

Ward 10 Recreation District

Rapides Parish, Louisiana

**Annual Financial Report
For the Year Ended December 31, 2020**



**Rozier McKay
& Willis** | CERTIFIED PUBLIC
ACCOUNTANTS |

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Independent Auditors' Report

June 22, 2021

To the Board of Commissioners
Ward 10 Recreation District
Rapides Parish, Louisiana

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, and each major fund of the Ward 10 Recreation District, a component unit of the Rapides Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Ward 10 Recreation District, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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REQUIRED SUPPLEMENTAL INFORMATION

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

OTHER SUPPLEMENTAL INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Recreation District's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is supplemental other information presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARD

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2021, on our consideration of the Ward 10 Recreation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Ward 10 Recreation District's internal control over financial reporting and compliance.

Rozier, McKay, Willis

ROZIER, MCKAY & WILLIS
Certified Public Accountants

Ward 10 Recreation District **Rapides Parish, Louisiana**

Management's Discussion and Analysis **December 31, 2020**

This section of the Ward 10 Recreation District's annual financial report presents our discussion and analysis of the District's financial performance.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the District's financial position and results of operations from differing perspectives, which are described as follows:

Government –Wide Financial Statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the District's assets and all of the District's liabilities (including long-term debt). Expenses incurred in connection with the operation and maintenance of the District's recreational facilities are reported as governmental activities. The governmental activities are financed by taxes, proceeds from debt and investment income.

Fund Financial Statements

Fund financial statements provide detailed information regarding the District's most significant activities and are not intended to provide information for the District as a whole. Funds are accounting devices that are used to account for specific sources of funds. The District's funds are all classified as governmental funds. These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the District's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A comparative analysis of government-wide data for the current and previous year is presented as follows:

Net Position

A condensed version of the government-wide Statement of Net Position is presented as follows:

	December 31,	
	2020	2019
<u>Assets:</u>		
Current and Other Assets	\$ 696,729	\$ 675,837
Capital Assets	4,058,604	3,911,246
Total Assets	<u>4,755,333</u>	<u>4,587,083</u>
<u>Liabilities:</u>		
Current and Other Liabilities	70,890	61,949
Long-term Liabilities	305,000	360,000
Total Liabilities	<u>375,890</u>	<u>421,949</u>

Ward 10 Recreation District

Rapides Parish, Louisiana

Management's Discussion and Analysis

December 31, 2020

Net Position:

Invested in Capital Assets, Net	3,698,604	3,501,246
Restricted	52,735	59,619
Unrestricted	628,104	604,269
Total Net Position	<u>\$ 4,379,443</u>	<u>\$ 4,165,134</u>

As presented above, the largest portion of the net position (84.5%) is investment in capital assets and an additional portion (1.2%) is restricted for debt service. The remaining net position (14.3%) is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors.

Changes in Net Position

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

	<u>For the Year Ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
<u>General Revenues:</u>		
Property Taxes	620,839	601,352
State Revenue Sharing and Other	11,482	12,434
Other Revenues	21,983	22,164
Investment Income	----	5
Total General Revenues	<u>654,304</u>	<u>635,955</u>
Total Revenues	<u>654,304</u>	<u>635,955</u>
<u>Program Expenses:</u>		
Culture and Recreation	427,249	422,288
Interest on Long-Term Debt	<u>12,746</u>	<u>14,496</u>
Total Expenses	<u>439,995</u>	<u>436,784</u>
Change in Net Position	214,309	199,171
Net Position Beginning	<u>4,165,134</u>	<u>3,990,584</u>
Net Position Ending	<u>\$ 4,379,443</u>	<u>\$ 4,165,134</u>

As presented above, the District's net position has increased as a result of careful management and efficient use of resources.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For the year ended December 31, 2020, the only differences between amounts reported by the District's funds and activities reported in the government-wide financial statements are attributable to excluding capital assets and long-term debt that appear on the government-wide presentation.

GENERAL FUND BUDGET HIGHLIGHTS

The general fund is the only fund required by law to adopt a budget. A summary of the general fund budget compared to actual amounts is presented as follows:

Ward 10 Recreation District

Rapides Parish, Louisiana

Management's Discussion and Analysis

December 31, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Total Revenues	\$ 622,505	\$ 645,351	\$ 654,304	\$ 8,953
Total Expenditures	622,505	633,466	574,607	58,859
Excess (deficiency) of revenues over expenditures	----	11,885	79,697	67,812
Operating Transfers Out	----	----	(56,591)	(56,591)
Change in Net Position	----	11,885	23,106	11,221

The budget was amended to make technical corrections and to provide for any unexpected contingencies that might arise.

CAPITAL ASSET ADMINISTRATION

Activity for the year ended December 31, 2020 was limited to depreciating existing assets, the completion of a substantial field turfing project, and some small equipment purchases.

DEBT ADMINISTRATION

For the year ended December 31, 2020, no new debt was incurred. Activity was limited to scheduled maturities on the existing debt.

FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS

No significant factors are expected to affect operations in the near future.

Ward 10 Recreation District
Rapides Parish, Louisiana

Statement of Net Position
December 31, 2020

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 78,661
Receivables (net)	618,068
Capital Assets - Land	419,569
Capital Assets - Depreciable	<u>3,639,035</u>
Total Assets	<u>4,755,333</u>
 <u>LIABILITIES</u>	
Accounts Payable	10,640
Accrued Interest Payable from Restricted Assets	5,250
Liabilities Payable From Restricted Assets	
Long-term Debt Payable from Restricted Assets:	
Due Within One Year	55,000
Due in More than One Year	<u>305,000</u>
Total Liabilities	<u>375,890</u>
 <u>NET POSITION</u>	
Invested in Capital Assets, Net of Related Debt	3,698,604
Restricted for:	
Debt Service	52,735
Unrestricted	<u>628,104</u>
Total Net Position	<u>\$ 4,379,443</u>

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

Ward 10 Recreation District
Rapides Parish, Louisiana

Statement of Activities
For the Year Ended December 31, 2020

	<u>Governmental Activities</u>
Expenses:	
Culture and Recreation	\$ 427,249
Interest on Long-Term Debt	<u>12,746</u>
Total Expenses	<u>439,995</u>
General Revenues:	
Property Taxes	620,839
State Revenue Sharing	11,482
Other Revenues	21,983
Investment Income	<u>-</u>
Total General Revenues	<u>654,304</u>
Change in Net Position	214,309
Net Position - Beginning	<u>4,165,134</u>
Net Position - Ending	<u>\$ 4,379,443</u>

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

Ward 10 Recreation District

Rapides Parish, Louisiana

Balance Sheet - Governmental Funds

December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets			
Cash and Cash Equivalents	\$ 25,926	\$ 52,735	\$ 78,661
Receivables	618,068	-	618,068
Total assets	<u>\$ 643,994</u>	<u>\$ 52,735</u>	<u>\$ 696,729</u>
Liabilities and Fund Balance			
<u>Liabilities</u>			
Accounts Payable	<u>\$ 10,640</u>	<u>\$ -</u>	<u>\$ 10,640</u>
Total liabilities	<u>10,640</u>	<u>-</u>	<u>10,640</u>
<u>Fund Balance</u>			
Restricted For Debt Service	-	52,735	52,735
Unassigned	633,354	-	633,354
Total Fund Balances	<u>633,354</u>	<u>52,735</u>	<u>686,089</u>
Total Liabilities and Fund Balance	<u>\$ 643,994</u>	<u>\$ 52,735</u>	<u>\$ 696,729</u>

Reconciliation of the Governmental Funds Balance Sheets to the Statement of Net Position

Total Fund Balances - Governmental Funds	\$ 686,089
Amounts reported for governmental activities in the statement of net assets are different because:	
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(365,250)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>4,058,604</u>
Net Position of Governmental Activities	<u>\$ 4,379,443</u>

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

Ward 10 Recreation District
Rapides Parish, Louisiana

**Statement of Revenue, Expenditures and Changes in
Fund Balance - Governmental Funds
For the Year Ended December 31, 2020**

	General	Debt Service	Total Governmental Funds
Revenues:			
Property Taxes	\$ 620,839	\$ -	\$ 620,839
Other Revenues	21,983		21,983
State Revenue Sharing	11,482	-	11,482
Total revenues	654,304	-	654,304
Expenditures:			
Culture and Recreation	241,343	-	241,343
Capital Expenditures	333,264	-	333,264
Debt Service	-	63,475	63,475
Total expenditures	574,607	63,475	638,082
Excess (Deficiency) of Revenues Over Expenditures	79,697	(63,475)	16,222
Other Financing Sources (Uses):			
Operating Transfers	(56,591)	56,591	-
Net Change in Fund Balances	23,106	(6,884)	16,222
Fund balance - Beginning of Year	610,248	59,619	669,867
Fund balance - End of Year	\$ 633,354	\$ 52,735	\$ 686,089

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Net change in fund balances of Governmental Funds	\$ 16,222
Amounts reported for governmental activities in the statement of activities are different because:	
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	50,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds.	729
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	147,358
Change in net position of governmental activities	\$ 214,309

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

Ward 10 Recreation District **Rapides Parish, Louisiana**

Notes to Financial Statements ***December 31, 2020***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ward 10 Recreation District (the District) was established by the Rapides Parish Police Jury for the purpose of acquiring, operating and maintaining recreation facilities. The District is governed by a Board of Commissioners appointed by the Rapides Parish Police Jury.

The accompanying policies conform to generally accepted accounting principles for governmental units.

Financial Reporting Entity

The Governmental Accounting Standards Board (GASB) established criteria for determining which component units should be considered part of a financial reporting entity. The basic criterion for including a potential component unit within a reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the reporting entity 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 reporting entity.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the District is a component unit of the Rapides Parish Police Jury. The accompanying component unit financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

Basic Financial Statements

The District's operations are classified as governmental activities. Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues. The basic financial statements include both *government-wide and fund financial statements*. The *government-wide and fund financial statements* present the District's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The effect of interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include charges for services, fees, contributions associated with a particular function and most grants.

Ward 10 Recreation District **Rapides Parish, Louisiana**

Notes to Financial Statements **December 31, 2020**

Fund Financial Statements

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Major individual funds are reported as separate columns in the fund financial statements. The District's major funds are described as follows:

- General Fund – The general fund is the primary operating fund and is used to account for all governmental activities that are not required to be presented elsewhere.
- Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term obligation principal, interest, and related costs.

Basis of Accounting and Measurement Focus

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 relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements	Modified Accrual Basis	Current Financial Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of account and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure of funds. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as another financing source and repayment of long-term debt is reported as an expenditure of funds.

Use of Estimates

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget Practices

The District prepares an annual budget for its general fund. This budget is submitted to the Board of Commissioners and an approved budget is adopted before the beginning of each year. If necessary, amended budgets are prepared prior to the conclusion of each fiscal year. The amended budgets are prepared and approved in the same manner as the original budget.

The general fund budget presents revenue and expenditures on a basis which is consistent with generally accepted accounting principles. No annual budget is required for the District's remaining funds.

Capital Assets

Capital assets include significant acquisitions of facilities and equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund

Ward 10 Recreation District **Rapides Parish, Louisiana**

Notes to Financial Statements **December 31, 2020**

financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciated is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. A useful life of seven years is typically used for equipment and useful lives ranging from 10 to 50 years for buildings and facility improvements.

Cash and Cash Equivalents:

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments.

Internal Balances:

The District's funds occasionally use resources provided by another fund. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded. Internal balances are eliminated in preparing government-wide financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31, 2020 are presented as follows:

	Cash in Bank
General Fund	\$ 25,926
Debt Service	52,735
Total	\$ 78,661

Cash in the District's bank account totaling \$80,708 (collected bank balance) is protected from risks by Federal Deposit Insurance. No pledged securities were required to be held by the custodial bank at the end of the year.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable are composed of property taxes and state revenue sharing for the year ended December 31, 2020. Uncollectible accounts were estimated at \$19,479, approximately 1.5% of the receivable balance at year end.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year is summarized as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Non-Depreciable Capital Assets	\$ 419,569	\$ ----	\$ ----	\$ 419,569
Improvements to Land	419,569	----	----	419,569
Non-Depreciable Capital Assets	419,569	----	----	419,569

Ward 10 Recreation District **Rapides Parish, Louisiana**

Notes to Financial Statements ***December 31, 2020***

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Depreciable Capital Assets</u>				
Fixed Asset and Improvements	4,894,424	310,963	----	5,205,387
Equipment	550,312	22,301	----	572,613
Accumulated Depreciation	(1,953,059)	(185,906)	----	(2,138,965)
Depreciable Capital Assets (Net)	<u>3,491,677</u>	<u>147,358</u>	----	<u>3,639,035</u>
 Total Capital Assets	 <u>\$ 3,911,246</u>	 <u>\$ 147,358</u>	 <u>\$ ----</u>	 <u>\$ 4,058,604</u>

Depreciation on equipment and other improvements in the amount of \$185,906 has been reported as part of culture and recreation expenses.

NOTE 5 – ACCOUNTS PAYABLE

Accounts payable at December 31, 2020 consisted of trade payables incurred in connection with the operation of the facility and deposits made by lessees of the facility.

NOTE 6 - LONG-TERM DEBT

Debt outstanding at December 31, 2020 is summarized as follows:

Certificates of Indebtedness	\$ 360,000
Due within one year	55,000
Due in more than one year	<u>\$ 305,000</u>

A summary of transactions involving Certificates of Indebtedness is presented as follows:

Bonds payable, January 1, 2020	\$ 410,000
New issues	----
Retirements	50,000
Bonds payable, December 31, 2020	<u>\$ 360,000</u>

Details related to certificates of indebtedness outstanding at December 31, 2020 are provided as follows:

The District issued Certificates of Indebtedness, Series 2016 in the amount of \$550,000 on February 1, 2016. Payments of principal are due February 1 of each year and payments of interest are due February 1 and August of each year. Principal and interest payments began February 1, 2017 and end February 1, 2026. The interest rate on the Certificate of Indebtedness is 3.5%. \$ 360,000

A schedule of maturities for these bonds is presented as follows:

Ward 10 Recreation District **Rapides Parish, Louisiana**

Notes to Financial Statements **December 31, 2020**

<u>Year Ended December 31st</u>	<u>Principal</u>	<u>Interest</u>
2021	55,000	11,637
2022	55,000	9,713
2023	60,000	7,700
2024	60,000	5,600
2025 – 2026	<u>130,000</u>	<u>4,550</u>
 Total	 <u>\$ 360,000</u>	 <u>\$ 39,200</u>

NOTE 7 – INTERFUND ACTIVITY

Internal activity includes interfund receivables and payables as well as operating transfers. In the current year, the General Fund transferred \$56,591 to the Debt Service Fund. As there is no intention or obligation to repay this amount, it has been recorded as an operating transfer in the current year.

NOTE 8 - PROPERTY TAXES

The District levies property taxes using the assessed values determined by the Tax Assessor of Rapides Parish. For the year ended December 31, 2020, the District levied property taxes as follows:

<u>Description</u>	<u>Mills Levied</u>
On May 3, 2014, an election was held to authorize a five (5.00) mills ad valorem tax on each dollar of assessed valuation, on all property subject to such taxation within Rapides Parish for ten year, beginning with 2016 and ending in 2025 for the purpose of constructing, maintaining, and operating recreation facilities for the benefit of the Ward 10 area of Rapides Parish. Proceeds from this tax are considered unrestricted income, which is reported as general fund revenue in the accompanying statement of revenue, expenditures and changes in fund balance.	5.00

Property taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from property taxes are recognized as revenue in the year billed.

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District insures against these risks by participating in a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Ward 10 Recreation District

Rapides Parish, Louisiana

Statement of Revenue, Expenditures and Changes in Fund Balance - General Fund Budget and Actual For the Year Ended December 31, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$ 600,000	\$ 607,107	\$ 620,839	\$ 13,732
Investment Income	5	-	-	-
State Revenue Sharing	7,500	16,261	11,482	(4,779)
Other Revenues	<u>15,000</u>	<u>21,983</u>	<u>21,983</u>	<u>-</u>
Total revenues	<u>622,505</u>	<u>645,351</u>	<u>654,304</u>	<u>8,953</u>
<u>Expenditures:</u>				
Culture and Recreation	275,350	236,327	241,343	(5,016)
Capital Expenditures	283,680	333,264	333,264	-
Debt Service Expenditures	<u>63,475</u>	<u>63,875</u>	<u>-</u>	<u>63,875</u>
Total expenditures	<u>622,505</u>	<u>633,466</u>	<u>574,607</u>	<u>58,859</u>
Operating Transfers	<u>-</u>	<u>-</u>	<u>(56,591)</u>	<u>(56,591)</u>
Net Change in Fund Balances	-	11,885	23,106	11,221
Fund balance - beginning of year	<u>610,248</u>	<u>610,248</u>	<u>610,248</u>	<u>-</u>
Fund balance - end of year	<u>\$ 610,248</u>	<u>\$ 622,133</u>	<u>\$ 633,354</u>	<u>\$ 11,221</u>

Ward 10 Recreation District

Rapides Parish, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the Year Ended December 31, 2020

Agency Head - Mike Nelson, President

Purpose:

Compensation -

Benefits -

Reimbursements -

ADDITIONAL INFORMATION

The President of the Recreation District is the head of the agency and its chief executive officer. The President volunteers his services and does not receive any compensation, benefits or reimbursements.



June 22, 2021

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARD*

To the Board of Commissioners
Ward 10 Recreation District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the Ward 10 Recreation District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 22, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Ward 10 Recreation District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ward 10 Recreation District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Ward 10 Recreation District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



ROZIER, MCKAY & WILLIS
Certified Public Accountants

WARD 10 RECREATION DISTRICT

SCHEDULE OF FINDINGS

For the Year Ended December 31, 2020

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the basic financial statements of the Ward 10 Recreation District as of December 31, 2020 and for the year then ended expressed an unmodified opinion.
- The audit did not disclose any audit findings which are required to be reported as reportable conditions or material weaknesses.
- The results of the audit disclosed no instances of noncompliance or other matters that are considered to be material to the basic financial statements of the Ward 10 Recreation District.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

- None

WARD 10 RECREATION DISTRICT

MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Year Ended December 31, 2020

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
No findings that are material to the financial statements were reported.	Response – N/A
SECTION II MANAGEMENT LETTER	
No management letter was issued with this report.	Response – N/A

WARD 10 RECREATION DISTRICT

SUMMARY OF PRIOR YEAR FINDINGS For the Year Ended December 31, 2020

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
No findings that are material to the financial statements were reported.	Response – N/A
SECTION II MANAGEMENT LETTER	
No management letter was issued with this report.	Response – N/A