

RECEIVED
LEGISLATIVE AUDITOR
2000 JAN -3 AM 10:32

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

REPORT ON COMPILATION OF GENERAL PURPOSE FINANCIAL STATEMENTS

and

REPORT ON APPLYING AGREED-UPON PROCEDURES

including the

LOUISIANA ATTESTATION QUESTIONNAIRE

AS OF AND FOR THE YEAR ENDED JUNE 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 FEB 7 6 2000 . .

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

AS OF AND FOR THE YEAR ENDED JUNE 30, 1999

CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
ACCOUNTANTS' COMPILATION REPORT ON THE FINANCIAL STATEMENTS	-	1
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)		
Combined Balance Sheet - All Fund Types and Account Groups	A	3
Combined Statements of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	B	4
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund	C	5
Notes to Financial Statements	-	6 - 18
SCHEDULE OF COMPENSATION PAID THE CHAIRMAN AND BOARD OF COMMISSIONERS		20
OTHER REPORTS		
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES	-	23 - 26
CURRENT YEAR AGREED UPON PROCEDURES FINDINGS AND RECOMMENDATIONS	-	28 - 29
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AGREED UPON PROCEDURES FINDINGS	-	31
SUMMARY SCHEDULE OF PRIOR AGREED UPON PROCEDURES FINDINGS	-	33
LOUISIANA ATTESTATION QUESTIONNAIRE	-	35 - 37

Durnin & James

•CERTIFIED PUBLIC ACCOUNTANTS•

John N. Durnin, CPA*
Dennis E. James, CPA*
*A Professional Corporation

Member
American Institute of
Certified Public Accountants

Charles D. Mathews, CPA
Bryon C. Garrety, CPA
Jessie Travis-Gill, CPA
Charles F. Dismukes, CPA

Member
Society of Louisiana
Certified Public Accountants

December 13, 1999

ACCOUNTANTS' COMPILATION REPORT ON THE FINANCIAL STATEMENTS

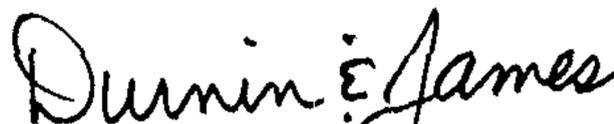
Mr. Charles Baglio, Chairman
and the Members of the Board of Commissioners
Recreation District No. 39A of Tangipahoa Parish
Independence, Louisiana

We have compiled the accompanying general purpose financial statements of the Recreation District No. 39A of Tangipahoa Parish, Independence, Louisiana, a component unit of the Tangipahoa Parish Council, as of June 30, 1999, and for the year then ended, as listed in the table of contents, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the Recreation District No. 39A of Tangipahoa Parish. We have not audited or reviewed the accompanying component unit financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The information included in the accompanying Schedule 1 is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of the Recreation District No. 39A of Tangipahoa Parish without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Respectfully submitted,


DURNIN & JAMES, CPAs

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

EXHIBIT A

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1999

	GOVERNMENTAL FUND TYPES			ACCOUNT GROUPS			TOTALS
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	(MEMORANDUM ONLY) 06/30/99	
<u>ASSETS AND OTHER DEBITS</u>							
Cash	\$ 59,414	\$ 69,587	\$ 1,210	\$ -	\$ -	\$	130,211
Investments	-	-	-	-	-	-	-
Receivables (Net of Allowances for Uncollectibles, Where Applicable):	-	5,051	-	-	-	5,051	-
Taxes	-	-	659	-	-	659	-
Due from Other Funds	-	-	-	-	-	-	-
Fixed Assets (Net, of Accumulated Depreciation Where Applicable)	-	-	-	535,668	-	535,668	-
Restricted Assets:							
Cash	-	-	-	-	-	-	-
Amount available in Debt Service Fund	-	-	-	-	19,775	19,775	-
Amount to be provided for retirement of debt	-	-	-	-	371,525	371,525	-
Total Assets and Other Debits	<u>\$ 59,414</u>	<u>\$ 74,638</u>	<u>\$ 1,869</u>	<u>\$ 535,668</u>	<u>\$ 391,300</u>	<u>\$ 1,062,889</u>	<u>\$ 1,062,889</u>
<u>LIABILITIES</u>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Due to Paying Agent	-	54,863	-	-	-	54,863	-
Due to Other Funds	659	-	-	-	-	659	-
General Long-term Debt	-	-	-	-	391,300	391,300	-
Total Liabilities	<u>\$ 659</u>	<u>\$ 54,863</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,300</u>	<u>\$ 446,822</u>	<u>\$ 446,822</u>
<u>FUND EQUITY AND OTHER CREDITS</u>							
Contributed Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Investment in General Fixed Assets	-	-	-	535,668	-	535,668	-
Fund Balance:							
Reserved for Debt Service	-	19,775	-	-	-	19,775	-
Unreserved:							
Designated for specific fund purposes	-	-	1,869	-	-	1,869	-
Undesignated	58,755	-	-	-	-	58,755	-
Total Fund Equity	<u>\$ 58,755</u>	<u>\$ 19,775</u>	<u>\$ 1,869</u>	<u>\$ 535,668</u>	<u>\$ -</u>	<u>\$ 616,067</u>	<u>\$ 616,067</u>
Total Liabilities and Fund Equity	<u>\$ 59,414</u>	<u>\$ 74,638</u>	<u>\$ 1,869</u>	<u>\$ 535,668</u>	<u>\$ 391,300</u>	<u>\$ 1,062,889</u>	<u>\$ 1,062,889</u>

See accompanying notes and accountants' report.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
 (A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
 Independence, Louisiana

EXHIBIT B

COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Year Ended June 30, 1999

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
Revenues:				
Taxes	\$ -	\$ 88,853	\$ -	\$ 88,853
Revenue Sharing	23,497	-	-	23,497
Interest	1,838	1,256	247	3,341
Miscellaneous	<u>1,497</u>	<u>-</u>	<u>6,002</u>	<u>7,499</u>
Total Revenues	<u>26,832</u>	<u>90,109</u>	<u>6,249</u>	<u>123,190</u>
Expenditures:				
Current:				
General Government	3,729	-	-	3,729
Parks and Recreation	8,944	-	-	8,944
Capital Outlay	9,595	-	20,857	30,452
Debt Service:				
Principal Retirement	-	46,446	-	46,446
Interest	-	23,284	-	23,284
Miscellaneous	<u>-</u>	<u>3,221</u>	<u>-</u>	<u>3,221</u>
Total Expenditures	<u>22,268</u>	<u>72,951</u>	<u>20,857</u>	<u>116,076</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,564</u>	<u>17,158</u>	<u>(14,608)</u>	<u>7,114</u>
Other Financing Sources (Uses):				
Operating Transfers In	24,365	7,832	1,825	34,022
Operating Transfers (Out)	<u>(13,676)</u>	<u>(20,346)</u>	<u>-</u>	<u>(34,022)</u>
Total Other Financing Sources (Uses)	<u>10,689</u>	<u>(12,514)</u>	<u>1,825</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	15,253	4,644	(12,783)	7,114
Fund Balance at Beginning of Year	<u>43,502</u>	<u>15,131</u>	<u>14,652</u>	<u>73,285</u>
Fund Balance at End of Year	<u>\$ 58,755</u>	<u>\$ 19,775</u>	<u>\$ 1,869</u>	<u>\$ 80,399</u>

See accompanying notes and accountants' report.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

EXHIBIT C

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

For the Year Ended June 30, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
Revenues:			
Revenue Sharing	\$ 23,000	\$ 23,497	\$ 497
Interest	-	1,838	1,838
Miscellaneous	<u>1,000</u>	<u>1,497</u>	<u>497</u>
Total Revenues	<u>24,000</u>	<u>26,832</u>	<u>2,832</u>
Expenditures:			
Current:			
General Government	3,000	3,729	(729)
Parks and Recreation	9,150	8,944	206
Capital Outlay	10,700	9,595	1,105
Debt Service:			
Principal Retirement	-	-	-
Interest	-	-	-
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>22,850</u>	<u>22,268</u>	<u>582</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,150</u>	<u>4,564</u>	<u>3,414</u>
Other Financing Sources (Uses):			
Operating Transfers In	-	24,365	24,365
Operating Transfers (Out)	<u>-</u>	<u>(13,676)</u>	<u>(13,676)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>10,689</u>	<u>10,689</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	1,150	15,253	14,103
Fund Balance at Beginning of Year	<u>43,502</u>	<u>43,502</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 44,652</u>	<u>\$ 58,755</u>	<u>\$ 14,103</u>

See accompanying notes and accountants' report.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

	<u>Page</u>
1. Summary of Significant Accounting Policies	7 - 8
A. Financial Reporting Entity	8
B. Fund Accounting	9
C. Fixed Assets and Long-Term Liabilities	9 - 10
D. Basis of Accounting	10
E. Budgets and Budgetary Accounting	10 - 11
F. Cash and Cash Equivalents and Investments	11 - 12
G. Inventory	12
H. Accumulated Compensated Absences	12
I. Pension Plans	12
J. Total Columns on Combined Statements - Overview	12
2. Levied Taxes	12 - 13
3. Cash and Cash Equivalents	13
4. Receivables	13 - 14
5. Interfund Receivables and Payables	14
6. Changes in General Fixed Assets	14
7. Changes in Long-Term Debt	14 - 15
8. Dedication of Proceeds and Flow of Funds - Ad Valorem Tax	16 - 17
9. Compliance with Certificate Covenants	17 - 18
10. Year 2000 Issue	18

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(1) Summary of Significant Accounting Policies -

The Recreation District No. 39A of Tangipahoa Parish, Independence, Louisiana (the "District") was created by an ordinance of the Tangipahoa Parish Council on April 22, 1996, as a recreation district to consist of territorial lands and property, both real and personal, in the parish, in accordance with R.S. 33:4562 et seq, and Article 6, Section 19 of the Louisiana Constitution of 1974 and other constitutional and statutory authority supplemental thereto, to be a body corporate in law and a subdivision of the State, known as "Recreation District No. 39A of Tangipahoa Parish (the "District")."

The District contains within its limits one municipality, Independence. The governing body of this municipality has given consent to inclusion of such municipality in the District. The District shall be and is a political subdivision of the State, within the meaning of the constitution and statutes of the State relating to incurring debt and issuing bonds therefor.

The objectives and purposes of the District are to own and operate playgrounds and other facilities and generally to engage in activities which would promote recreation and any related activity designed to encourage recreation and promote the general health and well-being of youths and all of the goals and purposes as authorized by law.

In accordance with R.S.33:4564, the Tangipahoa Parish Council appointed a board of seven (7) commissioners who are qualified electors and residents of the area covered by the District created by this division, two (2) of the members of the board being qualified voters and residents of Independence. The seven (7) commissioners initially appointed shall be appointed for terms of two, three, four and five years respectively (1-1 year, 2-2 years, 2-3 years, 1-4 years, 1-5 years), and they shall serve until their successors shall have been appointed and qualified. All commissioners thereafter appointed at the expiration of such respective terms shall be appointed by the parish council for terms of five years. Any vacancy which otherwise occurs shall be filled by appointment of the parish council for the unexpired term. In making such appointments due regard shall be had for the requirement that the board of commissioners shall include at least two qualified voters and residents of the municipality which has been included in the District by consent of its governing authority.

The accounting and reporting policies of the Recreation District No. 39A of Tangipahoa Parish conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority of the Parish, for reporting purposes, the Tangipahoa Parish Council is the financial reporting entity for Tangipahoa Parish. The financial reporting entity consists of (a) primary government (parish council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

Because the Parish Council appoints the board members and has approval over their taking authority, the Recreation District No. 39A of Tangipahoa Parish was determined to be a component unit of the Tangipahoa Parish Council, the financial reporting entity. The accompanying financial statements present information only on the fund maintained by the Recreation District No. 39A of Tangipahoa Parish and do not present information on the Parish Council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

B. Fund Accounting

The accounts of the Recreation District No. 39A of Tangipahoa Parish are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad fund categories as follows:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

C. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheet.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs, gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-term Debt Account Group.

D. Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. All major revenues are susceptible to accrual.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued (Note (1)H); (2) principal and interest on long-term debt which is recognized when due; and (3) expendable operating supplies which are recorded as expenditures at the time of purchase under the "purchase method" (note (1)G).

E. Budgets and Budgetary Accounting

Budgetary procedures applicable to the District are defined in state law, Louisiana Revised Statutes 39:1301-14. The major requirements of the Local Government Budget Act are summarized as follows:

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

1. The District must adopt a budget each year for the general fund and each special revenue fund, if applicable.
2. The President must prepare a proposed budget and submit the proposed budget to the Board of Commissioners for consideration no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$250,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in each parish in which the District has jurisdiction. The proposed budget was submitted to the board of commissioners on February 11, 1999. Upon acceptance by the board, the proposed budget was not published in the official journal in each parish in which the District has jurisdiction because the proposed expenditures for the general fund were less than \$250,000.
3. A public hearing on the proposed budget must be held at least ten days after publication of the call for the hearing. A public hearing was not held on the proposed budget because the proposed expenditures for the general fund were less than \$250,000.
4. After the public hearing, the budget is adopted by ordinance. All action necessary to adopt and implement the budget must be completed prior to the end of the fiscal year in progress. The budget was adopted on February 11, 1999.
5. The District must certify completion of all actions required to adopt and implement the budget by publishing a notice in the official journal in each parish in which the District has jurisdiction.
6. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Commissioners. The budget was not amended.
7. All budgetary appropriations lapse at the end of each fiscal year.

The District did not comply with certain provisions of state law which require a budget amendment when actual expenditures exceed amounts budgeted by five percent or more, and which require the budget to be adopted prior to the beginning of each fiscal year.

F. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

State law, the District may deposit funds in demand deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

G. Inventory

The District utilizes the "purchase method" of accounting for supplies in governmental funds whereby expendable operating supplies are recognized as expenditures when purchased. The District did not record any inventory at June 30, 1999, as the amount is not material.

H. Accumulated Compensated Absences

The District has no policy recording employees' vacation pay and employees' sick leave benefits as the District has no full-time employees. As a result, the District has no accumulated compensated absences requiring recognition in accordance with GASB Statement 16.

I. Pension Plans

The Recreation District No. 39A of Tangipahoa Parish is not a member of any retirement system. The District is a member of the social security system.

J. Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) Levied Taxes -

The following is a summary of authorized and levied ad valorem taxes:

	1998
	Authorized
	and Levied
	<u>Millage</u>
Debt Service Fund	15.00

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied by the District during the year and actually billed to taxpayers and become due in November. Billed taxes become delinquent on December 31 of each year. Revenues from ad valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Tangipahoa Parish Sheriff's Office bills and collects the property taxes using the assessed value determined by the Tax Assessor of Tangipahoa Parish. The taxes are generally collected in December of the current year and January and February of the ensuing year. For 1998, the District levied 15.0 mills for a total tax levy of \$88,853 on taxable property valuation totaling \$5,923,364.

(3) Cash and Cash Equivalents -

At June 30, 1999, the District had cash and cash equivalents (book balances) totaling \$130,211, as follows:

Interest Bearing Demand Deposits	\$130,211
Total	<u>\$130,211</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledged 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 securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1999, the District had \$130,980 in deposits (collected bank balances). These deposits are secured from risk as follows.

Bank balances	\$130,980
Federal deposit insurance	\$100,000
Pledged securities (GASB Category 3)	<u>520,000</u>
Total Security	<u>\$620,000</u>
Excess secured balance	<u>\$489,020</u>

At June 30, 1999, the District did comply with the provisions of state law which requires public funds to be secured from risk by a pledge of securities by the fiscal agent bank.

(4) Receivables

The following is a summary of receivables at June 30, 1999:

RECREATION DISTRICT NO. 39A OF TANGIPAOHA PARISH
(A COMPONENT UNIT OF THE TANGIPAOHA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

<u>Class of Receivable</u>	<u>Debt Service Fund</u>
Ad Valorem Taxes	\$ 5,051
Allowance for Uncollectibles	<u>-</u>
Total	<u>\$ 5,051</u>

(5) Interfund Receivables and Payables -

The following is a summary of amounts due from and due to other funds at June 30, 1999.

	<u>DUE FROM</u>	<u>DUE TO</u>
General Fund:		
Capital Projects Fund	\$ -	\$ 659
Capital Projects Fund:		
General Fund	<u>659</u>	<u>-</u>
Totals	<u>\$ 659</u>	<u>\$ 659</u>

(6) Changes in General Fixed Assets -

A summary of changes in general fixed assets follows:

	BALANCE JULY 1, <u>1998</u>	<u>CURRENT YEAR</u>		BALANCE JUNE 30, <u>1999</u>
		<u>ADDITIONS</u>	<u>DELETIONS</u>	
Land	\$ 93,233	\$ -	\$ -	\$ 93,233
Buildings	50,032	8,230	-	58,262
Improvements Other than Buildings	336,122	15,770	-	351,892
Equipment	<u>25,828</u>	<u>6,453</u>	<u>-</u>	<u>32,281</u>
Total	<u>\$505,215</u>	<u>\$ 30,453</u>	<u>\$ -</u>	<u>\$535,668</u>

(7) Changes in Long - Term Debt

The following is a summary of debt transactions for the District for the year ended June 30, 1999:

	Balance July 1 <u>1998</u>	Leases or Certificates <u>Issued</u>	Certificates Retired and <u>Other Reductions</u>	Balance June 30, <u>1999</u>
Capital Lease Obligations	\$ 15,746	\$ -	\$ 2,446	\$ 13,300
Certificate of Indebtedness	<u>422,000</u>	<u>-</u>	<u>44,000</u>	<u>378,000</u>
	<u>\$437,746</u>	<u>\$ -</u>	<u>\$ 46,446</u>	<u>\$391,300</u>

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
 (A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
 Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

Long-term debt at June 30, 1999, is comprised of the following:

Certificates of Indebtedness:

\$400,000 Certificate of Indebtedness dated December 18, 1996; Due in annual installments of \$35,000 - \$50,000 through March 1, 2006; with interest at 5.05%. \$295,000

\$92,000 Certificate of Indebtedness dated March 2, 1998; Due in annual installments of \$8,000 - \$14,000 through March 1, 2006; with interest at 5.5% \$ 83,000

Capital Lease Obligations:

\$17,448 Capital Lease Obligation payable to New Holland Credit Company, dated April 21, 1998; Due in 60 installments of \$364.69; with interest at 10% (Estimated) \$ 13,300

Payments of Certificates of Indebtedness principal and interest are secured solely by an irrevocable pledge and dedication of the funds to be derived from the levy and collection of a fifteen (15) mills tax authorized to be levied in each of the years 1996 to 2006, inclusive. Said special tax has been authorized to be levied on all the property subject to taxation within the corporate boundaries of the District, pursuant to an election held therein on July 20, 1996.

The annual requirements to amortize all debt outstanding at June 30, 1999, including interest payments of \$84,671 are as follows:

<u>YEAR ENDED</u> <u>JUNE 30,</u>	<u>CAPITAL LEASE</u> <u>OBLIGATIONS</u>	<u>CERTIFICATE OF</u> <u>INDEBTEDNESS</u>	<u>TOTAL</u>
2000	\$ 4,740	\$ 65,463	\$ 70,203
2001	4,376	65,090	69,466
2002	4,376	65,630	70,006
2003	2,554	66,005	68,559
2004	-	66,215	66,215
2005	-	65,282	65,282
2006	-	<u>66,240</u>	<u>66,240</u>
	\$16,046	\$459,925	\$475,971
Interest Portion	<u>2,746</u>	<u>81,925</u>	<u>84,671</u>
	<u>\$13,300</u>	<u>\$378,000</u>	<u>\$391,300</u>

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

(8) Dedication of Proceeds and Flow of Funds - Ad Valorem Tax

Proceeds of the 10 year special tax of 15 mills on the dollar of assessed valuation on all property subject to taxation in Recreation District No. 39A of the Parish of Tangipahoa (1999 collections \$88,853) are dedicated for the purpose of purchasing and acquiring lands, buildings, equipment and other facilities in the District for recreation to promote the well-being of youths and the general public and to pay the cost of maintaining said facilities with not less than six percent (6%) of the avails of the said tax dedicated to the maintenance of existing parks (Velma, Frazier, Autin) and playgrounds in the District.

The District, through its governing authority, adopted a resolution on November 7, 1996, authorizing the issuance of \$400,000 of Certificates of Indebtedness, Series 1996, for the purpose of purchasing and acquiring land buildings, equipment and other facilities in the District for Recreation purposes. In that Resolution the proceeds of the 10 year special tax were irrevocably and irrepealably pledged and dedicated in an amount sufficient for payment of the certificates authorized and interest as they become due and for other purposes.

The certificate resolution requires that the proceeds of the special tax now being levied and collected by the District is to be deposited with the District's fiscal agent bank in a "sinking fund" (Debt Service Fund) until such time as there is on deposit in the Sinking Fund sufficient proceeds of the tax to pay all principal and interest falling due on the certificate in the ensuing year. After such time as there has been accumulated in the Sinking Fund the amount described in the preceding sentence, any surplus monies derived from the tax may be used by the District for any of the purposes for which the tax is authorized to be levied. The District shall make available from the Sinking Fund to the paying agent at least one (1) day in advance of the date on which each payment of principal and interest on the certificate falls due, funds fully sufficient to pay promptly the principal and interest falling due on such date.

After funds have been set aside out of the revenues of the tax for each tax roll year sufficient to pay the principal and interest on the Certificate for the ensuing calendar year, and all required amounts have been deposited in the Sinking Fund, then any excess of annual revenues of the tax remaining for that tax roll year shall be free for expenditure by the District for the purposes for which the tax was authorized by the voters.

Additionally, the District, through its governing authority, adopted a resolution on January 14, 1998, authorizing the issuance of \$92,000 of Certificates of Indebtedness, Series 1998 for the purpose of purchasing and acquiring land, buildings, equipment and other facilities in the Issuer for recreation purposes, and paying the costs incurred in connection with the issuance of the certificate.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

The certificate resolution requires that the certificate be secured by and payable solely from a pledge and dedication of the excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the fiscal years during which this certificate is outstanding, including the Issuer's \$330,000 of Certificates of Indebtedness, Series 1996, maturing serially on March 1 of the years 1999 through 2006, inclusive (the "1996 Certificates"). The Issuer has covenanted and agreed and does hereby covenant and agree to budget annually a sufficient sum of money to pay the principal of and the interest on the Certificate as it becomes due, and to levy and collect in each year taxes and to collect other revenues, within the limits prescribed by law, sufficient to pay the principal of and the interest on the Certificate after the payment in such year of all such statutory, necessary and usual charges and the 1996 Certificates.

The balance in the Sinking Fund at June 30, 1999, was in accordance with the certificate covenants.

(9) Compliance with Certificate Covenants

The District, through its governing authority, adopted a resolution on November 9, 1996, authorizing the issuance of \$400,000 of Certificates of Indebtedness, Series 1996 for the purpose of purchasing and acquiring land, buildings, equipment and other facilities in the District for recreation purposes. That certificate resolution contained certain covenants and agreements in connection with the security and payment of the certificates. The major covenants contained in the certificate resolution and the manner in which the District has complied with these covenants is described as follows:

Sinking Fund - According to the certificate resolution, all of the avails or proceeds of the tax for each tax roll year shall be set aside in the Sinking Fund until such time as there is on deposit in the Sinking Fund sufficient proceeds of the tax to pay all principal and interest falling due on the certificate in the ensuing year. As of June 30, 1999, the District was in compliance with this certificate covenant.

Securing of deposits of public funds - In the certificate resolution it is required that all moneys deposited with the regularly designed fiscal agent bank or banks of the District or the paying agent under the terms of the resolution shall constitute secured funds for the benefit of the owner of the certificate, and shall be secured by said finances at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

As of June 30, 1999, the District was in compliance with this Certificate covenant.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1999

Budget - In the certificate resolution as long as the certificate is outstanding and unpaid in principal or interest, the District is required to prepare and adopt a budget prior to the beginning of each fiscal year. A copy of such budget shall be furnished within thirty (30) days after its adoption to the paying agent and owner.

As of June 30, 1999, the District was not in compliance with this certificate covenant.

Other Requirements - The certificate resolution contains additional covenants regarding collection of tax, legal right to collection of tax, and other miscellaneous provisions.

As of June 30, 1999, the District was in compliance with these other certificate covenants in all material respects.

(10) Year 2000 Issue

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the District's operations in the year 2000 and beyond. The Recreation District No. 39A of Tangipahoa Parish uses an outside accounting firm to process its accounting. This outside firm advised the District that it is year 2000 compliant. The Recreation District No. 39A of Tangipahoa Parish is dependent on funding from various sources. The effect, if any, the year 2000 compliance would have on the District's ability to obtain funding is not determinable.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District's remediation efforts will be successful in whole or in part, or that the individuals and/or agencies that fund the Recreational District No. 39A of Tangipahoa Parish will be year 2000 ready.

SCHEDULE OF COMPENSATION PAID THE CHAIRMAN AND BOARD OF COMMISSIONERS

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
 (A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
 Independence, Louisiana

SCHEDULE OF COMPENSATION PAID THE CHAIRMAN AND BOARD OF COMMISSIONERS

June 30, 1999

<u>Name and Address</u>	<u>Position</u>	<u>Salary</u>	<u>Term Expires</u>
Charles Baglio P. O. Box 187 Independence, LA 70443 (504)878-6045	Chairman	\$ -	April 22, 2000
Margaret Baglio P. O. Box 187 Independence, LA 70443 (504)878-6045	Secretary	\$ -	N/A
Louis Nick Joseph P. O. Box 621 Independence, LA 70443 (504)878-4711	Vice-Chairman/ Commissioner	\$ -	April 22, 2000
Billy Guzzardo P. O. Box 976 Independence, LA 70443 (504)878-4501	Commissioner	\$ -	April 22, 2001
Johnny Polito, Jr. P. O. Box 1372 Independence, LA 70443 (504)878-2105	Commissioner	\$ -	April 22, 2000
Katie Sims 56117 Bickham Chapel Road Amite, LA 70422	Commissioner	\$ -	April 22, 2002
Johnny Santangelo P. O. Box 204 Independence, LA 70443 (504)878-4700	Commissioner	\$ -	April 22, 2002
J. V. Giacone P. O. Box 394 Independence, LA 70443 (504)878-2158	Commissioner	\$ -	April 22, 2000

\$

See accountants' report.

OTHER REPORTS

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

Durnin & James

•CERTIFIED PUBLIC ACCOUNTANTS•

John N. Durnin, CPA*
Dennis E. James, CPA*
*A Professional Corporation

Member
American Institute of
Certified Public Accountants

Charles D. Mathews, CPA
Bryon C. Garrety, CPA
Jessie Travis-Gill, CPA
Charles F. Dismukes, CPA

Member
Society of Louisiana
Certified Public Accountants

December 13, 1999

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Charles Baglio, Chairman
and the Members of the Board of Commissioners
Recreation District No. 39A of Tangipahoa Parish
Independence, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Recreation District No. 39A of Tangipahoa Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Recreation District No. 39A of Tangipahoa Parish's compliance with certain laws and regulations during the year ended June 30, 1999, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for material and supplies exceeding \$15,000 and no expenditures were made for public works exceeding \$100,000. Therefore, the District was in compliance with the provisions of LSA-RS 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

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

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH

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

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

There were no employees during the period under examination.

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

There were no employees during the period under examination.

Budgeting

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

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

We traced the adoption of the original budget to the minutes of a meeting held on February 11, 1999, which indicated that the budget had been adopted by the Commissioners of Recreation District No. 39A of Tangipahoa Parish by a vote of 6 in favor and none opposed. However, budget was not adopted prior to beginning of fiscal year, as required by law. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures for the final budget to actual revenues and expenditures. Actual revenues exceeded the budgeted amounts by 12%. Expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

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

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

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee with one exception. One invoice for \$368.15 could not be located.

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

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Chairman and the Board of Commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Recreation District No. 39A of Tangipahoa Parish is only required to post a notice of each meeting and the accompanying agenda on the door of the town hall building. We witnessed the posted notice of a meeting and reviewed a newspaper copy of the minutes.

Debt

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

We inspected copies of all bank deposit slips for the period under examination and noted no deposit which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

A reading of the minutes of the District for the year indicated no payments were authorized, or paid. We also inspected disbursements records for the year and noted no instances which would indicate payment to employees which would constitute bonuses, advances, or gifts.

Since there were no employees, there were no payroll records to inspect.

Prior Year Findings

12. In our prior agreed upon procedures engagement for the year ended June 30, 1998, we reported certain other findings relating to the system of internal accounting control, as described in the accompanying summary schedule of prior agreed upon procedures findings. The District did not comply with the budget requirements as outlined in prior year findings.

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

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH

This report is intended solely for the use of management of Recreation District No. 39A of Tangipahoa Parish and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

Durnin & James
DURNIN & JAMES, CPA'S

FINDINGS AND RECOMMENDATIONS

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

CURRENT YEAR AGREED UPON PROCEDURES FINDINGS

For the Year Ended June 30, 1999

FINDINGS AND RECOMMENDATIONS

99-1 FAILURE TO COMPLY WITH LOCAL GOVERNMENT BUDGET ACT

The District did not comply with certain budget requirements set forth in LSA R.S. 39:1310 (Louisiana Local Government Budget Act). The Act contains various budget requirements for the general fund and special revenue funds for political subdivisions of the state. During our agreed upon procedures, we found that the District had not properly complied with the requirements of the act as follows:

- A. Budget Variances - The act requires that, during the year, the Secretary notify the Board of Commissioners in writing, when (a) actual revenue and other sources plus projected revenues and other sources for the year fail to meet budgeted revenues and other sources by five percent or more; (b) actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year exceed budgeted expenditures and other uses by five percent or more; or (c) the actual beginning fund balance fails to meet estimated beginning fund balance by five percent or more. For the year ended June 30, 1999, the Secretary did not notify the Board of Commissioners in writing, of the following budget variances:

The actual revenues of the General Fund (\$26,832) exceed the budgeted revenues (\$24,000) by 12%.

- B. Budget Adoption Timeliness - The act requires that the budget be adopted prior to the beginning of the fiscal year; in this case, prior to July 1, 1998. The budget for the fiscal year ended June 30, 1999, was not adopted until February 11, 1999.

RECOMMENDATION

We recommend that the District comply with budget requirements set forth in the Louisiana Local Budget Act.

- A. During the year, the Secretary should notify the Board of Commissioners, in writing, when any of the following occurs:
- Actual revenue and other sources plus projected revenues and other sources for the year fail to meet budgeted revenues and other sources by five percent or more.
 - Actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year exceed budgeted expenditures and other uses by five percent or more.
 - Actual beginning fund balance fails to meet estimated beginning fund balance by five percent or more.
- B. The District adopt future budgets prior to the beginning of the year that the budgets are for.

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

CURRENT YEAR AGREED UPON PROCEDURES FINDINGS (CONTINUED)
For the Year Ended June 30, 1999

FINDINGS AND RECOMMENDATIONS

MANAGEMENT'S RESPONSE

The District intends to fully comply with local government budget acts.

99-2 - SUPPORT FOR EXPENDITURE NOT AVAILABLE

During the course of testing disbursements we noted that one invoice to UPS in the amount of \$368.15 was not available. The invoice was paid by check number 1085 on July 2, 1998. We examined the canceled check which was available.

RECOMMENDATION

We recommend that the District improve its filing system in order to properly maintain and track support for expenditures.

MANAGEMENT'S RESPONSE

The District intends to improve its filing system of expenditure support.

CORRECTIVE ACTION PLAN FOR CURRENT YEAR
AGREED UPON PROCEDURES FINDINGS

RECREATION DISTRICT NO. 39A OF TANGIPAHOA PARISH
(A COMPONENT UNIT OF THE TANGIPAHOA PARISH COUNCIL)
Independence, Louisiana

CORRECTIVE ACTION PLAN FOR CURRENT YEAR AGREED UPON PROCEDURES FINDINGS
For the Year Ended June 30, 1999

<u>Ref.#</u>	<u>Description of Finding</u>	<u>Corrective Action Plan</u>	<u>Contact Person</u>	<u>Anticipated Completion Date</u>
99-1(A)	Budget not amended.	Future budgets to be amended when required.	Margaret Baglio	06/15/2000
99-1(B)	Budget not adopted prior to the beginning of the year.	Future budgets to be adopted prior to the beginning of the year.	Margaret Baglio	06/15/2000
99-2	Missing invoice	Improve filing system.	Margaret Baglio	06/15/2000

SUMMARY SCHEDULE OF PRIOR AGREED UPON PROCEDURES FINDINGS

RECREATION DISTRICT NO. 39A OF TANGIPARHOA PARISH
 (A COMPONENT UNIT OF THE TANGIPARHOA PARISH COUNCIL)
 Independence, Louisiana

SUMMARY SCHEDULE OF PRIOR AGREED UPON PROCEDURES FINDINGS

For the Year Ended June 30, 1999

Ref.#	Fiscal Year Findings Initially Occurred	Description of Findings	Corrective Action Taken	Plan Corrective Action - Partial Corrective Action Taken	Additional Explanation
98-1(A)	June 30, 1997	Government Budget Act	No	To adopt amended budget when required.	None
98-1(B)	June 30, 1997	Government Budget Act	No	To adopt budget for all governmental funds prior to the beginning of each fiscal year.	None
98-2	June 30, 1998	Debt Restriction Loan	Yes	To obtain Bond Commission approval before any debt is incurred.	None

LOUISIANA ATTESTATION QUESTIONNAIRE

RESOLUTION

WHEREAS, the Recreation District No. 39A of Tangipahoa Parish as a part of its compilation of financial statements as of June 30, 1999, and for the one year period then ended, is required to complete the Louisiana Attestation Questionnaire furnished by the Louisiana Legislative Auditor, and,

WHEREAS, upon completion, the questionnaire must be presented to and adopted by the Board of Commissioners by means of a formal resolution in an open meeting, and,

WHEREAS, the completed questionnaire and a copy of its adoption must then be given to the accountant at the beginning of the attestation engagement. The accountant will, during the course of his attestation engagement, test the accuracy of the responses in the questionnaire,

WHEREAS, this Louisiana Attestation Questionnaire was reviewed and all questions answered by the Board of Commissioners of the Recreation District No. 39A of Tangipahoa Parish.

THEREFORE BE IT RESOLVED that the Recreation District No. 39A of Tangipahoa Parish hereby adopts this resolution on 11-17, 1999, by the following roll call vote:

YEAS: 5

NAYS: 0

ABSENT: 2

Margaret Baglio
Margaret Baglio, Secretary/Treasurer

Chas. Baglio, Jr.
Charles Baglio, President

LOUISIANA ATTESTATION QUESTIONNAIRE

11-1-99
(Date)

Durnin & James, CPA's
P. O. Box 506
Amitc, Louisiana 70422

In connection with your compilation of our financial statements as of June 30, 1999, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of _____, 1999.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

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

Yes No

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

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes No

Accounting and Reporting

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

Yes [] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65 .

Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No []

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 any known noncompliance which may occur subsequent to the issuance of your report.

RECREATION DISTRICT NO. 39A OF TANGIPAHIOA PARISH

SIGNED: Chas. V. Baglio Jr.
Charles Baglio

SIGNED: Margaret Baglio
Margaret Baglio

TITLE: President

TITLE: Secretary/Treasurer