

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
ST. TAMMANY PARISH GOVERNMENT**

Annual Financial Statements

As of December 31, 2016 and for the Year Then Ended

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**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
ST TAMMANY PARISH GOVERNMENT**

Management Discussion and Analysis

As of and for the Year Ended December 31, 2016

This section of the Recreation District's annual financial report presents our discussion and analysis of the Recreation District's financial performance during the fiscal year that ended on December 31, 2016. Please read it in conjunction with the Recreation District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Recreation District's cash increased by \$69,857.88 over the prior year ending balance.
- Accounts receivable decreased by \$ 147,658.02 for the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements:

- Balance Sheet – consisting of all governmental fund types.
- Statement of revenue, expenditures, and changes in fund balance - consisting of all governmental fund types.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

FINANCIAL ANALYSIS

The Recreation District maintains the Recreation District 7. The facility operations and capital expenditures are the major expenditures of the Recreation District. The revenues of the Recreation District are assessed on a yearly basis, which gives the effect of cash in and cash out type of entity.

BUDGET HIGHLIGHTS

The Recreation District's budget was approved according to the Louisiana Governmental Budget Act. There were two amendments to the budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Recreation District's budgetary outlook for 2017 will not be consistent with prior years. A special election will be held on April 29, 2017 asking voters to agree to 3.50 mills for all property subject to taxation in the District for a period of 10 years, beginning with the year 2017 and ending with the year 2026. Until the proposition is approved, The Recreation District 7 will not be receiving any new millages on property taxes.



MOYLE AND ASSOCIATES CPAs, LLC

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Accountant's Compilation Report

To the Board of Commissioners
St. Tammany Parish Recreation District 7
Pearl River, LA 70452

Management is responsible for the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Tammany Parish Recreation District 7, as of and for the year ended December 31, 2016, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information be presented to supplement the basic financial statements:

Budgetary Comparison Schedule
Management's Discussion and Analysis

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 not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to St. Tammany Parish Recreation District 7.

Moyle and Associates, CPAs LLC

April 13, 2017

ST. TAMMANY PARISH RECREATION DISTRICT 7
ST. TAMMANY PARISH GOVERNMENT
PEARL RIVER, LOUISIANA
GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET ASSETS
DECEMBER 31, 2016

	<u>General Fund</u>	<u>Adjustment</u>	<u>Statement of Net Assets</u>
ASSETS			
Current Assets			
Cash	\$ 600,927.95		\$ 600,927.95
Accounts Receivable	110.00		110.00
Property and Equipment			
Land, Equipment & Building net of \$83,126.00 depreciation		747,722.30	747,722.30
TOTAL ASSETS	<u>\$ 601,037.95</u>	<u>\$ 747,722.30</u>	<u>\$ 1,348,760.25</u>
LIABILITIES			
Accounts Payable	\$ 531.90	\$ -	\$ 531.90
Payroll Liabilities	433.80	-	433.80
Deferred Revenue	77,916.40		77,916.40
TOTAL LIABILITIES	<u>78,882.10</u>	<u>0.00</u>	<u>78,882.10</u>
FUND BALANCES			
Fund Balance (Deficit) Unreserved	522,155.85	(522,155.85)	0.00
TOTAL FUND BALANCES	<u>522,155.85</u>	<u>(522,155.85)</u>	<u>0.00</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 601,037.95</u>		
NET ASSETS:			
Investment in Capital Assets, net Unrestricted		747,722.30 522,155.85	747,722.30 522,155.85
TOTAL NET ASSETS		<u>\$ 1,269,878.15</u>	<u>\$ 1,269,878.15</u>

ST. TAMMANY PARISH RECREATION DISTRICT 7
ST. TAMMANY PARISH GOVERNMENT
PEARL RIVER, LOUISIANA
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund	Adjustments	Statement of Net Assets
REVENUES			
Ad Valorem Taxes	\$ 2,589.50		\$ 2,589.50
BP Oil Settlement	\$ 2,329.73		\$ 2,329.73
Interest Earnings	400.05		400.05
Cell Tower Revenue	45,765.05		45,765.05
Rental Income	2,827.00		2,827.00
Communications Facility Revenue	10.00		10.00
TOTAL REVENUES	53,921.33	-	53,921.33
EXPENDITURES			
Professional Services	7,046.43		7,046.43
Bank Fees	283.39		283.39
Contract Services	6,795.00		6,795.00
Insurance	4,921.39		4,921.39
Maintenance and Repairs			
Facility Maintenance	7,062.92		7,062.92
Equipment Rental & Maintenance	131.30		131.30
Operations			
Advertising	51.50		51.50
Election Fees	437.73		437.73
Repair and Maintenance	7,771.38		7,771.38
Supplies	2,557.61		2,557.61
Telephone	2,601.91		2,601.91
Payroll Expenses	14,391.38		14,391.38
Utilities	17,704.21		17,704.21
Capital Purchases	33,089.08	(33,089.08)	-
Depreciation	-	12,533.84	12,533.84
TOTAL EXPENDITURES	104,845.23	(20,555.24)	84,289.99
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(50,923.90)	20,555.24	
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS IN OVER EXPENDITURES AND TRANSFERS OUT	(50,923.90)	50,923.90	-
Change in net assets		(30,368.66)	(30,368.66)
FUND BALANCE/NET ASSETS			
Beginning of the year	573,079.75	727,167.06	1,300,246.81
End of the year	\$ 522,155.85	\$ 747,722.30	\$ 1,269,878.15

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
Notes to the Financial Statements (Continued)**

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA**

Notes to the Financial Statements
As of and for the Year Ended December 31, 2016

INTRODUCTION

St Tammany Parish Recreation District 7 was created and given authority to accept and approve any and all recreation facilities constructed at the expense of landowners within the assessment area and donation thereof. According to R.S. 1608, the St Tammany Parish Government is to appoint five commissioners, who shall constitute the governing authority of the Recreation District. The Commissioners will oversee the operations and maintenance of the recreation facility in district number 7 as well as upkeep and maintenance of the recreation facilities. The commissioners are not compensated by the Recreation District.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Recreation District is considered a component unit of the St. Tammany Parish Government. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the Recreation District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses have a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Financial statements are provided for governmental funds. All individual governmental funds are reported as separate columns in the fund financial statements.

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
Notes to the Financial Statements (Continued)**

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Recreation District reports the following governmental funds:

The General Fund – Special Revenue Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund.

Account Group – General Fixed Assets Account Group – Used to account for all fixed assets of the Recreation District.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

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

D. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds". All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources

All trade and property tax receivables are show net of an allowance for uncollectives.

E. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Recreation District maintains a threshold level of \$500 or more for capitalizing capital assets.

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
Notes to the Financial Statements (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.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	15-40 years
Equipment	5-7 years

F. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

G. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Recreation District, which are either unusual in nature or infrequent in occurrence.

H. Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION

The Recreation District uses the following budget practices:

The Recreation District prepares the budget on a calendar year basis. The 2016 budget was adopted according to the Local Governmental Budget Act. The budget is created and managed on a non-GAAP budgetary basis. For the year ending December 31, 2016, the budget was amended in June 2016 and December 2016.

3. CASH AND CASH EQUIVALENTS

At December 31, 2016, the Recreation District has cash and cash equivalents totaling \$ 600,927.95 as follows:

Demand deposits	<u>\$ 600,927.95</u>
Interest-bearing demand deposits	<u> </u>
Time deposits	<u> </u>
Other	<u> </u>
Total	<u>\$ 600,927.95</u>

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
Notes to the Financial Statements (Continued)**

These deposits are stated at cost, which approximates market. Under state law, these deposits 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, 2016 the Recreation District has \$ 600,927.95 in deposits. These deposits are secured from risk by \$250,000 of federal deposit insurance and the market value of pledged securities.

4. RECEIVABLES

The receivables of \$110.00 at December 31, 2016, are as follows:

Class of Receivable	General		Total
	Fund	Fund	
Ad valorem	\$	110.00	110.00
Revenue Sharing			
Other			
Intergovernmental-grants			
Federal			-
State			-
Local			-
Accounts			-
Total	\$ -	110.00	110.00

The receivable of \$110 is significantly less than the prior year ending balance of \$147,768.02. A special election will be held on April 29, 2017 asking voters to agree to 3.50 mills for all property subject to taxation in the District for a period of 10 years, beginning with the year 2017 and ending with the year 2026. Until the proposition is approved, The Recreation District 7 will not be receiving any new millages on property taxes and therefore the receivable significantly decreased.

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2016, for the primary government is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated				
Improvements	137,899.47	32,309.12		170,208.59
Machinery and equipment	35,809.75	779.96		36,589.71
Total capital assets being depreciated	173,709.22	33,089.08		206,798.30
Less accumulated depreciation	70,592.16			83,126.00
Total capital assets being depreciated, net	\$ 103,117.06			\$ 123,672.30

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA
Notes to the Financial Statements (Continued)**

<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
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Depreciation expense of \$12,533.84 for the year-ended December 31, 2016, was charged to the Investment in Capital Assets Fund.

6. ADVERTISING

The District incurred \$51.50 in advertising costs in 2016.

7. SUBSEQUENT EVENTS

Management has considered subsequent events through April 13, 2017.

ST. TAMMANY PARISH RECREATION DISTRICT 7
ST. TAMMANY PARISH GOVERNMENT
PEARL RIVER, LOUISIANA
STATEMENT OF REVENUE, EXPENDITURE, AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL-SPECIAL REVENUE FUND
FOR THE YEAR ENDING DECEMBER 31, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
REVENUES			
Property Tax Revenue	\$ 132,571.56	\$ 135,367.38	\$ 2,795.82
BP Oil Settlement	2,329.73	2,329.73	-
Interest on Earnings	401.01	400.05	(0.96)
Cell Tower Revenue	31,212.10	31,212.10	-
Revenue Sharing	2,554.00	2,554.00	-
Rental Income	2,784.60	2,827.00	42.40
Communications Facility Revenue	10.00	10.00	-
TOTAL REVENUES	<u>171,863.00</u>	<u>174,700.26</u>	<u>2,837.26</u>
EXPENDITURES			
Professional Services	6,326.27	6,514.53	(188.26)
Bank Fee	265.68	283.39	(17.71)
Contract Services	4,365.00	6,795.00	(2,430.00)
Insurance	4,921.39	4,921.39	0.00
Maintenance/Repairs Operations	7,453.70	7,603.70	(150.00)
Advertising	51.50	51.50	0.00
Election Fees	437.73	437.73	0.00
Repair & Maintenance	7,581.54	7,886.45	(304.91)
Supplies	2,558.00	2,557.61	0.39
Telephone	2,602.00	2,601.91	0.09
Payroll Expenses	14,391.38	14,391.38	0.00
Utilities	18,126.05	17,704.21	421.84
Capital Purchases	32,396.58	33,089.08	(692.50)
TOTAL EXPENDITURES	<u>101,476.82</u>	<u>104,837.88</u>	<u>(3,361.06)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	70,386.18	69,862.38	
FUND BALANCES, BEGINNING (NON-GAAP BUDGETARY BASIS)		633,922.23	
FUND BALANCES, ENDING (NON-GAAP BUDGETARY BASIS)		<u><u>\$ 703,784.61</u></u>	

ST. TAMMANY PARISH RECREATION DISTRICT 7
ST. TAMMANY PARISH GOVERNMENT
PEARL RIVER, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULE

DECEMBER 31, 2016

Agency Head Name: Earl Graves

Purpose	Amount
Salary	0.00
Benefits-insurance	0.00
Benefits-retirement	0.00
Benefits-<list any other here>	0.00
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	0.00
Reimbursements	0.00
Travel	0.00
Registration fees	0.00
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses*	0.00
Special meals	0.00

ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA

Status of Prior Year Findings
For the Year Ended December 31, 2015

<u>Ref. No.¹</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken^{2&3}</u>
Section I - Internal Control and Compliance Material to the Financial Statements:				
		None		
		None		
Section II - Internal Control and Compliance Material to Federal Awards: ⁴				
		None		

**ST. TAMMANY PARISH RECREATION DISTRICT 7
PEARL RIVER, LOUISIANA**

**Current Year Findings, Recommendations and
Corrective Action Plan**

For the Year Ended December 31, 2016

<u>Ref. No.¹</u>	<u>Occurred</u>	<u>Description of Finding</u>	<u>(Yes, No, Partially)</u>	<u>Action Taken^{2&3}</u>
Section I - Internal Control and Compliance Material to the Financial Statements:				
		None		
Section II - Internal Control and Compliance Material to Federal Awards:⁴				
		None		
Section III - Management Letter:				
		None		

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of the review/attestation engagement of Louisiana government agencies. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected governmental officials should sign the document, in lieu of such a resolution.

The completed attestation questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the independent certified public accountant at the beginning of the engagement.** The CPA will, during the course of his engagement, perform certain agreed-upon procedures to the responses in the questionnaire. It is not necessary to return the questionnaire to my office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the CPA during the course of his engagement. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

April 13, 2017 (Date Transmitted)

Moyle and Associates CPAs LLC

1320 Lakewood Drive, Suite B

Slidell, LA 70458

(Auditors)

In connection with your review of our financial statements as of December 31, 2016 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of April 13, 2017.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [] No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [] No []

AGREED-UPON PROCEDURES REPORT
St. Tammany Parish Recreation District No. 7
Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Board of Control
St. Tammany Parish Recreation District No. 7

We have performed the procedures enumerated below, which were agreed to by the management of St. Tammany Parish Recreation District No. 7 and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about St. Tammany Parish Recreation District No. 7 compliance with certain laws and regulations during the period of January 1, 2016 to December 31, 2016, in accordance with Act 774 of 2014 Regular Legislative Session. Management of St. Tammany Parish Recreation District No. 7 is responsible for its financial records establishing internal controls over financial reporting, compliance with applicable laws and regulations, and providing a corrective action plan that addresses all exceptions noted. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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.

Our Procedures and findings are detailed in Schedule "A"

We were not engaged to perform and did not perform an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the St. Tammany Parish Recreation District No. 7 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

July 29, 2017

Moyle and Associates CPAs, LLC

Slidell, Louisiana

Budgeting

- 1) Procedures: Obtain the entity's written policies and procedures over budgeting (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address budget preparation, amending, and approving.

Results: The entity does not have any written policies or procedures, but does have a process to prepare, amend, and approve the budget.

- 2) Procedures: Trace the budget adoption and amendments to the minute book.

Results: We traced the adoption of the original and amended budget to the minutes of a meeting held on December 14, 2016 and December 19, 2016 which indicated that the budget had been adopted by the commissioners of St. Tammany Parish Recreation District No. 7

Purchasing

- 1) Procedures: Obtain the entity's written policies and procedures for purchasing (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address approving vendors, preparation and approval of purchases, controls to ensure compliance with the public bid law, and required documentation required to be maintained for all bids and price quotes.

Results: The entity does not have any written policies or procedures.

Disbursements

- 1) Procedures: Obtain the entity's written policies and procedures for disbursements (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address processing, reviewing, and approving disbursements.

Results: The entity provided us a copy of the written policies and procedures for processing, reviewing, and approving disbursements.

- 2) Procedures: Randomly select eight disbursements made during the period under examination and trace payments to supporting documentation as to proper amount and payee, determine if payments were properly coded to the correct fund and general ledger account; and determine whether payments received approval from proper authorities.

Results: We examined supporting documentation for each of the eight selected disbursements and found that payment was for the proper amount and made to the correct payee. All five were properly coded to the correct fund and general ledger account and they indicated approvals from the third party accountant and the chairman of the Board of Commissioners.

Receipts

- 1) **Procedures:** Obtain the entity's written policies and procedures for receipts (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address receiving, recording, and preparing deposits.

Results: The entity provided us a copy of the written policies and procedures for receiving, recording, and preparing receipts.

- 2) **Procedures:** Randomly select five receipts made during the period under examination and trace receipts to supporting documentation as to proper amount and customer, determine if payments were properly coded to the correct fund and general ledger account.

Results: We examined supporting documentation for each of the five selected receipts and found that receipt was for the proper amount and made to the correct customer. All five were properly coded to the correct fund and general ledger account and they indicated approvals from the third party contracted accountant and the chairman of the Board of Commissioners.

Payroll/Personnel

- 1) **Procedures:** Obtain the entity's written policies and procedures for payroll (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address processing, reviewing and approving, time and attendance records.

Results: The entity provided us a copy of the written policies and procedures for processing, reviewing and approving, time and attendance records.

- 2) **Procedures:** Obtain a listing of employees with their related salaries, and obtain management's representation that the listing is complete.

Results: Selected the only salaried employee and reviewed compensation paid to him according to his salary.

Contracting

- 1) Procedures: Obtain the entity's written policies and procedures for contracts (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address types of services requiring written contracts, legal review, approval process, and monitoring.

Results: The entity does not have any written policies or procedures.

Credit Cards

- 1) Procedures: Confirm the entity does not have any credit cards

Results: Confirmed with management the entity does not have any credit cards.

Travel and expense reimbursement

- 1) Procedures: Obtain the entity's written policies and procedures for travel and expense reimbursement (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address allowable expenses, dollar thresholds, documentation requirements, and approval.

Results: The entity does not have any written policies or procedures.

Ethics

- 1) Procedures: Obtain the entity's written policies and procedures for ethics (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address training, monitoring, and violation process.

Results: The entity does not have any written policies or procedures.

- 2) Procedures: Confirm all employees and Board Members have completed the State of Louisiana's ethics training.

Results: Confirmed with management all employees have completed ethics training.

Debt Service

- 1) Procedures: Obtain the entity's written policies and procedures for Debt (or report the entity does not have any written policies and procedures over budgeting) and report whether those written policies and procedures address debt issuance and approval, reporting and reserve requirements, and service requirements.

Results: The entity does not have any written policies or procedures.

- 2) Procedures: Confirm the entity does not have any Debt.

Results: Confirmed with management the entity does not have any Debt.

St. Tammany Parish Recreation District No. 7
Management's Corrective Action Plan
January 1, 2016 to December 31, 2016

June 30, 2017

Louisiana Legislative Auditor

The St. Tammany Parish Recreation District No. 7 respectfully submits the following corrective action plan for items identified pursuant to the Agreed upon Procedures Engagement required by Act 774 of the 2014 Regular Legislative Session.

Name and address of independent public accounting firm:

Moyle and Associates CPAs, LLC
130 Lakewood Dr. Ste B
Slidell, LA 70458

Engagement Period: January 1, 2016 – December 31, 2016


The finding from the Agreed upon Procedures Report is Discussed Below.

Result of Procedures: St. Tammany Parish Recreation District No. 7 did not have any written policies or procedures for Budgeting, Purchasing, Contracting, Travel and Expense Reimbursement, and Ethics.

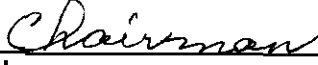
Response: Management will take steps to prepare and document all policies and procedures.

If there are any questions regarding this plan, please contact Lyndy Alsobrooks, Vice Chairman, (870) 448-7697 or Earl Graves, Chairman, at (985) 774-1628.

Sincerely,



Signature




Title

June 30, 2017

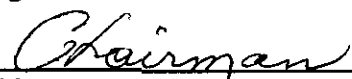
Moyle and Associates CPAs, LLC
1320 Lakewood Dr. Ste B
Slidell, LA 70458

In connection with your engagement to apply agreed-upon procedures in accordance with Act 774 of 2014 Regular Legislative Session as of December 31, 2016, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

- 1) The listings of employees and related salaries provided to you are complete for the year ended December 31, 2016.
- 2) Management has provided us with all credit card and debt liabilities for the year ended December 31, 2016.
- 3) All Employees and Board Members have completed the 2016 ethics training.
- 4) There have been no communications from regularity agencies regarding our policies and procedures.
- 5) There have been no communications from regulatory agencies, internal auditors, and other independent practitioners or consultants relating to our accounting policies and procedures including communications received between December 31, 2016 and June 30, 2017.
- 6) We have made available to you all information that we believe is relevant to the agreed upon procedures.
- 7) We have responded fully to all inquiries made to us by you during the engagement.



Signature



Title