

NIBLETT'S BLUFF PARK COMMISSION  
Vinton, Louisiana

ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS

Year Ended December 31, 2018

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## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis

Within this section of the Niblett's Bluff Park Commission's (Commission) annual financial report, the Commission's management is pleased to provide this narrative discussion and analysis of the financial activities of the Commission for the fiscal year ended December 31, 2018. The Commission's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### FINANCIAL HIGHLIGHTS

- The Commission's assets exceeded its liabilities by \$1,442,142 (net position) for the fiscal year reported.
- Total revenues of \$640,857 were more than total expenses of \$435,455, which resulted in a current year excess of \$205,402 compared to the prior year excess of \$61,750.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$706,884 includes property and equipment, net of accumulated depreciation. There is no outstanding debt related to the purchase or construction of capital assets.
  - (2) Unrestricted net position of \$735,258 represents the portion available to maintain the Commission's continuing obligations to taxpayers and creditors.
- At the end of the current fiscal year, unrestricted net position was 169% of total expenses and 115% of total revenues.
- Overall, the Commission continues to maintain a strong financial position and is continuing to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

#### OVERVIEW OF FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the Commission's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Commission also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

The Commission's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Commission's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

#### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the Commission's assets plus deferred outflows of resources, less liabilities, less deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission as a whole is improving or deteriorating. Evaluation of the overall health of the Commission would extend to other nonfinancial factors such as diversification of the taxpayer base, or the condition of Commission infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Commission's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Commission's distinct activities or functions on revenues provided by the Commission's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Commission that are principally supported by tax and from activities that are intended to recover all or a significant portion of their costs through user fees and charges.

#### FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Commission uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Commission's most significant funds rather than the Commission as a whole.

The Commission has one kind of fund:

*Governmental fund* is reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Commission's governmental fund. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives

#### NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

#### OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Commission's budget presentations. Budgetary comparison statements are included as "required supplemental information" for the general fund. This schedule demonstrates compliance with the Commission's adopted and final revised budget.

#### FINANCIAL ANALYSIS OF THE COMMISSION AS A WHOLE

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Commission as a whole.

The Commission's net position at fiscal year-end is \$1,442,142. The following table provides a summary of the Commission's net position:

	2018	2017
Assets:		
Current assets	\$ 744,850	\$ 531,993
Capital assets, net	706,884	716,812
Total assets	\$ 1,451,734	\$ 1,248,805
Deferred outflows of resources	\$ -	\$ -
Liabilities:		
Current liabilities	\$ 9,592	\$ 12,065
Deferred inflows of resources	\$ -	\$ -

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

Net position:	2018	2017
Net investment in capital		
assets	\$ 706,884	\$ 716,812
Unrestricted	735,258	519,928
Total net position	\$ 1,442,142	\$ 1,236,740

The Commission continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio is 77.7 and 44.1 to 1 for 2018 and 2017, respectively. Net position increased by \$205,402 and increased by \$61,750 for 2018 and 2017, respectively. Note that approximately 49% and 58%, for 2018 and 2017, respectively, of the net position is tied up in capital.

The Commission uses these capital assets to provide services to its taxpayers.

The following table provides a summary of the Commission's changes in net position:

	2018	2017
Revenues	\$ 640,857	\$ 517,207
Expenses	435,455	455,457
Change in Net Position	205,402	61,750
Beginning Net Position	1,236,740	1,174,990
Ending Net Position	\$ 1,442,142	\$ 1,236,740

### GOVERNMENTAL REVENUES

The Commission is heavily reliant on property taxes to support governmental operations. Property taxes provided 55% of the Commission's total revenues. As a result, the general economy and the local businesses have a major impact on the Commission's revenue streams.

### BUDGETARY HIGHLIGHTS

The General Fund - The budget was amended once during the year. Budgeted revenues were increased by 69.5%. Budgeted expenditures were increased by 43%. The final budget exceeded actual revenues by \$45,364 or 4%, mainly due to ad valorem taxes, and the actual expenditures were less than the final budget by \$130,028 or 23%, mainly due to salaries.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital assets

The Commission's net investment in capital assets as of December 31, 2018, was \$706,884. See Note C for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

NIBLETT'S BLUFF PARK COMMISSION

Management's Discussion and Analysis (Continued)

	<u>2018</u>	<u>2017</u>
Nondepreciable assets:		
Construction in progress	\$ <u>          -</u>	\$ <u>  88,094</u>
Depreciable assets:		
Buildings	\$ 847,635	\$ 756,514
Leasehold improvements	266,469	236,095
Equipment	<u>199,786</u>	<u>199,786</u>
Total depreciable assets	1,313,890	1,192,395
Less accumulated depreciation	<u>607,006</u>	<u>563,667</u>
Book value-depreciable assets	<u>\$ 706,884</u>	<u>\$ 628,718</u>
Percentage depreciated	<u>53%</u>	<u>47%</u>
Book value-all assets	<u>\$ 706,884</u>	<u>\$ 716,812</u>

The Commission added a South Cottage and new premium RV sites.

DEBT

At the end of the fiscal year, the Commission had no debt.

ECONOMIC CONDITIONS AFFECTING THE COMMISSION

Since the primary revenue stream for the Commission is property taxes, the Commission's property tax revenues are subject to changes in the economy. Since property taxes are considered an "elastic" revenue stream, tax collections are higher in a flourishing economy and are lower in a depressed economy.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Commission's finances, comply with finance-related laws and regulations, and demonstrate the Commission's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Commission's Clerk, Debbi McBride, 1200 Horridge St., Vinton, LA 70668.

INDEPENDENT AUDITORS' REPORT

June 27, 2019

Board of Commissioners  
Niblett's Bluff Park Commission  
Vinton, Louisiana

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of the governmental activities and each major fund of the Niblett's Bluff Park Commission, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Commission'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.

***Auditors' Responsibility***

Our responsibility is to express opinions on these basic 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 basic financial statements are free of 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 auditors' 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Niblett's Bluff Park Commission as of December 31, 2018, 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.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 3-7 and 29, respectively 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 the 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted principally 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 Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Niblett's Bluff Park Commission's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Chief Executive Officer is presented on page 31 for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Chief Executive Officer 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. Such 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

Niblett's Bluff Park Commission  
June 27, 2019  
Page Three

America. In our opinion, the schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2019, on our consideration of the Niblett's Bluff Park Commission's internal control over financial reporting and 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 the 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 Niblett's Bluff Park Commission's internal control over financial reporting and compliance.

*Gragson, Casiday & Guillory*

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS

NIBLETT'S BLUFF PARK COMMISSION

Statement of Net Position

December 31, 2018

ASSETS	
Cash	\$ 370,905
Receivables	363,137
Prepaid insurance	10,808
Capital assets, net	706,884
Total assets	<u>\$ 1,451,734</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>\$ -</u>
LIABILITIES	
Accounts payable and other accrued payables	<u>\$ 9,592</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>\$ -</u>
NET POSITION	
Net investment in capital assets	706,884
Net position - unrestricted	735,258
Total net position	<u>\$ 1,442,142</u>

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

NIBLETT'S BLUFF PARK COMMISSION

Statement of Activities

Year Ended December 31, 2018

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenues (Expenses) and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ 435,455	\$ 145,866	\$ 124,042	\$ (165,547)
		General Revenues:		
				353,985
				6,113
				10,743
				108
			Total General Revenues	<u>370,949</u>
			Change in Net Position	205,402
			Net Position - beginning	<u>1,236,740</u>
			Net Position - ending	<u>\$ 1,442,142</u>

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

FUND FINANCIAL STATEMENTS

NIBLETT'S BLUFF PARK COMMISSION

Balance Sheet - Governmental Funds

December 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 370,905	\$ 158,599
Receivable		
Property taxes (net)	363,134	362,552
Accrued interest	3	3
Prepaid insurance	10,808	10,839
TOTAL ASSETS	<u>744,850</u>	<u>531,993</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 744,850</u>	<u>\$ 531,993</u>
LIABILITIES		
Accounts payable	\$ 5,979	\$ 9,171
Accrued liabilities	3,613	2,894
TOTAL LIABILITIES	<u>9,592</u>	<u>12,065</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>
FUND BALANCES		
Unassigned	735,258	519,928
TOTAL FUND BALANCES	<u>735,258</u>	<u>519,928</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 744,850</u>	<u>\$ 531,993</u>

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

NIBLETT'S BLUFF PARK COMMISSION

Reconciliation of the Balance Sheet-Governmental Fund to the  
Statement of Net Position

December 31, 2018

Total fund balance for governmental fund at December 31, 2018	\$ 735,258
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net of \$607,006 accumulated depreciation	<u>706,884</u>
Total net position of governmental activities at December 31, 2018	<u>\$ 1,442,142</u>

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

NIBLETT'S BLUFF PARK COMMISSION

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Governmental Fund

Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUES		
Ad valorem taxes, net	\$ 353,985	\$ 353,418
State revenue sharing	6,113	4,251
Camper fees	128,466	99,673
Rentals	17,400	14,100
Interest	108	96
Intergovernmental	124,042	5,000
Other revenues	10,743	40,669
TOTAL REVENUES	<u>640,857</u>	<u>517,207</u>
EXPENDITURES		
General government		
Advertising	1,010	763
Fuel and oil	8,425	6,657
Insurance	26,621	27,812
Janitorial services	7,978	6,022
Meals	-	99
Professional fees	10,650	7,000
Repairs and maintenance	63,398	36,982
Repairs and maintenance - flood	49,029	120,011
Salaries	131,403	121,647
Sanitation disposal	10,658	8,035
Supplies - general	6,210	6,716
Supplies - janitorial	1,166	1,516
Supplies - office	10,858	12,930
Taxes	12,314	11,219
Uniforms	326	1,023
Utilities	52,080	45,910
Capital Outlay	33,401	175,145
TOTAL EXPENDITURES	<u>425,527</u>	<u>589,487</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	215,330	(72,280)
FUND BALANCE - BEGINNING	<u>519,928</u>	<u>592,208</u>
FUND BALANCE - ENDING	<u>\$ 735,258</u>	<u>\$ 519,928</u>

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

NIBLETT'S BLUFF PARK COMMISSION

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balance-Governmental Fund to the Statement of Activities

Year Ended December 31, 2018

Total net changes in fund balances at December 31, 2018 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 215,330
The change in net position reported for governmental activities in the Statement of Activities different because:		
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.		
Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 33,401	
Depreciation expense for the year ended December 31, 2018	<u>(43,329)</u>	<u>(9,928)</u>
Total changes in net position at December 31, 2018 per Statement of Activities		<u>\$ 205,402</u>

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

## NIBLETT'S BLUFF PARK COMMISSION

### Notes to Basic Financial Statements

December 31, 2018

#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Niblett's Bluff Park Commission was created by Act 489 of 1980. The Commission consists of seven commissioners initially appointed by the Calcasieu Parish Police Jury. Successors to the original commissioners are appointed by the Commission. The Commission is authorized to develop, maintain and operate Niblett's Bluff Park.

The more significant of the government's accounting policies are described below.

##### 1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Niblett's Bluff Park Commission includes all funds, account groups, et cetera, that are within the oversight responsibility of the Niblett's Bluff Park Commission.

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

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Commission 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 Commission 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 Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, Niblett's Bluff Park Commission does not have a component unit and is not a component unit of any reporting entity.

Continued

## NIBLETT'S BLUFF PARK COMMISSION

### Notes to Basic Financial Statements

December 31, 2018

#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

##### 2. Basis of Presentation

The accompanying basic financial statements of the Commission 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 No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", issued in June 1999.

##### Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Commission as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees and charges paid by the recipients of services offered by the Commission; and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### Fund Financial Statements

The Commission uses funds to maintain its financial records during the year. Fund accounting is designated to demonstrate legal compliance and to aid management by segregating transactions related to certain Commission functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

The Commission has one fund, the General Fund, which is therefore considered its major fund.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are Measurement Focus recorded regardless of the measurement focus applied.

On the government-wide statement of net position and the statement of activities, the activities are presented using the economic resources management focus. In the fund financial statements, the "current financial resources" measurement focus. Only current financial assets, deferred outflows of resources, liabilities and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

4. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the 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. At December 31, 2018, the Commission has \$361,043 in deposits (collected bank balances). These deposits are secured from risk by \$328,081 of federal deposit insurance and \$32,962 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

5. Budgets

A budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the government's Board of Commissioners for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

6. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

7. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	25-40 years
Leasehold Improvements	20-30 years
Equipment	5-7 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

8. Compensated Absences

The Commission has the following policy relating to vacation leave (there is no policy on sick leave): seven days after one year of employment, fourteen days after three years and twenty-one days after five years. Earned vacation time is expected to be used within one year of accrual.

At December 31, 2018, the Commission had no liability for accrued vacation leave.

9. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires 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 and expenses during the reported period. Actual results could differ from those estimates.

10. Equity Classification

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- b. Restricted net position – Consists of net position with constraints placed on the 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.
- c. Unrestricted net position– All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as assigned and unassigned.

- a. Assigned fund balance – Includes fund balance amounts that are intended to be used for specific purposes based on internal (Board) actions.
- b. Unassigned fund balance – Includes positive fund balance within the general fund which has not been classified within the above mentioned categories.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, expenditures are to be spent from restricted fund balance first and then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and finally, the unassigned fund balance.

11. Subsequent Events

Management has evaluated subsequent events through June 27, 2019, the date the financial statements were available to be issued.

12. Comparative Data

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Commission's financial position and operations.

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2018

NOTE B - AD VALOREM TAXES

For the year ended December 31, 2018 taxes of 6.03 mills were levied on property with assessed valuations totaling \$62,171,704 and were dedicated as follows:

General corporate purposes	6.03 mills
Assessed taxes	\$ 374,894

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

NOTE C - CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2018 follows:

	Beginning of Year	Additions	Deletions	End of Year
Governmental activities:				
Buildings	\$ 756,514	\$ 91,121	\$ -	\$ 847,635
Leasehold improvements	236,095	30,374	-	266,469
Equipment	199,786	-	-	199,786
Construction in progress	<u>88,094</u>	<u>33,401</u>	<u>(121,495)</u>	<u>-</u>
Totals at historical cost	1,280,489	154,896	(121,495)	1,313,890
Less accumulated depreciation for:				
Buildings	311,748	21,009	-	332,757
Leasehold improvements	121,436	6,373	-	127,809
Equipment	<u>130,493</u>	<u>15,947</u>	<u>-</u>	<u>146,440</u>
Total accumulated depreciation	<u>563,677</u>	<u>43,329</u>	<u>-</u>	<u>607,006</u>
Governmental activities capital assets, net	<u>\$ 716,812</u>	<u>\$ 111,567</u>	<u>\$ (121,495)</u>	<u>\$ 706,884</u>

In 2018 the Commission added a new South Cottage and premium RV sites.

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2018

NOTE D - NIBLETT'S BLUFF PARK LEASE

On September 2, 1981, the Commission leased 35 acres, known as Niblett's Bluff Park, from the Calcasieu Parish Police Jury for a period of 25 years. The Commission has renewed the lease for one additional period of 25 years. The Commission agreed to care for and maintain the grounds and improvements of the leased premises and to use the leased premises specifically for such activities as related to matters of recreation for the general public in the area served by the lease.

NOTE E - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Commission. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAL INFORMATION

NIBLETT'S BLUFF PARK COMMISSION

Budgetary Comparison Schedule - General Fund

Year Ended December 31, 2018

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes, net	\$ 300,000	\$ 508,500	\$ 353,985	\$ (154,515)
State revenue sharing	6,000	10,170	6,113	(4,057)
Camper fees	68,000	115,260	128,466	13,206
Rentals	20,000	33,900	17,400	(16,500)
Interest	-	-	108	108
Intergovernmental	9,350	15,848	124,042	108,194
Other revenues	1,500	2,543	10,743	8,201
<b>TOTAL REVENUES</b>	<b>404,850</b>	<b>686,221</b>	<b>640,857</b>	<b>(45,364)</b>
<b>EXPENDITURES</b>				
General government				
Advertising	500	715	1,010	(295)
Fuel and oil	5,000	7,150	8,425	(1,275)
Insurance	35,000	50,050	26,621	23,429
Janitorial services	10,000	14,300	7,978	6,322
Professional fees	6,500	9,295	10,650	(1,355)
Re-enactment	5,000	7,150	-	7,150
Repairs and maintenance	45,700	65,351	112,427	(47,076)
Salaries	155,000	221,650	131,403	90,247
Sanitation disposal	6,500	9,295	10,658	(1,363)
Supplies - general	5,000	7,150	6,210	940
Supplies - janitorial	3,000	4,290	1,166	3,124
Supplies - office	10,500	15,015	10,858	4,157
Taxes	300	429	12,314	(11,885)
Travel	500	715	-	715
Uniforms	-	-	326	(326)
Utilities	50,000	71,500	52,080	19,420
Capital Outlay	50,000	71,500	33,401	38,099
<b>TOTAL EXPENDITURES</b>	<b>388,500</b>	<b>555,555</b>	<b>425,527</b>	<b>130,028</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>16,350</b>	<b>130,666</b>	<b>215,330</b>	<b>84,664</b>
<b>FUND BALANCE - BEGINNING</b>	<b>519,928</b>	<b>519,928</b>	<b>519,928</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 536,278</b>	<b>\$ 650,593</b>	<b>\$ 735,258</b>	<b>\$ 84,664</b>

OTHER INFORMATION

NIBLETT'S BLUFF PARK COMMISSION

Schedule of Compensation, Benefits and Other Payments  
To Chief Executive Officer

Year Ended December 31, 2018

Chief Executive Officer: Darrell Shull, Board President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Benefits-cell phone	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing Unvouchered expenses	-
Special meals	-

# GRAGSON, CASIDAY & GUILLORY, LLP

Certified Public Accountants

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MICHELLE LEE, C.P.A.  
BRADLEY J. CASIDAY, C.P.A., C.V.A.  
GRAHAM A. PORTUS, E.A.  
KATHRYN BLESSINGTON, C.P.A.  
JACKLYN BARLOW, C.P.A.  
BRIAN MCCAIN, C.P.A.  
BLAKE MANUEL, C.P.A.

## 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 STANDARDS

June 27, 2019

Board of Commissioners  
Niblett's Bluff Park Commission  
Vinton, Louisiana

We have audited, 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, the financial statements of the governmental activities and each major fund of the Niblett's Bluff Park Commission as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Niblett's Bluff Park Commission's basic financial statements, and have issued our report thereon dated June 27, 2019.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Niblett's Bluff Park Commission'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 Niblett's Bluff Park Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Niblett's Bluff Park Commission'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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our

145 East Street • Lake Charles, LA 70601  
Mailing Address: P.O. Drawer 1847 • Lake Charles, LA 70602-1847  
phone: 337.439.1986 • fax: 337.439.1366 • [www.gcgcpa.com](http://www.gcgcpa.com)

audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Niblett's Bluff Park Commission's financial statements are free of 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* that are described in the accompanying schedule of findings and responses.

### **Niblett's Bluff Park Commission's Response to Findings**

Niblett's Bluff Park Commission's response to the findings identified in our audit is described in the accompanying findings and responses. The Commission's response was not subjected to the auditing procedures in the audit of the financial statements, and accordingly, we express no opinion on it.

### **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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Gragson, Casiday & Guillory*

NIBLETT'S BLUFF PARK COMMISSION

Schedule of Findings and Responses

Year Ended December 31, 2018

1. Summary of Auditors' Results:

Type of auditors' opinion issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_yes Xno

Control deficiency(s) identified that are not considered to be material weakness(es)? Xyes \_\_\_none reported

Noncompliance material to financial statements noted? \_\_\_yes Xno

2. Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

**Finding #2018-001:**

**Inadequate Segregation of Duties**

Condition: Because of the small size of the Commission's office staff, the opportunity for segregation of duties is limited. Effective internal control requires adequate segregation of duties among entity personnel.

Effect: Without proper segregation of duties, misstatements in amounts may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: To the extent cost effective, duties should be segregated and management should attempt to mitigate this weakness by supervision and review procedures.

Management Response/Corrective Action Planned: Management has responded that it does not believe that it is cost effective to employ adequate personnel to achieve appropriate segregation of duties. Management has implemented supervision and review procedures such as review and approval of supporting documents related to expenditures, review listings of revenue received and review bank reconciliations on a monthly basis.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Schedule of Findings and Responses - Continued

Year Ended December 31, 2018

**Finding 2018-002:**

**Budgetary Authority and Control**

Condition: Inadequate budgeting procedures resulted in the general fund revenues being under budget by 5% or more.

Criteria: Inadequate budgeting procedures.

Effect: Violation of Louisiana Revised Statute 39:1310.

Recommendation: The District should review actual revenues and expenditures on an interim basis and amend the budget if necessary.

Corrective Action Planned/ Management Response: The District agrees with the finding and will implement the recommendations. The budget noncompliance is a direct result of amending the budget after the balance sheet date. The District will implement the amendment, if any, prior to year end in the future.

3. Federal Award Findings and Responses

N/A

4. Prior Year Findings

**Finding #2017-001:**

Inadequate Segregation of Duties.

Corrective Action Taken: None, repeat finding in 2018

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 27, 2019

Board of Commissioners  
Niblett's Bluff Park Commission  
Vinton, Louisiana

We have performed the procedures included enumerated below, which were agreed to by the Niblett's Bluff Park Commission 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 year January 1, 2018 through December 31, 2018. The Commission'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 findings are as follows:

### Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations)
  - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.  
***The Commission does not have a complete written policies and procedures manual.***
  - b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.  
***The Commission does not have a complete written policies and procedures manual.***
  - c) *Disbursements*, including processing, reviewing, and approving.  
***The Commission does not have a complete written policies and procedures manual.***
  - d) *Receipt/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmations with outside parties,

reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequence, agency fund forfeiture monies confirmation).

***The Commission does not have a complete written policies and procedures manual.***

- e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

***The Commission does not have a complete written policies and procedures manual.***

- f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

***The Commission does not have a complete written policies and procedures manual.***

- g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage (.e.g., determining the reasonableness of fuel card purchases).

***The Commission does not have a complete written policies and procedures manual.***

- h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

***The Commission does not have a complete written policies and procedures manual.***

- i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

***The Commission does not have a complete written policies and procedures manual.***

- j) *Debt Service*, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

***The Commission does not have a complete written policies and procedures manual.***

***Management response: A written policies and procedures manual is currently in process and will be adopted during the next year.***

#### ***Board or Finance Committee***

---

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

***The board met monthly, however, there was no quorum for February, April and October.***

***Management response: Meetings are scheduled monthly. Meetings without quorum are to be rescheduled.***

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

*The minutes reference monthly budget-to-actual comparisons on the general fund.*

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

*Not applicable, the general fund did not have a negative ending unrestricted fund balance in the prior year audit report.*

### **Bank Reconciliations**

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- 3. Obtain a listing of the entity's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

*The bank reconciliation included evidence that they were prepared within 2 months of the related statement closing date.*

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

*The bank reconciliation include evidence that a member of management/board member reviewed the reconciliation.*

- c) Management has documentation reflecting that is has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*For one of the accounts tested, there were items outstanding for more than 12 months from the statement closing date with no documentation reflecting management's research.*

***Management response: Management will document its research of items outstanding for more than 12 months.***

### ***Collections***

---

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites ( or all deposit sites if less than 5).

***The listing was provided by management.***

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select on collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe the job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.

***The cash drawer is shared.***

***Management response: The Commission employs a limited number of office personnel. The Commission does not have the financial resources to employ more personnel to maintain adequate segregation of duties. The board is responsible for reviewing each bank reconciliation as a compensating control.***

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

***The employee responsible for collecting cash is also responsible for preparing/making bank deposits and reconciles collection documentation to the deposit.***

***Management response: The board is responsible for reviewing each bank reconciliation as a compensating control.***

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledger, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

***The employee responsible for collecting cash is responsible for posting collection entries to the general ledger.***

***Management response: The board is responsible for reviewing each bank reconciliation as a compensating control.***

- d) The employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

***The employee responsible for reconciling cash collections to the general ledger is responsible for collecting cash.***

***Management response: The board is responsible for reviewing each bank reconciliation as a compensating control.***

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*All employees who have access to cash are covered by an errors and omissions policy.*

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made no the same day). Obtain supported documentation for each of the deposits and:

- a) Observe that receipts are sequentially pre-numbered.

*The Commission uses prenumber receipts, when applicable.*

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*All cash collections were accompanied by collection documentation and traced to the deposit slip.*

- c) Trace the deposit slip total to the actual deposit per the bank statement.

*All deposits selected cleared the bank account timely and intact.*

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

*All deposits selected were made within one business day of receipt.*

- e) Trace the actual deposit per the bank statement to the general ledger.

*All deposits selected were traced to the general ledger. No exceptions.*

***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements and petty cash purchases)***

---

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

*The listing was provided by management.*

9. For each location selected under #8 above, obtain a list of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job

duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

*Purchase orders are not utilized. Purchases can be initiated by a single employee.*

- b) At least two employees are involved in processing and approving payments to vendors.

*At least two employees are involved in processing and approving payments to vendors.*

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

*The employee responsible for processing payments is not prohibited from adding/modifying vendor files. No other employee is responsible for periodically reviewing changes to vendor files.*

*Management response: The Commission employs only a few office staff personnel who performs all accounting functions of payments, collections, deposits and recording. The Commission does not have the financial resources to employ more personnel to maintain adequate segregation of duties. The board's review of disbursements on a monthly basis minimizes exposure to errors and misappropriation of funds.*

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

*The employee responsible for processing payments mails payments after checks are signed.*

*Management response: The Commission employs only a few office staff personnel who performs all accounting functions of payments, collections, deposits and recording. The Commission does not have the financial resources to employ more personnel to maintain adequate segregation of duties. The board's review of disbursements on a monthly basis minimizes exposure to errors and misappropriation of funds.*

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

*All transactions tested where paid by and matched the original invoice.*

- b) Observe that the disbursement documentation included evidence (e.g. initial/date, electronic logging) of segregation of duties tested under #9 as applicable.

*Purchases were made by single employee, the employee responsible for processing payments is not prohibited from adding/modifying vendor files, and payments were mailed by the employee who processes payments.*

*Management response: The Commission employs only a few office staff personnel who performs all accounting functions of payments, collections, deposits and recording. The Commission does not have the financial resources to employ more personnel to maintain adequate segregation of duties. The board's review of disbursements on a monthly basis minimizes exposure to errors and misappropriation of funds.*

#### Credit Cards/Debit Cards/Fuel Cards/P-Cards

---

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*The listing was provided by management.*

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excess fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.

*The monthly statements were approved, in writing, by someone other than the authorized card holder.*

- b) Observe that finance charges and/or late fees were assessed on the selected statements.

*A finance charge of \$22.96 was assessed on the statement selected.*

*Management Response: Procedures will be initiated to require credit card statements to be timely paid.*

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

*All transactions tested had original itemized receipts attached to the statement with written documentation of the business/public purpose. None of the transactions selected were meal charges.*

***Travel and Travel-Related Expense Reimbursements (Excluding card transactions)***

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

***There were no travel or travel-related expense reimbursements during the fiscal period.***

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

***There were no travel or travel-related expense reimbursements during the fiscal period.***

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

***There were no travel or travel-related expense reimbursements during the fiscal period.***

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

***There were no travel or travel-related expense reimbursements during the fiscal period.***

***Contracts***

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the list is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

***There were no agreements/contracts initiated or renewed during the fiscal year.***

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

***There were no agreements/contracts initiated or renewed during the fiscal year.***

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

*There were no agreements/contracts initiated or renewed during the fiscal year.*

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*There were no agreements/contracts initiated or renewed during the fiscal year.*

### ***Payroll and Personnel***

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16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees/officials, obtain their paid salaries and personnel files, and agree paid salaries to the authorized pay rates in the personnel files.

*The listing was provided by management. All salaries were paid in accordance to authorized payrates.*

17. Randomly select on pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that 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 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.)

*All employees tested had documentation of daily attendance and leave.*

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

*No exceptions.*

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

*No exceptions.*

18. Obtain a listing of those employees/officials that received termination pay during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the payrates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

*No exceptions.*

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*Management's representation was obtained.*

***Ethics***

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20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*Two of the five employees selected for testing maintained the documentation of completion of the required one-hour ethics training on the Code of Governmental Ethics as required by Louisiana Revised Statute 42:1170 (3)(a)(i).*

*Management response: Management requires employees to complete the one hour of ethics training.*

- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

*Not applicable. The Commission does not have a complete written policies and procedures manual*

***Debt Service***

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21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the list is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that the State Bond Commission approval was obtained for each bond/note issued.

*No debt was issued during the fiscal year.*

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select on bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

*The Commission had no outstanding debt during the fiscal year.*

***Other***

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*Management informed us that the Commission did not have any misappropriation of public funds or assets during the fiscal year.*

24. Observe the entity has posted on its premises and website, the notice required by R.S. 24:523.1. concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*The Commission has the required notice posted in a conspicuous place upon its premises. The Commission does not have a website.*

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 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.

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