

Ward 10 Recreation District

Rapides Parish, Louisiana

**Annual Financial Report
For the Year Ended December 31, 2017**



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

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Independent Auditors' Report

June 29, 2018

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, 2017, 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, 2017, 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.

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 29, 2018, 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, HARRINGTON & MCKAY
Certified Public Accountants

Ward 10 Recreation District

Rapides Parish, Louisiana

Management's Discussion And Analysis

December 31, 2017

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,	
	2017	2016
<u>Assets:</u>		
Current and Other Assets	\$ 804,278	\$ 832,475
Capital Assets	3,488,855	3,331,813
Total Assets	<u>4,293,133</u>	<u>4,164,288</u>
<u>Liabilities:</u>		
Current and Other Liabilities	64,481	57,884
Long-term Liabilities	460,000	510,000
Total Liabilities	<u>524,481</u>	<u>567,884</u>

Ward 10 Recreation District

Rapides Parish, Louisiana

Management's Discussion And Analysis **December 31, 2017**

Net Position:

Invested in Capital Assets, Net	2,978,855	2,781,813
Restricted	3,565	57,998
Unrestricted	786,232	756,593
Total Net Position	<u>\$ 3,768,652</u>	<u>\$ 3,596,404</u>

As presented above, the largest portion of the net position (79.2%) is restricted for investment in capital assets and (0.1%) debt service. The remaining net position (20.7%) 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>2017</u>	<u>2016</u>
<u>General Revenues:</u>		
Property Taxes	583,837	624,614
State Revenue Sharing and Other	8,006	11,825
Other Revenues	12,876	
Investment Income	10	183
Total General Revenues	<u>604,729</u>	<u>636,622</u>
Total Revenues	<u>604,729</u>	<u>636,622</u>
<u>Program Expenses:</u>		
Culture and Recreation	413,934	367,047
Interest on Long-Term Debt	18,547	16,666
Total Expenses	<u>432,481</u>	<u>383,713</u>
Change in Net Position	172,248	252,909
Net Position Beginning	<u>3,596,404</u>	<u>3,343,495</u>
Net Position Ending	<u>\$ 3,760,652</u>	<u>\$ 3,596,404</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, 2017, 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, 2017***

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Total Revenues	\$ 514,230	\$ 596,763	\$ 604,725	\$ 7,962
Total Expenditures	458,507	565,106	570,976	(5,870)
Excess (deficiency) of revenues over expenditures	55,723	31,657	33,749	2,092
Operating Transfers Out	----	----	(13,338)	(13,338)
Change in Net Position	\$ 55,723	\$ 31,657	\$ 20,411	\$ (11,246)

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, 2017 was limited to depreciating existing assets along with competing minor improvements and equipment additions.

DEBT ADMINISTRATION

For the year ended December 31, 2017, no new debt was incurred. Activity associated the District's existing debt is presented as follows:

Beginning Balance	\$ 550,000
Retirements	40,000
Ending Balance	\$ 510,000

FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS

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

Ward 10 Recreation District

Rapides Parish, Louisiana

Statement of Net Position

December 31, 2017

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 208,804
Receivables (net)	591,909
Restricted Assets:	
Cash and Cash Equivalents	3,565
Capital Assets - Land	419,569
Capital Assets - Depreciable	<u>3,069,286</u>
Total Assets	<u><u>4,293,133</u></u>
 <u>LIABILITIES</u>	
Accounts Payable	7,043
Accrued Interest Payable from Restricted Assets	7,438
Liabilities Payable From Restricted Assets	
Long-term Debt Payable from Restricted Assets:	
Due Within One Year	50,000
Due in More than One Year	<u>460,000</u>
Total Liabilities	<u><u>524,481</u></u>
 <u>NET POSITION</u>	
Invested in Capital Assets, Net of Related Debt	2,978,855
Restricted for:	
Debt Service	3,565
Unrestricted	<u>786,232</u>
Total Net Position	<u><u>\$ 3,768,652</u></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, 2017

	<u>Governmental Activities</u>
Expenses:	
Culture and Recreation	\$ 413,934
Interest on Long-Term Debt	<u>18,547</u>
Total Expenses	432,481
General Revenues:	
Property Taxes	583,837
State Revenue Sharing	8,006
Other Revenues	12,876
Investment Income	<u>10</u>
Total General Revenues	<u>604,729</u>
Change in Net Position	172,248
Net Position - Beginning	<u>3,596,404</u>
Net Position - Ending	<u>\$ 3,768,652</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, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets			
Cash and Cash Equivalents	\$ 208,804	\$ 3,565	\$ 212,369
Receivables	591,909	-	591,909
Total assets	<u>\$ 800,713</u>	<u>\$ 3,565</u>	<u>\$ 804,278</u>
Liabilities and Fund Balance			
<u>Liabilities</u>			
Accounts Payable	\$ 7,043	\$ -	\$ 7,043
Total liabilities	<u>7,043</u>	<u>-</u>	<u>7,043</u>
<u>Fund Balance</u>			
Restricted For Debt Service	-	3,565	3,565
Unassigned	793,670	-	793,670
Total Fund Balances	<u>793,670</u>	<u>3,565</u>	<u>797,235</u>
Total Liabilities and Fund Balance	<u>\$ 800,713</u>	<u>\$ 3,565</u>	<u>\$ 804,278</u>

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

Total Fund Balances - Governmental Funds	\$ 797,235
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	(517,438)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>3,488,855</u>
Net Position of Governmental Activities	<u>\$ 3,768,652</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, 2017

	General	Debt Service	Total Governmental Funds
Revenues:			
Property Taxes	\$ 583,837	\$ -	\$ 583,837
Investment Income	6	5	11
Other Revenues	8,006		8,006
State Revenue Sharing	12,876	-	12,876
Total revenues	604,725	5	604,730
Expenditures:			
Culture and Recreation	283,803	-	283,803
Capital Expenditures	287,173	-	287,173
Debt Service	-	67,776	67,776
Total expenditures	570,976	67,776	638,752
Excess (Deficiency) of			
Revenues Over Expenditures	33,749	(67,771)	(34,022)
Other Financing Sources (Uses):			
Operating Transfers	(13,338)	13,338	-
Net Change in Fund Balances	20,411	(54,433)	(34,022)
Fund balance - Beginning of Year	773,259	57,998	831,257
Fund balance - End of Year	\$ 793,670	\$ 3,565	\$ 797,235

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	\$ (34,022)
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	40,000
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.	9,228
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	157,042
Change in net position of governmental activities	\$ 172,248

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

Ward 10 Recreation District

Rapides Parish, Louisiana

Notes To Financial Statements ***December 31, 2017***

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, 2017

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, 2017**

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, 2017 are presented as follows:

	Cash in Bank
Unrestricted	\$ 208,804
Restricted	3,565
Total	\$ 212,369

Cash in the District's bank account totaling \$219,819 (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, 2017. Uncollectible accounts were estimated at \$2,134, approximately 0.3% 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				
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, 2017

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Depreciable Capital Assets</u>				
Fixed Asset and Improvements	3,952,882	245,498	----	4,198,380
Equipment	488,412	41,675	----	530,087
Accumulated Depreciation	(1,529,050)	(130,131)	----	(1,659,181)
Depreciable Capital Assets (Net)	<u>2,912,244</u>	<u>157,042</u>	<u>----</u>	<u>3,069,286</u>
 Total Capital Assets	 <u>\$ 3,331,813</u>	 <u>\$ 157,042</u>	 <u>\$ ----</u>	 <u>\$ 3,488,855</u>

Depreciation on equipment and other improvements in the amount of \$130,131 has been reported as part of culture and recreation expenses.

NOTE 5 – ACCOUNTS PAYABLE

Accounts payable at December 31, 2017 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, 2017 is summarized as follows:

Certificates of Indebtedness	\$ 510,000
Due within one year	<u>50,000</u>
Due in more than one year	<u>\$ 460,000</u>

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

Bonds payable, January 1, 2017	\$ 550,000
New issues	----
Retirements	<u>40,000</u>
Bonds payable, December 31, 2017	<u>\$ 510,000</u>

Details related to certificates of indebtedness outstanding at December 31, 2017 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%.

	<u>\$ 510,000</u>
 Total Certificates of Indebtedness	 <u>\$ 510,000</u>

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

Notes To Financial Statements **December 31, 2017**

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

<u>Year Ended December 31st</u>	<u>Principal</u>	<u>Interest</u>
2018	50,000	16,975
2019	50,000	15,225
2020	50,000	13,475
2021	55,000	11,638
2022	55,000	9,712
2023 – 2026	250,000	17,850
 Total	 <u>\$ 510,000</u>	 <u>\$ 84,875</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 \$13,338 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, 2017, the District levied property taxes as follows:

Description	<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, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>Revenues:</u>				
Property Taxes	\$ 500,000	\$ 583,837	\$ 583,837	\$ -
Investment Income	230	10	6	(4)
State Revenue Sharing			8,006	
Other Revenues	<u>14,000</u>	<u>12,916</u>	<u>12,876</u>	<u>(40)</u>
Total revenues	<u>514,230</u>	<u>596,763</u>	<u>604,725</u>	<u>7,962</u>
<u>Expenditures:</u>				
Culture and Recreation	284,912	256,632	283,803	(27,171)
Capital Expenditures	173,595	308,474	287,173	21,301
Debt Service Expenditures	<u>55,723</u>	<u>67,466</u>	<u>-</u>	<u>67,466</u>
Total expenditures	<u>514,230</u>	<u>632,572</u>	<u>570,976</u>	<u>61,596</u>
Operating Transfers	-	-	(13,338)	(13,338)
Net Change in Fund Balances	-	(35,809)	20,411	56,220
Fund balance - beginning of year	<u>773,259</u>	<u>773,259</u>	<u>773,259</u>	<u>-</u>
Fund balance - end of year	<u>\$ 773,259</u>	<u>\$ 737,450</u>	<u>\$ 793,670</u>	<u>\$ 56,220</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, 2017

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 29, 2018

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, 2017, 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 29, 2018.

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*.

Post Office Box 12178 • Alexandria, Louisiana 71315-2178
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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, HARRINGTON & MCKAY
Certified Public Accountants

WARD 10 RECREATION DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COST

For the Year Ended December 31, 2017

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, 2017 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

PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:

- N/A

WARD 10 RECREATION DISTRICT

MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Year Ended December 31, 2017

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

WARD 10 RECREATION DISTRICT

SUMMARY OF PRIOR YEAR FINDINGS AND QUESTIONED COST For the Year Ended December 31, 2017

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
2016-1 Late Audit Report The financial audit is due to the Louisiana Legislative Auditor's office within six months of the close of the year. As a result of a clerical error, the audit was not engaged or completed and filed on time.	Resolved – The District's financial audit was submitted to the Louisiana Legislative Auditor's office within six months of the close of the fiscal year.
SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
No findings that are material to the financial statements were reported.	Response – N/A
SECTION III MANAGEMENT LETTER	
No management letter was issued with this report.	Response – N/A

APPENDIX A
**Statewide Agreed-Upon
Procedures**



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

Independent Accountant's Report
On Applying Agreed-Upon Procedures

The Honorable Mike Nelson
The Board of Commissioners and
The Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Ward 10 Recreational District (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1st, 2017 through December 31st, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated results are presented in the accompanying Schedule of Procedures, Results and Managements' Response.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Rozier, Harrington and McKay
Certified Public Accountants

June 29, 2018
Alexandria, Louisiana

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Written Policies and Procedures		
Agreed-Upon Procedure	Results	Managements' Response
<p>1 Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions:</p> <ul style="list-style-type: none"> • Budgeting • Purchasing • Disbursements • Receipts • Payroll/Personnel • Contracting • Credit Cards • Travel and expense reimbursements • Ethics • Debt 	<p>The District does not have any written procedures regarding the following functions:</p> <ul style="list-style-type: none"> ○ Budgeting ○ Purchasing ○ Disbursements ○ Receipts ○ Contracting ○ Payroll ○ Travel and Expense Reimbursement ○ Ethics ○ Debt Service <p>The following functions were not applicable to the District:</p> <ul style="list-style-type: none"> ○ Credit Cards 	<p><i>Due to the small size of our operation & limited staff, job duties are clearly understood despite the absence of written details. We will consider whether adopting formal written procedures would be beneficial.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and review the board/committee minutes for the fiscal period, and:</p> <p>a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation</p> <p>b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis)</p> <p>c) If budgets are adopted that increase an existing deficit, is there a formal written plan to eliminate deficit spending and do the minutes indicate periodic monitoring of the plan?</p> <p>d) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.</p>	<p>The board met with a quorum on a frequency in accordance with the board's enabling legislation.</p> <p>Budget-to-Actual comparisons are included as part of the Board's monthly report.</p> <p>Not applicable, no budgets were adopted that increase an existing deficit.</p> <p>The minutes referenced or included non-budgetary financial information.</p>	<p><i>The results did not contain any critical comments</i></p> <p><i>The results did not contain any critical comments.</i></p> <p><i>The results did not contain any critical comments.</i></p> <p><i>The results did not contain any critical comments.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Bank Reconciliations		
Agreed-Upon Procedure	Results	Managements' Response
3 Obtain a listing of client bank accounts from management	RHM has obtained a listing of all the District's bank accounts.	<i>The results did not contain any critical comments.</i>
4 Using the listing provided by management, select a minimum of five (5) bank accounts and report whether:		
a) Bank reconciliations have been prepared;	Bank Reconciliations had been prepared for all accounts.	<i>The results did not contain any critical comments.</i>
b) Bank reconciliations include evidence that a member of management or a board member has reviewed each bank reconciliation	Reconciliations have been approved by a member of management not associated with the transaction.	<i>The results did not contain any critical comments.</i>
c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.	There were no reconciling items outstanding for more than 6 months at the end of the year.	<i>The results did not contain any critical comments.</i>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Collections		
Agreed-Upon Procedure	Results	Managements' Response
<p>5 Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.</p> <p>6 Using the listing provided by management, select a minimum of five (5) cash collection locations, obtain written documentation and report whether:</p> <p>a) Each person responsible for collecting cash is:</p> <ul style="list-style-type: none"> • bonded, • not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account • not required to share the same cash register or drawer with another employee. <p>b) The entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.</p> <p>c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:</p> <ul style="list-style-type: none"> • Report whether the deposits were made within one day of collection. 	<p>All collection locations have been identified by management.</p> <p>The District maintains employee dishonesty coverage as part of their general liability insurance. The District's secretary is responsible for collections, however a third-party provides compensating controls. Collections are limited to checks that arrive by mail; as such no cash register or drawer is maintained by the District.</p> <p>The District has a process to reconcile collections to the general ledger. A third-party provides compensating controls, as one clerk prepares and makes the deposit.</p> <p>Deposits were not made within one day of collection.</p>	<p><i>The results did not contain any critical comments.</i></p> <p><i>The results did not contain any critical comments.</i></p> <p><i>The results did not contain any critical comments.</i></p> <p><i>Due to the District's small size, there are no full time administrative employees and no one is available to make daily deposits. The absence of daily deposits is mitigated by the small transaction volume that consists entirely of payments in the form of checks.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections		
Agreed-Upon Procedure	Results	Managements' Response
<ul style="list-style-type: none">• Verify that daily cash collections are completely supported by documentation <p>7 Obtain existing written documentation and report whether the entity has a process specifically defined to determine completeness of all collections by a person who is not responsible for collections.</p>	<p>All cash collections are completely supported by documentation.</p> <p>There is no formal process to access completeness of collections.</p>	<p><i>The results did not contain any critical comments.</i></p> <p><i>The District does not consider such a process necessary, as revenue arrives by check, from routine sources, in predictable amounts that can be easily verified with the remitting agency.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>8 Obtain a listing of entity disbursements from management</p> <p>9 Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:</p> <p>a) Purchases were initiated using a requisition/purchase order system.</p> <p>b) Purchase orders were approved by a person who did not initiate the purchase.</p> <p>c) Payments for purchases were not processed without</p> <ul style="list-style-type: none"> • An approved requisition and/or purchase order • A receiving report showing receipt of goods purchased, • An approved invoice. <p>10 Using entity documentation report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.</p>	<p>Management has provided RHM access to the general ledger accounting system.</p> <p>The District does not utilize a requisition/purchase order system. An approved invoice supported each transaction tested.</p> <p>A third-party is responsible for adding vendors to the District's purchasing/disbursement system.</p>	<p><i>The results did not contain any critical comments.</i></p> <p><i>Historically, the District has relied upon other documentation to verify the legitimacy of transactions. We will examine our system and determine whether purchase orders should be required for disbursements.</i></p> <p><i>The results did not contain any critical comments.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
11 Using entity documentation report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.	A member of the Board of Commissioners who is a signatory authority has the ability to initiate purchases. As a compensating control, the District requires two signatures on all checks.	<i>We believe that requiring two signatures successfully mitigates the absence of segregation.</i>
12 Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority. If checks are printed on blank check stock, review documentation and report if persons with signatory authority have system access to print check.	The supply of unused checks is maintained by a third-party. No person with signatory authority has access to blank check stock.	<i>The findings did not contain any critical comments.</i>
13 If a signature stamp or signature machine is used, inquire of the signer whether his or her signature and any signed checks is maintained under his or her control or is used only with the knowledge and consent of the signer.	The District does not utilize signature stamps or machines.	<i>The findings did not contain any critical comments.</i>

Ward 10 Recreational District

Statewide Agreed-Up Procedures

Schedule of Procedures, Results and Managements' Response

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Up Procedure	Results	Managements' Response
14 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards).	Management has represented that the District does not have any credit cards, debit cards, fuel cards, or P-Cards.	Not Applicable
15 Select the monthly statement or combined statement with the largest dollar activity for each card and:		
a) Is there evidence that the monthly statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.	See Above Comments.	Not Applicable
b) Report whether finance charges and/or late fees were assessed on the selected statements	See Above Comments.	Not Applicable
16 Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).		
a) Obtain supporting documentation for all transactions for each of the 10 cards selected by: <ul style="list-style-type: none"> • An original itemized receipt • Documentation of the business/public purpose • Other documentation that may be required by written policy 	See Above Comments.	Not Applicable

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
b) Compare the transaction's detail to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law	See Above Comments.	<i>Not Applicable</i>
c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution	See Above Comments.	<i>Not Applicable</i>

Ward 10 Recreational District

Statewide Agreed-Up Procedures

Schedule of Procedures, Results and Managements' Response

Travel and Expense Reimbursement		
Agreed-Up Procedure	Results	Managements' Response
17 Obtain from management a listing of all travel and related expense reimbursements, by person.	Management has represented that the District did not incur any costs related to travel or related expenditures in the current year.	Not Applicable
18 Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration and report any amounts that exceed GSA rates.	See Above	Not Applicable
19 Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:		
a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.	See Above	Not Applicable
b) Report whether each expense is supported by:	See Above	Not Applicable
• An original itemized receipt that identifies precisely what was purchased.		

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
<p>20 Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments.</p>	<p>Management has provided a list of contract vendors and represented that the list is complete.</p>	<p><i>The results did not include any critical comments.</i></p>
<p>21 Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:</p> <p>a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.</p> <p>b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:</p> <ul style="list-style-type: none"> • If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements. • If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice. <p>c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original</p>	<p>A formal/written contract supported the services arrangement for all five vendors.</p> <p>None of the five contracts were subject to the Public Bid Law.</p> <p>The were no change orders, or amendments to the agreements in the current year.</p>	<p><i>The results did not include any critical comments.</i></p> <p><i>The results did not include any critical comments.</i></p> <p><i>The results did not include any critical comments.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
<p>contract terms contemplated or provided for such an amendment.</p> <p>d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.</p> <p>e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).</p>	<p>The largest payment from each of the five contract vendors was in compliance with terms of the agreements.</p> <p>Board approval was documented for each of the vendors when required.</p>	<p><i>The results did not include any critical comments.</i></p> <p><i>The results did not include any critical comments.</i></p>

Ward 10 Recreational District

Statewide Agreed-Up Procedures

Schedule of Procedures, Results and Managements' Response

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
<p>22 Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:</p> <p>a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.</p> <p>b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.</p>	<p>Each of the five selected employees was paid according to the District's formal pay structure.</p> <p>All changes made to hourly pay during the fiscal year were formally documented by the District.</p>	<p><i>The results did not contain any critical comments.</i></p> <p><i>The results did not contain any critical comments.</i></p>
<p>23 Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:</p> <p>a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance</p>	<p>None of the selected employees or officials were able to provide documentation of hours worked.</p>	<p><i>Due to the small size of the District, management is familiar with the daily activities and leave time taken of employees. However, the District will examine its policies, and determine whether formal timekeeping records is in the best interest of the District.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
<p>and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)</p> <p>b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.</p> <p>c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.</p>	<p>None of the selected employees or officials were able to provide documentation of hours worked.</p> <p>None of the selected employees or officials were able to provide documentation of leave taken.</p>	<p><i>Due to the small size of the District, management is familiar with the daily activities and leave time taken of employees. However, the District will examine its policies, and determine whether formal timekeeping records is in the best interest of the District.</i></p> <p><i>Due to the small size of the District, management is familiar with the daily activities and leave time taken of employees. However, the District will examine its policies, and determine whether formal timekeeping records is in the best interest of the District.</i></p>
<p>24 Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.</p>	<p>Management represented that there were no leave payments at termination.</p>	<p><i>The results did not contain any critical comments.</i></p>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
25 Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.	Based on inspection of files, filings and payments were performed in a timely manner.	<i>The results did not contain any critical comments.</i>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
26 Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity-maintained documentation to demonstrate that required ethics training was completed.	None of the five selected employees had documentation that they had completed required ethics training.	<i>We will examine our procedures and insure that all employees complete the required ethics training.</i>
27 Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.	Per inquiry of management, no alleged ethics violations were reported to the District during the current fiscal period.	<i>The results did not contain any critical comments.</i>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Debt Service		
Agreed-Upon Procedure	Results	Managements' Response
28 If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.	No new debt was issued in the current year.	<i>The results did not contain any critical comments.</i>
29 If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.	The District made all required debt service payments during the current year.	<i>The results did not contain any critical comments.</i>
30 If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.	The District did not have tax millages related to debt service.	<i>The results did not contain any critical comments.</i>

Ward 10 Recreational District

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response

Other		
Agreed-Upon Procedure	Results	Managements' Response
31 Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.	The District's management was not aware of any misappropriations of public funds or assets.	<i>The results did not contain any critical comments.</i>
32 Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.	The District did not have the notice required by R.S. 24:523.1 posted on its premises.	<i>We will post the notice immediately.</i>
33 If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.	RHM did not observe or identify any exceptions regarding management's representation in the AUP.	<i>The results did not contain any critical comments.</i>