

# **Ward 9 Recreation District**

## **Rapides Parish, Louisiana**

**Annual Financial Report**  
**For the Year Ended December 31, 2018**



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Independent Auditors' Report

June 21, 2019

To the Board of Commissioners  
Ward 9 Recreation District  
Rapides Parish, Louisiana

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, and each major fund of the Ward 9 Recreation District, a component unit of the Rapides Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

**AUDITOR'S RESPONSIBILITY**

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

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

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

**OPINIONS**

*In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Ward 9 Recreation District, 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.*

**REQUIRED SUPPLEMENTAL INFORMATION**

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

**OTHER SUPPLEMENTAL INFORMATION**

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

**OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARD**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2019, on our consideration of the Ward 9 Recreation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Ward 9 Recreation District's internal control over financial reporting and compliance.



ROZIER, HARRINGTON & MCKAY  
Certified Public Accountants

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## **Management's Discussion and Analysis** **December 31, 2018**

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This section of the Ward 9 Recreation District's annual financial report presents our discussion and analysis of the District's financial performance.

### **OVERVIEW OF FINANCIAL STATEMENTS**

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

#### **Government –Wide Financial Statements**

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

#### **Fund Financial Statements**

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

### **FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

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

#### **Net Position**

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

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
<b><u>Assets:</u></b>		
Current and Other Assets	\$ 1,637,357	\$ 1,649,851
Capital Assets	6,226,279	6,459,955
Total Assets	<u>7,863,636</u>	<u>8,109,806</u>
<b><u>Liabilities:</u></b>		
Current and Other Liabilities	360,188	364,882
Long-term Liabilities	1,008,111	1,276,837
Total Liabilities	<u>1,368,299</u>	<u>1,641,719</u>

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## **Management's Discussion and Analysis** **December 31, 2018**

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
<b><u>Net Position:</u></b>		
Invested in Capital Assets, Net	4,933,168	4,903,118
Restricted	1,033,646	1,082,904
Unrestricted	528,523	482,065
Total Net Position	<u>\$ 6,495,337</u>	<u>\$ 6,468,087</u>

As presented above, the largest portion of the net position (75.9%) is restricted for investment in capital assets and (15.9%) debt service. The remaining net position (8.2%) is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors.

### **Changes in Net Position**

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

	<u>For the Year Ended December 31,</u>	
	<u>2018</u>	<u>2017</u>
<b><u>Program Revenues:</u></b>		
Charges for Services	\$ 69,878	\$ 71,051
Capital Grants and Contributions	----	----
Total Program Revenue	<u>69,878</u>	<u>71,051</u>
<b><u>General Revenues:</u></b>		
Property Taxes	739,963	716,461
State Revenue Sharing	15,417	15,259
Investment Income	2,139	1,385
Total General Revenues	<u>757,519</u>	<u>733,105</u>
Total Revenues	<u>827,397</u>	<u>804,156</u>
<b><u>Program Expenses:</u></b>		
Culture and Recreation	743,177	764,849
Interest on Long-Term Debt	56,970	68,110
Total Expenses	<u>800,147</u>	<u>832,959</u>
Change in Net Position	27,250	(28,803)
Net Position Beginning	<u>6,468,087</u>	<u>6,496,890</u>
Net Position Ending	<u>\$ 6,495,337</u>	<u>\$ 6,468,087</u>

As presented above, the District's net position has increased as a result of prudent management and an increase in property tax revenue.

### **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

For the year ended December 31, 2018, the only differences between amounts reported by the District's funds and activities reported in the government-wide financial statements are attributable to excluding capital assets and long-term debt that appear on the government-wide presentation.

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## **Management's Discussion and Analysis** **December 31, 2018**

### **GENERAL FUND BUDGET HIGHLIGHTS**

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

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenues	\$ 512,750	\$ 517,750	\$ 555,959	\$ 38,209
Total Expenditures	512,750	969,752	509,501	460,251
Excess (deficiency) of revenues over expenditures	----	(452,002)	46,458	498,460
Operating Transfers Out	----	----	----	----
Change in Net Position	\$ ----	\$ (452,002)	\$ 46,458	\$ 498,460

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

### **CAPITAL ASSET ADMINISTRATION**

Activity for the year ended December 31, 2018 was limited to depreciating existing assets along with completing minor improvements and equipment additions.

### **DEBT ADMINISTRATION**

For the year ended December 31, 2018, no new debt was incurred. Activity associated the District's existing debt is presented as follows:

	<u>General Obligation Bonds Series 2004</u>	<u>General Obligation Refunding Bonds Series 2011</u>	<u>Delayed Costs</u>	<u>Total</u>
Beginning Balance	\$ 345,000	\$ 1,255,000	\$ (43,163)	\$ 1,556,837
Retirements	45,000	235,000	(16,274)	263,726
Ending Balance	\$ 300,000	\$ 1,020,000	\$ (26,889)	\$ 1,293,111

### **FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS**

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

# **Ward 9 Recreation District**

## **Rapides Parish, Louisiana**

### **Statement of Net Position**

**December 31, 2018**

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	<u>Governmental Activities</u>
<b><u>ASSETS</u></b>	
Cash and Cash Equivalents	\$ 133,651
Receivables (net)	452,866
Restricted Assets:	
Cash and Cash Equivalents	792,689
Receivables (net)	258,151
Capital Assets - Land Improvements	2,589,352
Capital Assets - Depreciable	<u>3,636,927</u>
<b>Total Assets</b>	<b><u>7,863,636</u></b>
 <b><u>LIABILITIES</u></b>	
Accounts Payable	5,411
Compensated Absences	52,583
Liabilities Payable From Restricted Assets	
Accrued Interest Payable from Restricted Assets	17,194
Long-term Debt Payable from Restricted Assets:	
Due Within One Year	285,000
Due in More than One Year	<u>1,008,111</u>
<b>Total Liabilities</b>	<b><u>1,368,299</u></b>
 <b><u>NET POSITION</u></b>	
Invested in Capital Assets, Net of Related Debt	4,933,168
Restricted for:	
Debt Service	1,033,646
Unrestricted	<u>528,523</u>
<b>Total Net Position</b>	<b><u>\$ 6,495,337</u></b>

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

**Ward 9 Recreation District**

**Rapides Parish, Louisiana**

**Statement of Activities**

**For the Year Ended December 31, 2018**

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	<u>Governmental Activities</u>
Expenses:	
Culture and Recreation	\$ 743,177
Interest on Long-Term Debt	<u>56,970</u>
Total Expenses	800,147
Program Revenues:	
Charges for Services	<u>69,878</u>
Net Expenses	<u>730,269</u>
General Revenues:	
Property Taxes	739,963
State Revenue Sharing	15,417
Investment Income	<u>2,139</u>
Total General Revenues	<u>757,519</u>
Change in Net Position	27,250
Net Position - Beginning	<u>6,468,087</u>
Net Position - Ending	<u>\$ 6,495,337</u>

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

# **Ward 9 Recreation District**

## **Rapides Parish, Louisiana**

### **Balance Sheet - Governmental Funds**

**December 31, 2018**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 133,651	\$ 792,689	\$ 926,340
Receivables	452,866	258,151	711,017
Due From Other Funds	-	30,063	30,063
<b>Total assets</b>	<u>\$ 586,517</u>	<u>\$ 1,080,903</u>	<u>\$ 1,667,420</u>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 5,411	\$ -	\$ 5,411
Compensated Absences	52,583	-	52,583
Accrued Interest Payable	-	17,194	17,194
Due to Other Funds	30,063	-	30,063
<b>Total liabilities</b>	<u>88,057</u>	<u>17,194</u>	<u>105,251</u>
<b>Fund Balance</b>			
Restricted For Debt Service	-	1,063,709	1,063,709
Unassigned	498,460	-	498,460
<b>Total Fund Balances</b>	<u>498,460</u>	<u>1,063,709</u>	<u>1,562,169</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 586,517</u>	<u>\$ 1,080,903</u>	<u>\$ 1,667,420</u>

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

Total Fund Balances - Governmental Funds	\$ 1,562,169
Amounts reported for governmental activities in the statement of net assets are different because:	
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(1,293,111)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	6,226,279
Net Position of Governmental Activities	<u>\$ 6,495,337</u>

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

# Ward 9 Recreation District

## Rapides Parish, Louisiana

### Statement of Revenue, Expenditures and Changes in

#### Fund Balance - Governmental Funds

For the Year Ended December 31, 2018

	General	Debt Service	Total Governmental Funds
<b>Revenues:</b>			
Property Taxes	\$ 470,304	\$ 269,659	\$ 739,963
Investment Income	360	1,779	2,139
State Revenue Sharing	15,417	-	15,417
Other	69,878	-	69,878
<b>Total revenues</b>	<b>555,959</b>	<b>271,438</b>	<b>827,397</b>
<b>Expenditures:</b>			
Culture and Recreation	478,564	-	478,564
Capital Expenditures	30,937	-	30,937
Debt Service	-	320,696	320,696
<b>Total expenditures</b>	<b>509,501</b>	<b>320,696</b>	<b>830,197</b>
<b>Net Change in Fund Balances</b>	<b>46,458</b>	<b>(49,258)</b>	<b>(2,800)</b>
<b>Fund balance - Beginning of Year</b>	<b>452,002</b>	<b>1,112,967</b>	<b>1,564,969</b>
<b>Fund balance - End of Year</b>	<b>\$ 498,460</b>	<b>\$ 1,063,709</b>	<b>\$ 1,562,169</b>

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

Net change in fund balances of Governmental Funds	\$ (2,800)
Amounts reported for governmental activities in the statement of activities are different because:	
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	280,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds.	(16,274)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period	(233,676)
Change in net position of governmental activities	\$ 27,250

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

# **Ward 9 Recreation District**

## **Rapides Parish, Louisiana**

### ***Notes to Financial Statements*** ***December 31, 2018***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Ward 9 Recreation District (the District) was established by the Rapides Parish Police Jury for the purpose of acquiring, operating and maintaining recreation facilities. The District is governed by a Board of Commissioners appointed by the Rapides Parish Police Jury.

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

#### **Financial Reporting Entity**

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

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

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

#### **Basic Financial Statements**

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

#### **Government-Wide Financial Statements**

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

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

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## **Notes to Financial Statements** **December 31, 2018**

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### **Fund Financial Statements**

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

- General Fund – The general fund is the primary operating fund and is used to account for all governmental activities that are not required to be presented elsewhere.
- Debt Service Fund – The debt service fund is used to account for the collection of special taxes that are assessed for the purpose of paying principal and interest on the District's general obligation bonds.

### **Basis of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

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

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

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

### **Use of Estimates**

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

### **Budget Practices**

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

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

# ***Ward 9 Recreation District***

## ***Rapides Parish, Louisiana***

### ***Notes to Financial Statements*** ***December 31, 2018***

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#### **Capital Assets**

Capital assets include significant acquisitions of facilities and equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciated is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. A useful life of seven years is typically used for equipment and useful lives ranging from 10 to 40 years for buildings and facility improvements.

#### **Cash and Cash Equivalents**

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

#### **Compensated Absences**

The recreation has implemented the personnel policy utilized by the Rapides Parish Police Jury for vacation pay and compensatory time. Liabilities associated with compensated absence obligations are reported in the accompanying financial statements.

#### **Internal Balances**

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

#### **NOTE 2 - CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at December 31, 2018 are presented as follows:

	<u>Cash in Bank</u>	<u>Cash Held by Rapides Parish Police Jury</u>	<u>Total</u>
Unrestricted	\$ 58,783	\$ 74,868	\$ 133,651
Restricted	---	792,689	792,689
Total	<u>\$ 58,783</u>	<u>\$ 867,557</u>	<u>\$ 926,340</u>

Cash in the District's bank account totaling \$51,968 (collected bank balance) is protected from risks by Federal Deposit Insurance. The remaining cash is held on the District's behalf by the Police Jury and is protected by securities pledged to the Rapides Parish Police Jury. The pledged securities are held by a custodial bank in the name of the pledging institution; however, State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds on demand.

#### **NOTE 3 - ACCOUNTS RECEIVABLE**

Accounts receivable are composed entirely of property taxes assessed for the year ended December 31, 2018. Management does not anticipate any collection problems and there is no allowance for uncollectible amounts.

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## **Notes to Financial Statements** **December 31, 2018**

### **NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year is summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b><u>Non Depreciable Capital Assets</u></b>				
Improvements to Land	\$ 2,589,352	\$ ----	\$ ----	\$ 2,589,352
Non Depreciable Capital Assets	2,589,352	----	----	2,589,352
<b><u>Depreciable Capital Assets</u></b>				
Equipment	416,674	----	----	416,674
Buildings and Improvements	6,466,450	30,937	----	6,497,387
Accumulated Depreciation	(3,012,521)	(264,613)	----	(3,277,134)
Depreciable Capital Assets (Net)	3,870,603	(233,676)	----	3,636,927
<b>Total Capital Assets</b>	<b>\$ 6,459,955</b>	<b>\$ (233,676)</b>	<b>\$ ----</b>	<b>\$ 6,226,279</b>

As part of constructing the recreation complex improvements were needed to level the site and make it suitable for operations. These improvements are permanent in nature and therefore are not subject to depreciation. Depreciation on equipment and other improvements in the amount of \$264,613 has been reported as part of culture and recreation expenses.

### **NOTE 5 – ACCOUNTS PAYABLE**

Accounts payable at December 31, 2018 consist entirely of trade payables incurred in connection with the operation of the facility.

### **NOTE 6 – COMPENSATED ABSENCES**

Compensated absences refer to the District's obligation to provide vested accrued leave benefits that have been earned by its employee. These liabilities are typically liquidated by the general fund. Changes in compensated absences for the year ended December 31, 2018 are presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Compensated Absences	\$ 58,333	\$ ----	\$ 5,750	\$ 52,583

### **NOTE 7 - LONG-TERM LIABILITIES**

Debt outstanding at December 31, 2018 is summarized as follows:

General Obligation Bonds	\$ 1,320,000
Delayed Refunding Cost	(20,836)
Delayed Issue Cost	(6,053)
Total Long-Term Debt	1,293,111
Due within one year	285,000
Due in more than one year	<u>\$ 1,008,111</u>

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## ***Notes to Financial Statements*** ***December 31, 2018***

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A summary of transactions involving General Obligation Bonds is presented as follows:

Bonds payable, January 1, 2018	\$	1,600,000
New issues		----
Retirements		280,000
Bonds payable, December 31, 2018	\$	<u>1,320,000</u>

Details related general obligation bonds outstanding at December 31, 2018 are provided as follows:

General obligation bonds, Series 2004 in the original amount of \$700,000. The bonds feature interest rates ranging from 4.90% to 5.15%. The bonds mature serially with the initial payment due March 1, 2007 and the final payment due March 1, 2024. The bonds are secured by a special property tax that was approved by the citizens of the District.

\$ 300,000

General obligation refunding bonds, Series 2011 in the original amount of \$2,315,000. The bonds feature interest rate of 2.28%. The bonds mature serially with the initial payment due March 1, 2013 and the final payment due March 1, 2022. The bonds are secured by a special property tax that was approved by the citizens of the District.

1,020,000

Total General Obligation Bonds

\$ 1,320,000

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

<u>Year Ended December 31<sup>st</sup></u>	<u>Principal</u>	<u>Interest</u>
2019	285,000	34,683
2020	295,000	26,835
2021	310,000	18,610
2022	320,000	10,018
2023	55,000	4,249
2024	<u>55,000</u>	<u>1,416</u>
Total	<u>\$ 1,320,000</u>	<u>\$ 95,811</u>

On March 15, 2011, the District issued \$2,315,000 General Obligation Refunding Bonds. Bond proceeds along with additional resources provided by debt service sinking funds were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on Series 2002 Bonds. As a result, Series 2002 Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net position.

The amount of the reacquisition price in excess of the carrying amount of the defeased debt (delayed refunding cost) is reported in the accompanying government-wide financial statements as a deduction from bonds payable and is being amortized over the life of the bonds as a component of interest expense.

### **NOTE 8 – INTERFUND ACTIVITY**

Internal activity includes interfund receivables and payables as well as operating transfers. Details related to internal activity are presented as follows:

# **Ward 9 Recreation District** **Rapides Parish, Louisiana**

## ***Notes to Financial Statements*** ***December 31, 2018***

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<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service	General	\$ 30,063	Some resources dedicated to repayment of general obligations were deposited in the general fund. Accordingly, the general fund is obligated to repay these amounts.

### **NOTE 9 - PROPERTY TAXES**

The District levies property taxes using the assessed values determined by the Tax Assessor of Rapides Parish. For the year ended December 31, 2018, the District levied property taxes as follows:

<b>Description</b>	<b><u>Mills Levied</u></b>
Levied per proposition approved November 17, 2001 authorizing 6 mills for a period of 10 year beginning with 2002 and subsequently renewed for an additional 10-year period for the purpose of acquiring, constructing, improving, maintaining and operating recreational facilities of the District, including necessary equipment in connection therewith. Proceeds from this tax are considered unrestricted income, which is reported as general fund revenue in the accompanying statement of revenue, expenditures and changes in fund balance.....	6.14
Levied per proposition approved November 17, 2001, authorizing general obligation debt to run for a period of 20 years payable from a levy of property taxes, for the purpose of constructing, purchasing and acquiring, lands, buildings, equipment and other facilities to be used in providing recreational facilities for the District. Proceeds from this tax are restricted for debt service. Tax revenues are reported as debt service fund revenue in the accompanying statement of revenue expenditures and changes in fund balance.....	3.50
	<b><u>9.64</u></b>

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

### **NOTE 10 - RISK MANAGEMENT**

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

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

### **NOTE 11 - RESTRICTED RESOURCES**

Propositions authorizing general obligation bonds require the District to establish bank accounts which serve as debt service sinking funds. Funds on deposit in these accounts may only be used to repay bonds, pay interest accrued on the bonds, or pay related fees.

# ***Ward 9 Recreation District***

## ***Rapides Parish, Louisiana***

***Notes to Financial Statements***  
***December 31, 2018***

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### **NOTE 12 – LEASES**

The District's facilities have been constructed on 163 acres that the State of Louisiana has leased to the City of Pineville. Under the terms of its cooperative endeavor with the City of Pineville, the District has access to the property for a period of 50 years beginning January 1, 2003. In addition, the District has an option to renew the sublease for an additional 40 years. In exchange for access to the property, the District is required to spend \$6,300,000 on improvements and make improvements available to residents of Pinecrest Development Center.

# ***Ward 9 Recreation District***

## ***Rapides Parish, Louisiana***

### ***Statement of Revenue, Expenditures and Changes in Fund Balance - General Fund Budget and Actual For the Year Ended December 31, 2018***

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Property Taxes	\$ 450,000	\$ 455,000	\$ 470,304	\$ 15,304
Investment Income	250	250	360	110
State Revenue Sharing	12,500	12,500	15,417	2,917
Other	<u>50,000</u>	<u>50,000</u>	<u>69,878</u>	<u>19,878</u>
<b>Total revenues</b>	<u>512,750</u>	<u>517,750</u>	<u>555,959</u>	<u>38,209</u>
<b><u>Expenditures:</u></b>				
Culture and Recreation	512,750	969,752	478,564	491,188
Capital Expenditures	<u>-</u>	<u>-</u>	<u>30,937</u>	<u>(30,937)</u>
<b>Total expenditures</b>	<u>512,750</u>	<u>969,752</u>	<u>509,501</u>	<u>460,251</u>
<b>Net Change in Fund Balances</b>	-	(452,002)	46,458	498,460
<b>Fund balance - beginning of year</b>	<u>-</u>	<u>452,002</u>	<u>452,002</u>	<u>-</u>
<b>Fund balance - end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 498,460</u>	<u>\$ 498,460</u>

# ***Ward 9 Recreation District***

## ***Rapides Parish, Louisiana***

### ***Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the Year Ended December 31, 2018***

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#### **Agency Head - Charlie Moore, President**

**Purpose:**

Compensation -

Benefits -

Reimbursements -

#### **ADDITIONAL INFORMATION**

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



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

June 21, 2019

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

To the Board of Commissioners  
Ward 9 Recreation District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the Ward 9 Recreation District, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 21, 2019.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the Ward 9 Recreation District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ward 9 Recreation District's internal control.

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

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

**COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Ward 9 Recreation District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Post Office Box 12178 • Alexandria, Louisiana 71315-2178**  
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**PURPOSE OF THIS REPORT**

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



ROZIER, HARRINGTON & MCKAY  
Certified Public Accountants

# **WARD 9 RECREATION DISTRICT**

## **SCHEDULE OF FINDINGS**

**For the Year Ended December 31, 2018**

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### **PART I - SUMMARY OF AUDITOR'S RESULTS**

- The Independent Auditors' Report on the basic financial statements of the Ward 9 Recreation District as of December 31, 2018 and for the year then ended expressed an unmodified opinion.
- The audit did not disclose any audit findings which are required to be reported as reportable conditions or material weaknesses.
- The results of the audit did not disclose any instances of noncompliance or other matters that are considered to be material to the basic financial statements of the Ward 9 Recreation District.

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

- None

# **WARD 9 RECREATION DISTRICT**

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

**For the Year Ended December 31, 2018**

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

# **WARD 9 RECREATION DISTRICT**

## **SUMMARY OF PRIOR YEAR FINDINGS For the Year Ended December 31, 2018**

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<b>SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.</b>	
<b><u>2017-1: Accrued Leave Policy</u></b> The Recreation District has implemented a new compensated absences policy that awarded additional compensation for services performed in previous years. This arrangement may violate State Law by providing compensation without receiving consideration in exchange for the benefits provided. We suggest seeking a legal opinion to determine whether corrective action is necessary.	<b><u>2017-1: Resolved</u></b> Management has sought out legal advice, and has not been notified of any legal issues associated with this matter.
<b>SECTION II MANAGEMENT LETTER</b>	
No management letter was issued with this report.	Response – N/A

**APPENDIX A**  
**Statewide Agreed-Upon Procedures**



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

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

To the Board of Commissioners Ward 9 Recreation District  
of Rapides Parish and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Ward 9 Recreation District of Rapides Parish (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

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

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

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

Rozier, Harrington and McKay  
Certified Public Accountants  
Alexandria, Louisiana  
June 21, 2019

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# **Ward 9 Recreation District**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response**

<b>Written Policies and Procedures</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>1 Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories.</p> <ul style="list-style-type: none"><li>• Budgeting</li><li>• Purchasing</li><li>• Disbursements</li><li>• Receipts</li><li>• Payroll/Personnel</li><li>• Contracting</li><li>• Credit Cards</li><li>• Travel and expense reimbursements</li><li>• Ethics</li><li>• Debt</li></ul>	<p>The entity has not adopted written polices addressing the designated categories; however, most of the entity's transactions are processed by the Rapides Parish Police Jury (the primary government). Accordingly, the transactions are subject to the policies and procedures adopted and implemented by the primary government. The primary government is subject to a separate engagement that applies the Statewide Agreed-Upon procedures to its operations.</p>	<p><i>Since most transactions are subject to policies and procedures implemented by the Rapides Parish Police Jury, adopting written policies and procedures is considered unnecessary.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and 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:</p> <p>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.</p> <p>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. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p>	<p>The Board did not meet on a frequent basis.</p> <p>Minutes did not routinely address financial reports.</p>	<p><i>The governing board typically schedules meetings whenever matters require the Board's attention. In the future, we will make a point of scheduling regular quarterly meetings.</i></p> <p><i>In the future, we intend to review financial reports when regular quarterly meetings are conducted.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

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

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<b>Board (or Finance Committee)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
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.	No negative unrestricted or unassigned fund balances were included in the previous report.	<b><i>The results did not include findings or criticisms.</i></b>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Bank Reconciliations</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>3 Obtain a listing of client 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 selected each account, and observe that:</p> <p>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);</p> <p>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</p> <p>c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.</p>	<p>Based on the entity's relationship with the primary government, the primary government's main account also functions as the entity's main operating account. The primary government is subject to a separate engagement that applies the Statewide Agreed-Upon procedures to its operations. Accordingly, the procedures described below apply only to the checking account used by the entity for incidental activities. There are no additional bank accounts.</p> <p>There was no evidence suggesting reconciliations occurred within a two-month period.</p> <p>There was no documentation of an independent review.</p> <p>There were no reconciling items that were outstanding for more than 12 months.</p>	<p><i>We will consider whether revisions to our reconciliation practices are needed.</i></p> <p><i>We will consider whether revisions to our reconciliation practices are needed.</i></p> <p><i>The results did not include findings or criticisms.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Collections</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>4 Obtain a listing of <u>deposit sites</u> for the fiscal period where deposits for cash/checks/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).</p> <p>5 For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one 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 that job duties are properly segregated at each collection location such that:</p> <p>a) Employees that are responsible for cash collections do not share cash drawers/registers.</p>	<p>Management provided a list and the necessary representations.</p> <p>Taxes and related revenues are collected by the primary government and subject to Statewide Agreed-Upon Procedures applied to the primary government. Procedures presented below are limited to incidental collections performed at the recreation facility.</p> <p>Collections do not utilize cash drawers or registers.</p>	<p><i>The results did not include findings or criticisms.</i></p> <p><i>Due to our limited facilities and small transaction volume, dedicated drawers and registers are not considered necessary.</i></p>

# **Ward 9 Recreation District**

## **Statewide Agreed-Upon Procedures**

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

<b>Collections</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>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.</p>	<p>A single employee is responsible collecting cash and preparing and making bank deposits.</p>	<p><i>Due the limited size of our staff, further segregation is not considered practical.</i></p>
<p>c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.</p>	<p>The employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers.</p>	<p><i>The results did not include findings or criticisms.</i></p>
<p>d) The employee(s) 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.</p>	<p>The employee responsible for reconciling cash collections to the general ledger is not responsible for collecting cash.</p>	<p><i>The results did not include findings or criticisms.</i></p>
<p>6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.</p>	<p>Most collections including all taxes are conducted by the primary government. Bond coverage related to these employees will be addressed by the primary government's agreed-upon procedures engagement.</p> <p>Personnel responsible for incidental collections at the recreation facility are not covered by bonds.</p>	<p><i>We will consider whether coverage for personnel at the collection facility is necessary.</i></p>
<p>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</p>		

# **Ward 9 Recreation District**

## **Statewide Agreed-Upon Procedures**

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

<b>Collections</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:</p> <p>a. Observe that receipts are sequentially pre-numbered.</p> <p>b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.</p> <p>c. Trace the deposit slip total to the actual deposit per the bank statement.</p> <p>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).</p> <p>e. Trace the actual deposit per the bank statement to the general ledger.</p>	<p>Sequentially pre-numbered receipts are not utilized.</p> <p>Sequentially pre-numbered receipts are not utilized.</p> <p>Deposit slips agree with the banks statement.</p> <p>Due to the nature of the system for processing incidental deposits, we were not able to determine in deposits were made with within a single day.</p> <p>Deposit slips agree with the general ledger.</p>	<p><i>Due the limited transaction volume and staff, more sophisticated procedures are not considered practical.</i></p> <p><i>Due the limited transaction volume and staff, more sophisticated procedures are not considered practical.</i></p> <p><i>The results did not include findings or criticisms.</i></p> <p><i>Due the limited transaction volume and staff, more sophisticated procedures are not considered practical.</i></p> <p><i>The results did not include findings or criticisms.</i></p>

# **Ward 9 Recreation District**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response**

<b>Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>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).</p>	<p>The list (consisting of a single location) and necessary representations have been provided.</p> <p>Most disbursements are processed by the primary government and subject to Statewide Agreed-Upon Procedures applied to the primary government. Procedures presented below are limited to disbursements for the separate bank account maintained for concession activities.</p>	<p><i>The results did not include findings or criticisms.</i></p>
<p>9 For each location selected under #8 above, obtain a listing 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:</p> <p>a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.</p> <p>b) At least two employees are involved in processing and approving payments to vendors.</p> <p>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.</p> <p>d) Either the employee/official responsible for</p>	<p>Duties associated with initiation, approval and ordering are not subject to segregation.</p> <p>Checks require two signatures.</p> <p>There are no restrictions or review process associated with vendor files.</p> <p>There is no segregation associated with mailing</p>	<p><i>Existing procedures are considered sufficient for the transaction volume and the limited number of vendors.</i></p> <p><i>The results did not include findings or criticisms.</i></p> <p><i>Existing procedures are considered sufficient for the transaction volume and the limited number of vendors.</i></p> <p><i>Existing procedures are considered sufficient for the</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

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

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.</p> <p>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:</p> <p>a. Observe that the disbursement matched the related original invoice/billing statement.</p> <p>b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p>	<p>checks.</p> <p>Disbursement were consistent with the original billing statements.</p> <p>Evidence is provided by dual signatures appearing on cancelled checks.</p>	<p><i>transaction volume and the limited number of vendors.</i></p> <p><i>The results did not include findings or criticisms.</i></p> <p><i>The results did not include findings or criticisms.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>11 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, 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.</p>	<p>Management has represented that there are no credit, debit, fuel or P-Cards in use.</p>	<p><i>The results did not include findings or criticisms.</i></p>
<p>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:</p> <p>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 excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.</p>	<p>Not Applicable</p>	<p><i>The results did not include findings or criticisms.</i></p>
<p>b. Observe that finance charges and late fees were not assessed on the selected statements.</p>	<p>Not Applicable</p>	<p><i>The results did not include findings or criticisms.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

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

<b>Credit Cards/Debit Cards/Fuel Cards/P-Cards</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
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, observe 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).	Not Applicable	<i>The results did not include findings or criticisms.</i>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Travel and Expense Reimbursement</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>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:</p> <p>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 (<a href="http://www.gsa.gov">www.gsa.gov</a>).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>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).</p> <p>d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.</p>	<p>The primary government is responsible for processing any travel and expense reimbursements. The primary government is subject to a separate engagement that applies the Statewide Agreed-Upon procedures to its operations.</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p>	<p><i>The results did not include findings or criticisms.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

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

<b>Contracts</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>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. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:</p> <p>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.</p> <p>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).</p> <p>c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.</p> <p>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.</p>	<p>Management has represented that there were no contracts initiated or renewed during the current year.</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Not Applicable</p>	<p><i>The results did not include findings or criticisms.</i></p>

# **Ward 9 Recreation District**

## **Statewide Agreed-Upon Procedures**

### **Schedule of Procedures, Results and Managements' Response**

<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
16 Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.	<b>Not Applicable</b> The workforce is provided by the primary government and the entity is not responsible for any payroll obligations or processing other than reimbursing the primary government.	<i>The results did not include findings or criticisms.</i>
17 Randomly select one 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:	Not Applicable	<i>The results did not include findings or criticisms.</i>
a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).	Not Applicable	<i>The results did not include findings or criticisms.</i>
b. Observe that supervisors approved the attendance and leave of the selected employees/officials.	Not Applicable	<i>The results did not include findings or criticisms.</i>
c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.	Not Applicable	<i>The results did not include findings or criticisms.</i>
18 Obtain a listing of those employees/officials that received termination payments 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' cumulate leave records, and agree the pay rates to the employee/officials'	Not Applicable	<i>The results did not include findings or criticisms.</i>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

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

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<b>Payroll and Personnel</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
authorized pay rates in the employee/officials' personnel files.  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.	Not Applicable	<b><i>The results did not include findings or criticisms.</i></b>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

<b>Ethics</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
<p>20 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:</p> <p>a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.</p> <p>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.</p>	<p><b><u>Not Applicable</u></b> The primary government is responsible for all personnel matters and record maintenance. The primary government is subject to a separate engagement that applies the Statewide Agreed-Upon procedures to its operations.</p> <p>Not Applicable</p> <p>Not Applicable</p>	<p><i>The results did not include findings or criticisms.</i></p> <p><i>The results did not include findings or criticisms.</i></p>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

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<b>Debt Service</b>		
<b>Agreed-Upon Procedure</b>	<b>Results</b>	<b>Managements' Response</b>
21 Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.	In the prior year, the entity's AUP report contained no exceptions in this category. As such, RHM has excluded this category from testing in the current year.	<i>The results did not include findings or criticisms.</i>
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 one 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.	See Comments Above.	<i>The results did not include findings or criticisms.</i>

**Ward 9 Recreation District**

**Statewide Agreed-Upon Procedures**

**Schedule of Procedures, Results and Managements' Response**

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Other		
Agreed-Upon Procedure	Results	Managements' Response
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.	No misappropriates were reported.	<i>The results did not include findings or criticisms.</i>
24 Observe that 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.	No notices were observed on the premise or website.	<i>We will make arrangements to post the necessary information.</i>