY TRANSACTIONS None

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N. ACCOUNTING CHANGES None

O. IN-KIND CONTRIBUTIONS None

P. DEFEASED ISSUES None

Q. REVENUES – PLEDGED OR SOLD (GASB 48) None

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)
None

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL None

T. SHORT-TERM DEBT None

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2014, were as follows:

| Fund (gen. fund, gas tax fund, etc.) | Customer Receivables | Taxes | Receivables from other Governments | Other Receivables | Total Receivables |
|---|-------------------------|-------|--|----------------------|----------------------|
| Hearing cost | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross receivables | \$ - | \$ - | \$ - | \$ - | \$ - |
| Less allowance for uncollectible accounts | | | | | |
| Receivables, net | \$ - | \$ - | \$ - | \$ - | \$ - |
| Amounts not scheduled for collection during the subsequent year | \$ - | \$ - | \$ - | \$ - | \$ - |

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2014, were as follows:

| Fund | Vendors | Salaries and Benefits | Accrued Interest | Other Payables | Total Payables |
|----------------|-----------|-----------------------------|---------------------|-------------------|-------------------|
| General | \$ 30,000 | \$ 13 | \$ - | \$ - | \$ 30,013 |
| Total payables | \$ 30,000 | \$ 13 | \$ - | \$ - | \$ 30,013 |

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W. SUBSEQUENT EVENTS None

X. SEGMENT INFORMATION & REPORTING FUNDS OF A BLENDED COMPONENT UNIT None

Y. DUE TO/DUE FROM AND TRANSFERS None

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS None

AA. PRIOR-YEAR RESTATEMENT OF NET POSITION None

BB. ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB 46) None

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES

DD. EMPLOYEE TERMINATION BENEFITS None

EE. POLLUTION REMEDIATION OBLIGATIONS N/a

Pollution remediation costs (or revenue) should be reported in the statement of activities and statement of revenues, expenses, and changes in net position, if appropriate, as a program or operating expense (or revenue), special item, or extraordinary item in accordance with the guidance in Statement 34.

Disclosures:

For recognized pollution remediation liabilities and recoveries of pollution remediation outlays, governments should disclose the following:

- a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)
- b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations
- c. Estimated recoveries reducing the liability.

For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities.

See OSRAP Memo 09-24, or the Q&A at http://www.doa.la.gov/OSRAP/library/gasb34/GASB49_QA.pdf for more information on measuring pollution remediation liabilities.

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SAMPLE disclosure: (This is a sample disclosure. Adapt as necessary to fit your specific agency.)

At fiscal year end, _____ (BTA) was a responsible party or potential responsible party in the remediation of _____ (friable asbestos, polluted ground water, removal of leaking underground fuel storage tanks, removal of lead-based paint, diesel spill cleanup, removal and replacement of contaminated soil, oversight and enforcement-related activities, post-remediation monitoring, etc.) on _____ agency's/entity's property. A possible explanation for this is _____. Further investigation to determine the full nature and extent of this contamination and required remediation has lead to a potential liability of \$ _____. The _____ (agency) paid \$ _____ in remediation costs for fiscal year 2014 and is reporting a balance of \$ _____ for the liability. At this time the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs incurred, the liability will be adjusted.

The following worksheet is provided to assist in completing required note disclosure and in determining the agency's pollution remediation activities, current year expenses, adjustments to pollution remediation obligations, and the amount of the year end liability.

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Explanations for GASB 49 Worksheet

- a Enter agency/department name
- b List projects reported in the prior fiscal year that had an outstanding liability at 6/30/13
- c List projects that were overlooked or not included as remediation projects in previous fiscal years
- d List remediation projects that were begun/identified in the fiscal year ending 6/30/2014
- e Enter project number assigned by FP&C, DEQ, or other number assigned to identify project
- f Year the project was begun--this is not necessarily the year remediation began; it should be the year the pollution was identified and includes time involved to develop a remediation plan and the actual remediation process
- g This column is used to report those projects that were included/added in the previous fiscal year and had a balance outstanding at the end of that year
- h This column is for reporting increases in the estimated remediation cost, whether from expanding the scope of the project to contracting for a specific service.
- i Record total expenditures related to the project made during the fiscal year, including those made in the 13th period (13th period expenditures are also shown separately in column AB (p))
- j Record activities that decrease the estimated remediation liability that are **not** expenditures--for example, amounts included in original estimate were overstated and actual was less than what was recorded; scope of project not as extensive as originally estimated.
- k The formula in this column sums columns J, L, N, and P (g, h, i, and j)
- l Indicate percentage of project completion in this column
- m Amounts in this column represent the portion of the ending liability that are due and payable within the next 12 months
- n Amounts in this column represent the portion of the ending liability that are not due and payable until after 6/30/14. This amount plus the amount in column V (m) must total the amount in
- o This column is to identify any amounts that have been or will be received from other sources such as other responsible parties or insurance proceeds to help cover the cost of remediation
- p Record amounts expended on pollution remediation projects during the 13th accounting period in this column--this amount should be included in column N (i)
- q Provide reference and note explanations on an extra page, for example: (1) awaiting court

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FF. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Provide your entity's ARRA revenue received in FY 2014 on a full accrual basis:

Provide your entity's ARRA expenses in FY 2014 on a full accrual basis:

GG. RESTRICTED ASSETS – OTHER SPECIFIC PURPOSES

Per GASB Statement 34, paragraph 34, assets are reported as restricted when constraints on asset use are either externally imposed by creditors, such as through debt covenants, grantors, contributors, or laws or regulations of other governments imposed by law through constitutional provisions or enabling legislation. Restricted Assets are reported on the statement of net position as restricted by Capital Projects, Debt Service, Unemployment Compensation, and Other Specific Purposes. The statement of net position amount for Restricted Assets - Other Specific Purposes should be further defined by function as follows:

| | <u>Restricted Assets</u> |
|----------------------------------|--------------------------|
| Conservation and Environment | \$ _____ |
| Corrections | _____ |
| Culture, Recreation, and Tourism | _____ |
| Education | _____ |
| General Government | _____ |
| Health and Welfare | _____ |
| Public Safety | _____ |
| Transportation and Development | _____ |
| Youth Services | _____ |
| Total | \$ _____ - |

HH. SERVICE CONCESSION ARRANGEMENTS

Service Concession Arrangements (SCAs) are types of public-private or public-public partnerships. The term public-private partnership is used to refer to a variety of service arrangements, management arrangements, and SCAs. An SCA is an arrangement between a government (the transferor) and an operator, who may be a governmental entity or a nongovernmental entity, in which all four criteria are met. For additional information, see OSRAP Memo 13-24 at <http://www.doa.louisiana.gov/OSRAP/library/memos/13/OSRAP1324.pdf>.

Provide the following information:

- Identify the parties to the arrangement:

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- The time period of the SCA:
Start date: _____
End date: _____
- The asset/facility that is involved:

- General description of the arrangement – management objectives, and status of the project during the construction period:

- The nature and amounts of assets, liabilities, and deferred inflow of resources:

- The nature and extent of rights retained by the transferor or granted to the governmental operator under the agreement:

- Identify the significant consideration – up-front payments, installment payments, a new facility, improvements to an existing facility, etc.

Arrangements that have provisions for guarantees and commitments such as the transferor being responsible for the debt if the operator defaults or may include a minimum revenue guarantee to the operator. Provide the following:

- Identify the guarantee and commitment:

- Duration of the arrangement:

- Significant contract terms of the guarantee or commitment:

Attach select pages from the service concession arrangement that provide the facts.

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II. NONEXCHANGE FINANCIAL GUARANTEES (GASB 70)

Nonexchange financial guarantees are transactions in which the following occur:

- 1) An entity guarantees an obligation of another legally separate entity or individual which requires the guarantor to indemnify a third-party obligation holder in the event that the entity or individual that issued the guaranteed obligation does not fulfill its requirements under the obligation; and
- 2) The entity extending the financial guarantee does not receive equal or approximately equal value in return.

For additional information on nonexchange financial guarantees, see OSRAP Memo 14-23 at <http://www.doa.louisiana.gov/OSRAP/library/memos/14/OSRAP1423.pdf>.

Please provide the following information for nonexchange financial guarantees where your agency is acting as the guarantor.

A. Disclose the types of obligations guaranteed (mortgages, bonds, student loans).

| Types of Obligations Guaranteed | Length of Time of Guarantee | Total Amount of Outstanding Nonexchange Financial Guarantees* |
|---------------------------------|-----------------------------|---|
| | | |
| | | |
| | | |

*Include outstanding guaranteed amounts as of 6/30/14.

B. Disclose the legal authority and limits for extending guarantees.

C. Disclose arrangements for recovering payments from the issuer or issuer of the obligations in event of default and payment is rendered by your agency. Disclose these arrangements for each type of obligation guaranteed.

D. Complete the following table if your agency has either 1) determined that it is more likely than not that your agency will be required to make payments on nonexchange financial guarantees your agency extended or 2) made payments during the fiscal year on nonexchange financial guarantees your agency extended. Disclose decreases (payments made) during the fiscal year even if your agency's balance is zero at fiscal year end. Please add additional lines as necessary.

| Types of Obligations Guaranteed | Balance at 7/1/2013 | *Increases | **Decreases | Balance at 6/30/14 | Payments to date |
|---------------------------------|---------------------|------------|-------------|--------------------|------------------|
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |

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* Includes initial recognition and adjustments increasing estimated liability

** Guarantee payments made and adjustments decreasing estimates

***6/30/14 estimated liability should be reported as "claims and litigation payable" in the SNP

E. Disclose the amount expected to be recovered from the issuer for payments made through the current fiscal year-end on guarantees listed in the table.

If your agency has an obligation(s) guaranteed by another entity as part of a nonexchange financial guarantee transaction, please provide the following information:

A. Complete the table for both current nonexchange financial guarantees and nonexchange financial guarantees that are no longer outstanding, but payment was rendered by the guarantor during the current fiscal year. Please add additional lines as necessary.

| Name of Guarantor | Types of Obligations Guaranteed | Length of time of Guarantee | Amount of Nonexchange Financial Guaranteed Obligations | Guarantor Payments made with Respect to Nonexchange Financial Guaranteed Obligations | |
|-------------------|---------------------------------|-----------------------------|--|--|------------------|
| | | | | Current Year Payments | Payments to date |
| | | | | | |
| | | | | | |
| | | | | | |

B. Disclose arrangements for repaying the guarantor of the obligations in the event of default and payment is rendered by the guarantor on your agency's behalf.

C. List the outstanding amounts at the end of the current fiscal year, if any, required to be repaid to the entity that provided the guarantee.

| Guarantor | Outstanding Amount to be Repaid to the Guarantor |
|-----------|--|
| | |
| | |

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SCHEDULE OF NOTES PAYABLE
June 30, 2014
NONE

| Issue | Date of Issue | Original Issue | Principal Outstanding 6/30/PY | Redeemed (Issued) | Principal Outstanding 6/30/CY | Interest Rates | Interest Outstanding 6/30/CY |
|--------------|---------------|-----------------|-------------------------------|-------------------|-------------------------------|----------------|------------------------------|
| _____ | _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | _____ | \$ _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Total | | \$ _____ | \$ _____ | \$ _____ | \$ _____ | | \$ _____ |

*Send copies of new amortization schedules.

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SCHEDULE OF BONDS PAYABLE
June 30, 2014
NONE

| Issue | Date of Issue | Original Issue | Principal Outstanding 6/30/PY | Redeemed (Issued) | Principal Outstanding 6/30/CY | Interest Rates | Interest Outstanding 6/30/CY |
|---|---------------|----------------|-------------------------------|-------------------|-------------------------------|----------------|------------------------------|
| Series: | | | | | | | |
| _____ | _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | _____ | \$ _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Unamortized Discounts and Premiums Series: | | | | | | | |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Total | | \$ _____ | \$ _____ | \$ _____ | \$ _____ | | \$ _____ |

***Note: Principal outstanding (bond series minus unamortized costs) at 6/30/14 should agree to bonds payable on the statement of net position.**

Send copies of new amortization schedules for bonds and unamortized costs.

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SCHEDULE OF CAPITAL LEASE AMORTIZATION
For The Year Ended June 30, 2014
NONE

| Fiscal Year Ending: | <u>Payment</u> | <u>Interest</u> | <u>Principal</u> | <u>Balance</u> |
|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| 2015 | \$ _____ | \$ _____ | \$ _____ | \$ -- |
| 2016 | _____ | _____ | _____ | -- |
| 2017 | _____ | _____ | _____ | -- |
| 2018 | _____ | _____ | _____ | -- |
| 2019 | _____ | _____ | _____ | -- |
| 2020-2024 | _____ | _____ | _____ | -- |
| 2025-2029 | _____ | _____ | _____ | -- |
| 2030-2034 | _____ | _____ | _____ | -- |
| 2035-2039 | _____ | _____ | _____ | -- |
| Total | \$ <u> -- </u> |

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SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 2014
None

| Fiscal Year Ending: | Principal | Interest |
|------------------------|--------------------|--------------------|
| 2015 | \$ _____ | \$ _____ |
| 2016 | _____ | _____ |
| 2017 | _____ | _____ |
| 2018 | _____ | _____ |
| 2019 | _____ | _____ |
| 2020-2024 | _____ | _____ |
| 2025-2029 | _____ | _____ |
| 2030-2034 | _____ | _____ |
| 2035-2039 | _____ | _____ |
| Total | \$ _____ -- | \$ _____ -- |

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SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended June 30, 2014

| Fiscal Year <u>Ending:</u> | NONE <u>Principal</u> | <u>Interest</u> |
|-----------------------------------|--------------------------|-----------------|
| 2015 | \$ _____ | \$ _____ |
| 2016 | _____ | _____ |
| 2017 | _____ | _____ |
| 2018 | _____ | _____ |
| 2019 | _____ | _____ |
| 2020 | _____ | _____ |
| 2021 | _____ | _____ |
| 2022 | _____ | _____ |
| 2023 | _____ | _____ |
| 2024 | _____ | _____ |
| 2025 | _____ | _____ |
| 2026 | _____ | _____ |
| 2027 | _____ | _____ |
| 2028 | _____ | _____ |
| 2029 | _____ | _____ |
| 2030 | _____ | _____ |
| 2031 | _____ | _____ |
| 2032 | _____ | _____ |
| 2033 | _____ | _____ |
| 2034 | _____ | _____ |
| 2035 | _____ | _____ |
| 2036 | _____ | _____ |
| 2037 | _____ | _____ |
| 2038 | _____ | _____ |
| 2039 | _____ | _____ |
| Subtotal | -- | -- |
| Unamortized Discounts/Premiums | _____ | _____ |
| Total | \$ _____ | \$ _____ |

***Note: Principal outstanding (bond series plus minus unamortized costs) at 6/30/14 should agree to bonds payable on the statement of net position.**

STATE OF LOUISIANA

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COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$5 million, explain the reason for the change. Please provide adequate details to clearly explain the change from last year.

| | <u>2014</u> | <u>2013</u> | <u>Difference</u> | <u>Percentage Change</u> |
|-------------------------|-------------|-------------|-------------------|--------------------------|
| 1) Revenues | \$ 758,636 | \$ 722,502 | \$ 36,134 | \$.50% |
| Expenses | 584,321 | 475,228 | 109,093 | 22.95% |
| 2) Capital assets | | | | |
| Long-term debt | | | | |
| Net position | 174,315 | 290,235 | (115,920) | (40.00)% |
| Explanation for change: | | | | |
| | | | | |
| | | | | |
| | | | | |

