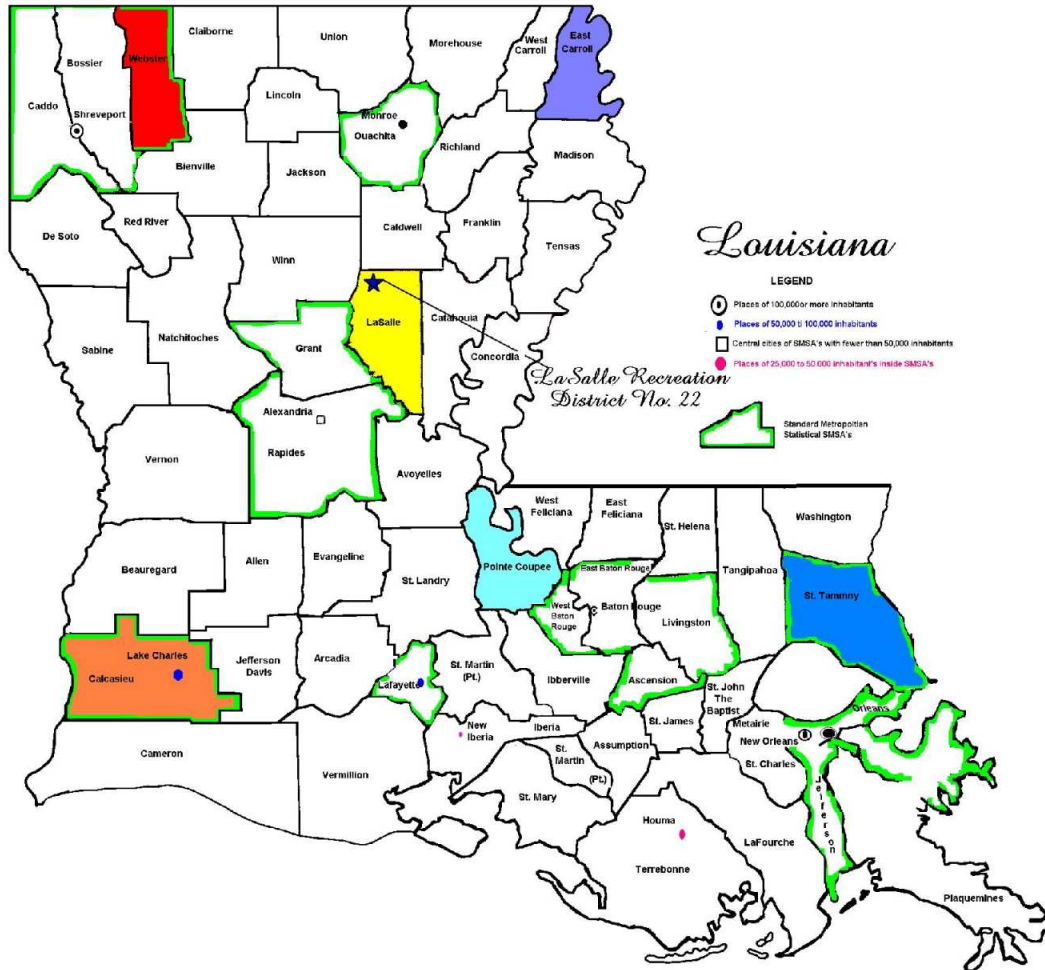


**LASALLE PARISH RECREATION  
DISTRICT 22  
OLLA, LOUISIANA**

**Financial Statements**

**December 31, 2019**

**LASALLE RECREATION DISTRICT NO. 22**  
**LASALLE PARISH POLICE JURY**  
**OLLA, LOUISIANA**



- LaSalle Parish Recreation District No. 22 was created by ordinance of the LaSalle Parish Police Jury on April 7, 1964, as authorized by Louisiana Revised Statute 33:4562-4566. The Recreation District is administered by a board of five commissioners who are qualified voters and residents of the District. The five commissioners are collectively referred to as the board of commissioners and are appointed by the LaSalle Parish Police Jury. The Recreation District owns and operates bowling, swimming and recreational facilities in the District to promote recreation for the general health and well-being of youth.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

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December 31, 2019**

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American Institute of  
Certified Public Accountants

Society of Louisiana  
Certified Public Accountants

Association of  
Certified Fraud Examiners

### **INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

Board of Directors  
LaSalle Parish Recreation District 22  
Olla, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities of the LaSalle Parish Recreation District 22, Olla, Louisiana, as of and for the year ended December 31, 2019, which collectively comprise the LaSalle Parish Recreation District 22's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, are 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. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

The other supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

*The Vercher Group*

Jena, Louisiana  
June 12, 2020

# LaSalle Parish Recreation District 22

PO Box 223

Olla, LA 71465

Telephone: (318) 495-5151

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the District, we offer readers of the LaSalle Parish Recreation District 22's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$461,004 (*net position*). Of this amount, \$147,247 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The District had total revenue of \$158,166. This is a \$606 increase from last year, mainly due to an increase in ad valorem tax.
- The District had total expenditures of \$155,671. This is a \$4,145 decrease from last year, mainly due to a decrease in other expenses.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The District is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the District adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

See independent accountant's report.

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## MD&A

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### FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### USING THIS ANNUAL REPORT

The District's annual report consists of financial statements that show information about the District's fund.

The General Fund is the primary operating fund of the District. It accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policy.

**Table 1**  
**Balance Sheet**

The following table represents a Comparative Balance Sheet as of December 31, 2019:

<b>Assets</b>	<b>2018</b>	<b>2019</b>	<b>% Change</b>
Current Assets	\$ 147,393	\$ 148,348	0.7
Capital Assets, Net	334,170	313,757	-0.7
<b>Total Assets</b>	<u>481,563</u>	<u>462,105</u>	-4.2
<b>Liabilities</b>			
Current Liabilities	13,641	1,101	-92.0
Non-Current Liabilities	-0-	-0-	0
<b>Total Liabilities</b>	<u>13,641</u>	<u>1,101</u>	-92.0
<b>Net Position</b>			
Net Investment in Capital Assets	323,170	313,757	-2.9
Unrestricted	144,752	147,247	1.7
<b>Total Net Position</b>	<u>467,922</u>	<u>461,004</u>	-1.5
<b>Total Liabilities &amp; Net Position</b>	<u>\$ 481,563</u>	<u>\$ 462,105</u>	-4.2

See independent accountant's report.

## MD&A

**Table 2**  
**Changes in Fund Balance**

The following table represents the Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended December 31, 2019:

	<u>2018</u>	<u>2019</u>	<u>% Change</u>
<b>Revenues:</b>			
Ad Valorem Tax	\$ 112,847	\$ 121,506	7.7
Service Revenue	43,942	36,213	-17.6
Other Revenue	771	447	-42.0
<b>Total Revenues</b>	<u>157,560</u>	<u>158,166</u>	0.4
<b>Expenses:</b>			
Administrative	62,854	55,232	-12.1
General	73,062	89,039	21.9
Debt Service	11,400	11,400	0.0
Other	12,500	-0-	-100.0
<b>Total Expenditures</b>	<u>159,816</u>	<u>155,671</u>	-2.6
<b>Other Financing Sources (Uses):</b>			
Loan Proceeds	-0-	-0-	0.0
<b>Total Other Financing Sources (Uses)</b>	<u>-0-</u>	<u>-0-</u>	0.0
<b>Increase (Decrease) in Fund Balance</b>	<u>(2,256)</u>	<u>2,495</u>	190.5
<b>Beginning Fund Balance</b>	<u>147,008</u>	<u>144,752</u>	-1.6
<b>Ending Fund Balance</b>	<u>\$ 144,752</u>	<u>\$ 147,247</u>	1.7

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### *Capital Assets*

At December 31, 2019, the District had \$313,757 invested in capital assets including buildings, land, and equipment.

	<u>Capital Assets</u>	
	<u>2018</u>	<u>2019</u>
Land *	\$ 12,760	\$ 12,760
Building	382,406	382,406
Equipment	222,685	222,685
Accumulated Depreciation	(283,681)	(304,094)
<b>Total Net Capital Assets</b>	<u>\$ 334,170</u>	<u>\$ 313,757</u>

\* Land is not being depreciated.

See independent accountant's report.

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## MD&A

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### *Long Term Debt*

The District entered into long term debt in order to install a new pool filtration system.

As of December 31, 2019, the District had outstanding long-term debt of \$0.

\$22,000 note payable due in annual installment of \$11,400 beginning March 1, 2018, interest at 3%	\$ <u>11,400</u>
	\$ <u>11,400</u>

The following is a summary of the long-term debt transactions of the LaSalle Parish Recreation District 22 for the year ended December 31, 2019:

Long-Term Debt, Beginning of Year	\$ 11,000
Debt issued during year	-0-
Debt retired during year	<u>(11,000)</u>
Balance at End of Year	<u>\$ -0-</u>

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Erin Masters, at the LaSalle Parish Recreation District 22, PO Box 223, Olla, Louisiana, 71465, telephone number (318) 992-3253.

See independent accountant's report.



## **Basic Financial Statements**

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Statement of Net Position  
December 31, 2019**

<b>ASSETS</b>	
<b>Current Assets</b>	
Cash	\$ 32,015
Ad Valorem Tax Receivable	116,333
<b>Total Current Assets</b>	<u>148,348</u>
<b>Non-Current Assets</b>	
Property, Plant, & Equipment, Net	313,757
<b>Total Non-Current Assets</b>	<u>313,757</u>
<b>TOTAL ASSETS</b>	<u>462,105</u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts Payable	1,101
Current Loan Payable	-0-
<b>Total Current Liabilities</b>	<u>1,101</u>
Non-Current Loan Payable	-0-
<b>Total Non-Current Liabilities</b>	<u>-0-</u>
<b>TOTAL LIABILITIES</b>	<u>1,101</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	313,757
Unrestricted	147,247
<b>TOTAL NET POSITION</b>	<u>\$ 461,004</u>

See independent accountant's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Statement of Activities  
Year Ended December 31, 2019**

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	CAPITAL GRANTS & OTHER CONTRIBUTIONS	NET (EXPENSE) REVENUE
Governmental Activities:				
General Government	\$ (164,684)	\$ 36,213	\$ -0-	\$ (128,471)
Interest Expense	(400)	-0-	-0-	(400)
<b>Total</b>	\$ (165,084)	\$ 36,213	\$ -0-	(128,871)
			<b>REVENUES:</b>	
			Ad Valorem Taxes	121,506
			Other Income	447
			<b>TOTAL REVENUES</b>	121,953
			<b>CHANGE IN NET POSITION</b>	(6,918)
			<b>NET POSITION- BEGINNING</b>	467,922
			<b>NET POSITION- ENDING</b>	\$ 461,004

See independent accountant's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Balance Sheet  
December 31, 2019**

	<u>GENERAL FUND</u>
<b>ASSETS</b>	
Cash	\$ 32,015
Ad Valorem Tax Receivable	116,333
<b>TOTAL ASSETS</b>	<u>148,348</u>
 <b>LIABILITIES &amp; FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts Payable	1,101
<b>TOTAL LIABILITIES</b>	<u>1,101</u>
 <b>FUND BALANCES</b>	
Unassigned	147,247
<b>TOTAL FUND BALANCES</b>	<u>147,247</u>
 <b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	 \$ <u>148,348</u>

See independent accountant's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Reconciliation of the Balance Sheet  
to the Statement of Net Position  
Year Ended December 31, 2019**

Total Fund Balance – Governmental Funds	\$ 147,247
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the balance sheet – governmental funds.	313,757
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	-0-
Total Net Position of Governmental Activities	\$ <u>461,004</u>

See independent accountant's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Statement of Revenues, Expenditures, & Changes in Fund Balances  
For the Year Ended December 31, 2019**

<b>REVENUE</b>	
Ad Valorem Tax	\$ 121,506
Bowling	3,009
Concessions	9,869
Swimming Pool Fees	5,679
After School Programs	898
Football League Fees	8,119
Party Income	370
Other Revenue	8,716
<b>TOTAL REVENUE</b>	<b>158,166</b>
 <b>EXPENDITURES</b>	
Payroll & Related Taxes	55,232
Supplies	15,371
Utilities	20,850
Insurance	7,672
Office Expense	13,273
Repairs & Maintenance	13,656
Professional Fees	3,565
Football League	7,516
Miscellaneous	7,136
Debt Service	11,400
Capital Outlay	-0-
<b>TOTAL EXPENDITURES</b>	<b>155,671</b>
 <b>NET CHANGE IN FUND BALANCE</b>	 <b>2,495</b>
 <b>FUND BALANCE – BEGINNING OF YEAR</b>	 <b>144,752</b>
<b>FUND BALANCE – END OF YEAR</b>	<b>\$ 147,247</b>

See independent accountant's report.  
The accompanying notes are an integral part of this statement.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances  
to the Statement of Activities  
Year Ended December 31, 2019**

Net Change in Fund Balance – Total Governmental Funds	\$	2,495
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Amounts reported for governmental activities in the Statement of Activities are different because:

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Loan Proceeds	-0-	
Principal Paid	11,000	
		11,000

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount which capital outlays exceeded depreciation in the current period.

Capital Outlays	-0-	
Depreciation	(20,413)	
		(20,413)
Change in Net Position of Governmental Activities	\$	(6,918)

See independent accountant's report.  
The accompanying notes are an integral part of this statement.

**Notes to the Basic Financial  
Statements**



**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**INTRODUCTION**

LaSalle Parish Recreation District 22 was created on April 7, 1964, by the LaSalle Parish Police Jury, as authorized by Louisiana Revised Statute 33:4562. The Recreational District is administered by a board of five commissioners who are appointed by the LaSalle Parish Police Jury. The District owns and operates recreational facilities and engages in activities designed to provide recreation to the Olla communities.

For financial reporting purposes, the District is a component unit of the LaSalle Parish Police Jury, the governing body of the parish. The accompanying financial statements present financial information only on the funds maintained by LaSalle Parish Recreation District 22 and do not present information on the Police Jury and the general government services provided by that governmental unit or any of its other component units.

**1. SUMMARY OF SIGNIFICANT POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the LaSalle Parish Recreation District 22 have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. Certain significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations;
- Financial statements prepared using full accrual accounting for all of the District's activities; and
- A change in the fund financial statements to focus on the major funds.

**B. REPORTING ENTITY**

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

**LaSalle Parish Recreation District 22**  
**Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

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

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury 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 police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
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.

Because the police jury appoints the District's board, the District was determined to be a component unit of the LaSalle Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by the police jury, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

Governmental funds account for all or most of the District's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District. The following are the District's governmental funds:

**General Fund** - The primary operating fund of the District; it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policy.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements (FFS)**

The amounts reflected in the General Fund of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District's operations. (See the reconciliation statements).

In the Fund Financial Statements, governmental fund equity is classified as a fund balance. The District has implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

**LaSalle Parish Recreation District 22**  
**Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

The amounts reflected in the General Fund of Statements in the FFS use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

***Revenues***

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Charges for services are recorded when received. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes have been treated as susceptible to accrual.

***Expenditures***

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Government-Wide Financial Statements (GWFS)**

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**LaSalle Parish Recreation District 22**  
**Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**Program Revenues** - Program revenues included in the Statement of Activities are derived directly from the District's users as a charge for services; program revenues reduce the cost of the function to be financed from the District's general revenues.

**Equity Classifications** – In the Government-Wide Financial Statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets – Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position – Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

**E. DEPOSITS & INVESTMENTS**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the District to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the District are reported at fair value.

**F. CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost. The District maintains a threshold level of \$1,500 for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<b>Description</b>	<b>Estimated Lives</b>
Buildings	40 years
Equipment	7 years

**G. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

**H. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**I. BUDGETS**

Budgets for the LaSalle Parish Recreation District 22 are adopted on a basis consistent with U.S. generally accepted accounting principles. The proposed budget, prepared on the modified accrual basis of accounting, for fiscal year December 31, 2019, was completed, published, and made available for public inspection in December 2019. The budget was legally adopted and amended, as necessary, by the LaSalle Parish Recreation District 22 following the public hearing. All expenditure appropriations lapse at year end. The LaSalle Parish Recreation District 22 has sole authority to make changes or amendments within various budget classifications.

**2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)**

At December 31, 2019, the District had cash and investments (bank balances) totaling \$27,292 as follows:

Cash in Bank	\$ 27,292
<b>Total</b>	<b>\$ <u>27,292</u></b>

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

***Deposits***

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The District's deposits are categorized to give an indication of the level of risk assumed by the District at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the District or by its agent in the District's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- ***Category 3*** – Uncollateralized.

*Amounts on deposit at the bank are secured by the following:*

<b>Description</b>	<b>Market Value</b>
FDIC ( <i>Category 1</i> )	\$ 27,292
Securities Pledged ( <i>Category 2</i> )	-0-
<b>Total</b>	\$ 27,292

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**3. RECEIVABLES**

The ad valorem taxes receivable as of December 31, 2019, were \$116,333. Allowance for doubtful accounts is considered immaterial and is not presented.

**4. AD VALOREM TAXES**

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following shows the amount of authorized and levied ad valorem taxes on property with assessed valuations totaling \$118,327.

General purposes	6.24 mills
Total taxes levied	\$118,327

**5. CAPITAL ASSETS**

Capital asset activity as of and for the year ended December 31, 2019, for the primary government is as follows:

<b>Capital Assets</b>	<b>Beginning of Period</b>	<b>Additions</b>	<b>Deletions/ Transfers</b>	<b>End of Period</b>
Land *	\$ 12,760	\$ -0-	\$ -0-	\$ 12,760
Buildings	382,406	-0-	-0-	382,406
Equipment	222,685	-0-	-0-	222,685
<b>Total Capital Assets</b>	<u>617,851</u>	<u>-0-</u>	<u>-0-</u>	<u>617,851</u>
Accumulated Depreciation	(283,681)	(20,413)	-0-	(304,094)
<b>Net Capital Assets</b>	<u>\$ 334,170</u>	<u>\$ (20,413)</u>	<u>\$ -0-</u>	<u>\$ 313,757</u>

\* Land is not being depreciated.

**6. ACCOUNTS PAYABLE**

The payables of \$1,101 at December 31, 2019, were as follows:

Vendors Payable	\$ <u>1,101</u>
<b>Total</b>	\$ <u>1,101</u>



**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**

**7. LONG-TERM DEBT**

The District entered into long term debt in order to install a new pool filtration system.

As of December 31, 2019, the District had outstanding long-term debt of \$0.

\$22,000 note payable due in annual installments of	
\$11,400 beginning March 1, 2018 with interest at 3%	\$ 11,400
	\$ 11,400

The following is a summary of the long-term debt transactions of the LaSalle Parish Recreation District 22 for the year ended December 31, 2019:

Long-Term Debt, Beginning of Year	\$ 11,000
Debt issued during year	-0-
Debt retired during year	(11,000)
Balance at End of Year	\$ -0-

**8. BOARD MEMBERS FOR THE YEAR ENDING DECEMBER 31, 2019**

Melinda Hatten	Chairman
Kathy Franklin	Vice Chairman
Andrew Strong	Board Member
Jeffrey Lasiter	Board Member
Dawn Blackwell	Board Member

Board members are paid \$-0- for their services.

**9. EXPENDITURES IN EXCESS OF APPROPRIATIONS**

The District overspent its budget by \$26,721 or 20.7% during the year.

**Required Supplementary Information**

**LaSalle Parish Recreation District 22**  
**Olla, Louisiana**  
**General Fund**  
**Budgetary Comparison Schedule**  
**Year Ended December 31, 2019**

	<b>BUDGETED AMOUNTS</b>			<b>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	
<b>REVENUES</b>				
Ad Valorem Tax	\$ 115,000	\$ 115,000	\$ 121,506	\$ 6,506
Service Revenue	21,000	21,000	31,534	10,534
Other Revenue	550	550	5,126	4,576
<b>TOTAL REVENUES</b>	136,550	136,550	158,166	21,616
<b>EXPENDITURES</b>				
Payroll & Related Taxes	60,000	60,000	55,232	4,768
Supplies	12,250	12,250	15,371	(3,121)
Utilities	20,800	20,800	20,850	(50)
Insurance	10,300	10,300	7,672	2,628
Office Expense	1,150	1,150	13,273	(12,123)
Repairs & Maintenance	17,400	17,400	13,656	3,744
Professional Fees	2,500	2,500	3,565	(1,065)
Miscellaneous	4,550	4,550	26,052	(21,502)
Capital Outlay	-0-	-0-	-0-	-0-
<b>TOTAL EXPENDITURES</b>	128,950	128,950	155,671	(26,721)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 7,600	\$ 7,600	\$ 2,495	\$ (5,105)
<b>FUND BALANCE – BEGINNING</b>			144,752	
<b>FUND BALANCE – END</b>			\$ 147,247	

See accountant's report.  
The accompanying notes are an integral part of this statement.

**Other Supplemental Information**

**LaSalle Parish Recreation District 22  
Olla, Louisiana**

**Schedule of Compensation Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2019**

LaSalle Parish Recreation District 22  
-Melinda Hatten, Chairman

Purpose	Amount
Salary	\$ -0-
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (List any other here)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.

See independent accountant's report.

John R. Vercher C.P.A.  
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## **THE VERCHER GROUP**

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### MEMBERS

American Institute of  
Certified Public Accountants

Society of Louisiana  
Certified Public Accountants

Association of  
Certified Fraud Examiners

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## **MANAGEMENT LETTER COMMENTS**

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During the course of our review, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the District's plan for corrective action.

### **CURRENT YEAR MANAGEMENT LETTER COMMENTS**

#### **2019-1 Budget Variance**

**Condition:** The District had an unfavorable expenditure variance of \$26,721 or 20.7% for the year.

**Criteria:** The Budget Act requires government to amend their budgets when revenues fall below budgeted amounts by more than 5% or when expenditures exceed 5% of appropriations.

**Cause of Condition:** Not amending the budget at year end.

**Effect of Condition:** Violation of the Budget Act.

**Recommendation:** The State Budget Act requires the budget to be amended when there is an unfavorable variance of more than 5%.

**Client Response and Corrective Action:** The District will amend the budget when there is an unfavorable variance of more than 5%.

**Contact Person:** Melinda Hatten

**Anticipated Completion Date:** December 31, 2020

**LASALLE PARISH RECREATION DISTRICT 22  
OLLA, LOUISIANA**

**MANAGEMENT'S SUMMARY  
OF PRIOR YEAR FINDINGS**

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Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of the LaSalle Parish Recreation District 22, Olla, Louisiana has provided the following action summaries relating to review findings brought to their attention as a result of their financial compilation for the year ended December 31, 2018.

**PRIOR YEAR FINDINGS**

**2018-1 Budget Variance (Unresolved)**

**Condition:** The District had an unfavorable expenditure variance of \$11,166 or 7.5% for the year.

**Criteria:** The Budget Act requires government to amend their budgets when revenues fall below budgeted amounts by more than 5% or when expenditures exceed 5% of appropriations.

**Cause of Condition:** Not amending the budget at year end.

**Effect of Condition:** Violation of the Budget Act.

**Recommendation:** The State Budget Act requires the budget to be amended when there is an unfavorable variance of more than 5%.

**Client Response and Corrective Action:** The District will amend the budget when there is an unfavorable variance of more than 5%.