

NIBLETT'S BLUFF PARK COMMISSION  
Vinton, Louisiana

ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS

Year Ended December 31, 2017

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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, 2017. 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 \$1,236,740 (net position) for the fiscal year reported.
- Total revenues of \$517,207 were more than total expenses of \$455,457, which resulted in a current year excess of \$61,750 compared to the prior year deficit of \$232,720.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$716,812 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 \$519,928 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 114% of total expenses and 101% 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 \$1,174,990. The following table provides a summary of the Commission's net position:

	<u>2017</u>	<u>2016</u>
Assets:		
Current assets	\$ 531,993	\$ 611,427
Capital assets, net	<u>716,812</u>	<u>582,782</u>
Total assets	<u>\$ 1,248,805</u>	<u>\$ 1,194,209</u>
Deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>
Liabilities:		
Current liabilities	<u>\$ 12,065</u>	<u>\$ 19,219</u>
Deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>

## NIBLETT'S BLUFF PARK COMMISSION

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

Net position:	2017	2016
Net investment in capital assets	\$ 716,812	\$ 582,782
Unrestricted	519,928	592,208
Total net position	\$ 1,236,740	\$ 1,174,990

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 44.1 and 31.9 to 1 for 2017 and 2016, respectively. Net position increased by \$61,750 and decreased by \$232,720 for 2017 and 2016, respectively. Note that approximately 58% and 50%, for 2017 and 2016, 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:

	2017	2016
Revenues	\$ 517,207	\$ 580,709
Expenses	455,457	813,429
Change in Net Position	61,750	(232,720)
Beginning Net Position	1,174,990	1,407,710
Ending Net Position	\$ 1,236,740	\$ 1,174,990

### GOVERNMENTAL REVENUES

The Commission is heavily reliant on property taxes to support governmental operations. Property taxes provided 68% 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 \$49,029, mainly for camper fees. Budgeted expenditures were increased by \$220,798 mainly due to capital outlay. The actual revenues exceeded the final budget by \$72,678 or 16%, mainly due to ad valorem taxes and other revenues, and the actual expenditures were less than the final budget by \$19,261 or 3%, mainly due to salaries.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital assets

The Commission's net investment in capital assets as of December 31, 2017, was \$716,812. See Note C for additional information about changes in capital assets during the fiscal year and

NIBLETT'S BLUFF PARK COMMISSION

Management's Discussion and Analysis (Continued)

outstanding at the end of the year. The following table provides a summary of capital asset activity.

	<u>2017</u>	<u>2016</u>
Nondepreciable assets:		
Construction in progress	\$ <u>88,094</u>	\$ <u>-</u>
Depreciable assets:		
Buildings	\$ 756,514	\$ 756,514
Leasehold improvements	236,095	194,676
Equipment	<u>199,786</u>	<u>154,154</u>
Total depreciable assets	1,192,395	1,105,344
Less accumulated depreciation	<u>563,667</u>	<u>522,562</u>
Book value-depreciable assets	<u>\$ 628,718</u>	<u>\$ 582,782</u>
Percentage depreciated	<u>47%</u>	<u>47%</u>
Book value-all assets	<u>\$ 716,812</u>	<u>\$ 582,782</u>

The Commission added a new RV sites, two side by sides, two Lazer Z X mowers and a rake attachment.

The construction in progress consists of a new South Cottage and premium RV sites. Both are expected to be completed in the year ending December 31, 2018.

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.



**Gragson, Casiday & Guillory, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

RAYMOND GUILLORY, JR., C.P.A.  
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BRIAN MCCAIN, C.P.A.  
BLAKE MANUEL, C.P.A.

INDEPENDENT AUDITORS' REPORT

June 26, 2018

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, 2017, 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

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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, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***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 26, 2018  
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 26, 2018, 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

NIBLETT'S BLUFF PARK COMMISSION

Statement of Net Position

December 31, 2017

ASSETS	
Cash	\$ 158,599
Receivables	362,555
Prepaid insurance	10,839
Capital assets, net	716,812
Total assets	<u>\$ 1,248,805</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>\$ -</u>
LIABILITIES	
Accounts payable and other accrued payables	<u>\$ 12,065</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>\$ -</u>
NET POSITION	
Net investment in capital assets	716,812
Net position - unrestricted	519,928
Total net position	<u>\$ 1,236,740</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, 2017

<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	\$ 455,457	\$ 113,773	\$ 5,000	\$ (336,684)
		General Revenues:		
				353,418
				4,251
				40,669
				96
			Total General Revenues	<u>398,434</u>
			Change in Net Position	61,750
			Net Position - beginning	<u>1,174,990</u>
			Net Position - ending	<u><u>\$ 1,236,740</u></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, 2017

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash	\$ 158,599	\$ 271,567
Receivable		
Property taxes (net)	362,552	327,438
Accrued interest	3	-
Prepaid insurance	10,839	12,422
<b>TOTAL ASSETS</b>	<u>531,993</u>	<u>611,427</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
	<u>\$ 531,993</u>	<u>\$ 611,427</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 9,171	\$ 14,636
Accrued liabilities	2,894	4,583
<b>TOTAL LIABILITIES</b>	<u>12,065</u>	<u>19,219</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>		
Unassigned	519,928	592,208
<b>TOTAL FUND BALANCES</b>	<u>519,928</u>	<u>592,208</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
	<u>\$ 531,993</u>	<u>\$ 611,427</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, 2017

Total fund balance for governmental fund at December 31, 2017	\$ 519,928
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 \$563,677 accumulated depreciation	<u>716,812</u>
Total net position of governmental activities at December 31, 2017	<u>\$ 1,236,740</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, 2017

	<u>2017</u>	<u>2016</u>
REVENUES		
Ad valorem taxes, net	\$ 353,418	\$ 324,800
State revenue sharing	4,251	5,933
Camper fees	99,673	23,077
Rentals	14,100	15,132
Interest	96	1,408
Intergovernmental	5,000	209,355
Other revenues	40,669	1,004
TOTAL REVENUES	<u>517,207</u>	<u>580,709</u>
EXPENDITURES		
General government		
Advertising	763	436
Care of wildlife	-	159
Fuel and oil	6,657	4,632
Insurance	27,812	31,482
Janitorial services	6,022	1,300
Meals	99	-
Pest control	-	600
Professional fees	7,000	6,500
Repairs and maintenance	36,982	394,289
Repairs and maintenance - flood	120,011	-
Salaries	121,647	111,944
Sanitation disposal	8,035	6,449
Supplies - general	6,716	15,080
Supplies - janitorial	1,516	792
Supplies - office	12,930	8,751
Taxes	11,219	10,090
Travel	-	325
Uniforms	1,023	-
Utilities	45,910	34,607
Capital Outlay	175,145	47,668
TOTAL EXPENDITURES	<u>589,487</u>	<u>675,104</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(72,280)	(94,395)
FUND BALANCE - BEGINNING	<u>592,208</u>	<u>686,603</u>
FUND BALANCE - ENDING	<u>\$ 519,928</u>	<u>\$ 592,208</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, 2017

Total net changes in fund balances at December 31, 2017 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (72,280)
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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	\$ 175,145	
Depreciation expense for the year ended December 31, 2017	<u>(41,115)</u>	<u>134,030</u>

Total changes in net position at December 31, 2017 per Statement of Activities	<u>\$ 61,750</u>
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The accompanying notes are an integral part of the basic financial statements.

# NIBLETT'S BLUFF PARK COMMISSION

## Notes to Basic Financial Statements

December 31, 2017

### 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, 2017

### 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, 2017

### 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, 2017

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, 2017, the Commission has \$154,743 in deposits (collected bank balances). These deposits are secured from risk by \$154,743 of federal deposit insurance.

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, 2017

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, 2017, 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, 2017

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 26, 2018, 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, 2017

NOTE B - AD VALOREM TAXES

For the year ended December 31, 2017 taxes of 5.89 mills were levied on property with assessed valuations totaling \$63,409,116 and were dedicated as follows:

General corporate purposes	5.89 mills
Assessed taxes	\$ 373,481

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, 2017 follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Governmental activities:				
Buildings	\$ 756,514	\$ -	\$ -	\$ 756,514
Leasehold improvements	194,676	41,419	-	236,095
Equipment	154,154	45,632	-	199,786
Construction in progress	-	88,094	-	88,094
Totals at historical cost	<u>1,105,344</u>	<u>175,145</u>	-	<u>1,280,489</u>
Less accumulated depreciation for:				
Buildings	291,879	19,869	-	311,748
Leasehold improvements	116,639	4,797	-	121,436
Equipment	<u>114,044</u>	<u>16,449</u>	-	<u>130,493</u>
Total accumulated depreciation	<u>522,562</u>	<u>41,115</u>	-	<u>563,677</u>
Governmental activities capital assets, net	<u>\$ 582,782</u>	<u>\$ 134,030</u>	<u>\$ -</u>	<u>\$ 716,812</u>

In 2017 the Commission added full hookup RV sites, two side by sides, two Lazer Z X mowers and a rake attachment.

The construction in progress consists of a new South Cottage and premium RV sites. Both are expected to be completed in the year ending December 31, 2018, with additional costs of \$3,500 and \$10,000 respectively.

## NIBLETT'S BLUFF PARK COMMISSION

### Notes to Basic Financial Statements

December 31, 2017

#### 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.

#### NOTE F – FLOOD EVENTS

In March 2016 and November 2017, the Sabine River Area and Niblett's Bluff Park had significant rainfall and flooding of 3-6 feet. The park was completely submerged, with damage to all buildings and equipment, and complete loss of all business services and revenues. The park did not have any flood insurance coverage. Significant renovations and replacement of equipment will have to be done by the park with limited reimbursements from FEMA. The park will utilize currently available funds, with limited anticipated borrowings, to make renovations and replacements to gradually reinstall services and revenue sources.

REQUIRED SUPPLEMENTAL INFORMATION

NIBLETT'S BLUFF PARK COMMISSION

Budgetary Comparison Schedule - General Fund

Year Ended December 31, 2017

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Ad valorem taxes, net	\$ 300,000	\$ 320,000	\$ 353,418	\$ 33,418
State revenue sharing	6,000	4,300	4,251	(49)
Camper fees	68,000	105,729	99,673	(6,056)
Rentals	20,000	15,000	14,100	(900)
Interest	-	-	96	96
Intergovernmental	-	-	5,000	5,000
Other revenues	1,500	(500)	40,669	41,169
<b>TOTAL REVENUES</b>	<b>395,500</b>	<b>444,529</b>	<b>517,207</b>	<b>72,678</b>
<b>EXPENDITURES</b>				
General government				
Advertising	500	1,000	763	237
Fuel and oil	5,000	7,000	6,657	343
Insurance	35,000	35,000	27,812	7,188
Janitorial services	10,000	10,000	6,022	3,978
Meals	-	-	99	(99)
Professional fees	6,500	6,500	7,000	(500)
Re-enactment	5,000	5,000	-	5,000
Repairs and maintenance	44,750	64,495	156,993	(92,498)
Salaries	155,000	155,000	121,647	33,353
Sanitation disposal	6,500	12,000	8,035	3,965
Supplies - general	5,000	5,000	6,716	(1,716)
Supplies - janitorial	3,000	8,000	1,516	6,484
Supplies - office	10,500	48,500	12,930	35,570
Taxes	700	700	11,219	(10,519)
Travel	500	500	-	500
Uniforms	-	53	1,023	(970)
Utilities	50,000	50,000	45,910	4,090
Capital Outlay	50,000	200,000	175,145	24,855
<b>TOTAL EXPENDITURES</b>	<b>387,950</b>	<b>608,748</b>	<b>589,487</b>	<b>19,261</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>7,550</b>	<b>(164,219)</b>	<b>(72,280)</b>	<b>91,939</b>
<b>FUND BALANCE - BEGINNING</b>	<b>592,208</b>	<b>592,208</b>	<b>592,208</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 599,758</b>	<b>\$ 427,989</b>	<b>\$ 519,928</b>	<b>\$ 91,939</b>

OTHER INFORMATION

NIBLETT'S BLUFF PARK COMMISSION

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

Year Ended December 31, 2017

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, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

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COY T. VINCENT, C.P.A.  
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 26, 2018

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, 2017, 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 26, 2018.

**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

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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, 2017

1. Summary of Auditors' Results:

Type of auditors' opinion issued: Unqualified

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 #2017-001:**

**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.

3. Federal Award Findings and Responses

N/A

Continued

NIBLETT'S BLUFF PARK COMMISSION

Schedule of Findings and Responses - Continued

Year Ended December 31, 2017

4. Prior Year Findings

None



**Gragson, Casiday & Guillory, L.L.P.**  
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INDEPENDENT AUDITORS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

June 26, 2018

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

We have performed the procedures included enumerated below, which were agreed to by 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 (SAUP's) for the year ended December 31, 2017. The Commission's management is responsible for those C/C areas identified in the SAUP's.

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***

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1. Obtain the Commission's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the Commission does not have any written policies and procedures), as applicable:
  - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.  
***The Commission does not have a 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 policies and procedures manual.***
  - c) *Disbursements*, including processing, reviewing, and approving.  
***The Commission does not have a policies and procedures manual.***
  - d) *Receipts*, including receiving, recording, and preparing deposits.  
***The Commission does not have a 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 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 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.

***The Commission does not have a 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 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 Commission's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

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

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

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

***Board (or Finance Committee, if applicable)***

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- 2. Obtain and review the board minutes for the fiscal year, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

***The Board met monthly during the fiscal year.***

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the Commission's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal year reflect that the board is monitoring the plan.

*The minutes did not reference nor include monthly budget-to-actual comparisons.*

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal year.

*Minutes, where applicable, contained approval of non-budgetary financial information.*

### ***Bank Reconciliations***

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3. Obtain a listing of Commission bank accounts from management and management's representation that the listing is complete.

*The listing was provided by management.*

4. Using the listing provided by management, select all of the Commission's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal year and report whether:

- a) Bank reconciliations have been prepared;

*Bank reconciliations were prepared for all of the selected bank accounts for all months in the fiscal year.*

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

*There is no documentation that a member of management or a board member has reviewed each bank reconciliation.*

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

*For the accounts tested, there were 46 items outstanding for more than 6 months as of the end of the fiscal period with no documentation reflecting management's research.*

### ***Collections***

---

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

*The listing was provided by management.*

6. Using the listing provided by management, select all of the Commission's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more

than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

***The employees accepting payments are covered by an error and omissions policy. The person who collects cash is also responsible for depositing the cash; recording the related transaction and reconciling the related bank account. Cash drawers are maintained and shared by employees.***

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the Commission has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

***The Commission has such a process and is performed by the same person responsible for collections.***

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using Commission collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

***All deposits were made within one day of collections.***

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

***No evidence of exceptions was found during the testing.***

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the Commission has a process specifically defined (identified as such by the Commission) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

***The Commission has such a process, not in writing, and is performed by the same person responsible for collections.***

***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

8. Obtain a listing of Commission disbursements from management or, alternately, obtain the general ledger and sort/filter for Commission disbursements. Obtain management's representation that the listing or general ledger population is complete.

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

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the Commission had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

**Randomly selected 25 disbursements and obtained supporting documentation for each transaction.**

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

***Not applicable, the Commission does not utilize a requisition/purchase order system nor an equivalent electronic system.***

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

***Not applicable, the Commission does not utilize a requisition/purchase order system nor an equivalent electronic system.***

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

***The Commission does not utilize a requisition/purchase order system nor an equivalent electronic system. However, payments tested had an approved invoice.***

10. Using Commission documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the Commission's purchasing/disbursement system.

***The individual responsible for processing payment is not prohibited from adding vendors to the system.***

11. Using Commission documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

*An individual with signatory authority and authorization for disbursements also has responsibility to initiate or record purchases.*

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review Commission documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

*The Commission's unused checks are maintained in a locked location. However, a person with signatory authority does have access to the unused checks and system access to print checks.*

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

*The Commission does not have a signature stamp. Checks are maintained under the control of the signer or authorized user until mailed.*

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

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14. 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.*

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the Commission has less than 10 cards) that were used during the fiscal year, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

*The monthly statement was reviewed and approved by someone other than the authorized card holder.*

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

*No finance charges or late fees were assessed on the selected statement.*

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
- An original itemized receipt (i.e., identifies precisely what was purchased).

*Each transaction tested was supported by an original itemized receipt.*

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

*Each transaction tested had the business/public purpose documented.*

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

*The Commission does not have a written policy for credit cards.*

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the Commission's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

*The Commission does not have a written purchasing/disbursements policy. The transactions were not subject to Louisiana Public Bid Law.*

- c) For each transaction, compare the Commission's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*Each transaction tested had the business/public purpose documented.*

#### *Travel and Expense Reimbursement*

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17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal year or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

*The listing was provided by management.*

18. Obtain the Commission's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

***The Commission does not have a written policy related to travel and expense reimbursements.***

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the Commission does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

***Each expense was reimbursed at the entity's established rate. No reimbursements tested exceeded the GSA rates.***

- b) Report whether each expense is supported by:
- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

***Each expense was supported by a receipt.***

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

***Documentation supported business/public purpose.***

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

***The Commission does not have a written policy for travel reimbursements.***

- c) Compare the Commission's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

***No exceptions noted.***

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

***Each expense was reviewed and approved, in writing, by someone other than the person receiving reimbursement.***

### ***Contracts***

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

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

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

***Of the five highest paid vendors, two had formal/written contracts. However, invoices were present for all payments.***

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the Commission complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

***The contracts/vendors complied with public bid law when applicable.***

- If no, obtain supporting contract documentation and report whether the Commission solicited quotes as a best practice.

***Solicited quotes were obtained when applicable.***

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

***None of the contracts were amended.***

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

***Payments complied with the invoices/contract.***

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

***Documentation provided reflected approval by the Board.***

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

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- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

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

- a) Review compensation paid to each employee during the fiscal year and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

***All selected employees were paid in strict accordance with the approved pay rate structure.***

- b) Review changes made to hourly pay rates/salaries during the fiscal year and report whether those changes were approved in writing and in accordance with written policy.

***Not applicable, there were no changes made to hourly pay rates/salaries during the fiscal year.***

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the Commission had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance 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.)

***Not applicable, entity does not have a written leave policy.***

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

***Not applicable, entity does not have a written leave policy.***

- c) Report whether there is written documentation that the Commission maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

***Not applicable, entity does not have a written leave policy.***

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and

obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

***The Commission had no terminations during the fiscal period.***

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

***Documentation reflected that payroll tax returns were timely filed and paid.***

### ***Ethics***

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26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the Commission maintained documentation to demonstrate that required ethics training was completed.

***Ethics training documentation was maintained where required.***

27. Inquire of management whether any alleged ethics violations were reported to the Commission during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the Commission's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

***Management was not notified of any alleged or actual ethics violations during the fiscal period.***

### ***Debt Service***

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28. If debt was issued during the fiscal year, obtain supporting documentation from the Commission, and report whether State Bond Commission approval was obtained.

***No debt was issued during the fiscal year.***

29. If the Commission had outstanding debt during the fiscal period, obtain supporting documentation from the Commission and report whether the Commission made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

***Not applicable, the Commission had no outstanding debt during the fiscal period.***

30. If the Commission had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

***Not applicable. The Commission did not have any tax millages related to debt service.***

***Other***

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31. Inquire of management whether the Commission had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the Commission reported the misappropriation to the legislative auditor and the District attorney of the parish in which the Commission is domiciled.

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

32. Observe and report whether the Commission has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

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

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

***The practitioner did not observe or otherwise identify any exceptions regarding management's representations in the procedures above.***

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 SAUP's. 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 SAUP's, 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.

*Gregson Casiday & Guillory*