

Lafourche Parish Recreation District No. 11

Component Unit of the Lafourche Parish Government

Lafourche, Louisiana

Financial Statements with Supplemental Information  
December 31, 2021



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Lafourche Parish Recreation District No. 11  
Component Unit of the Lafourche Parish Government  
Lafourche, Louisiana

Financial Statements  
December 31, 2021

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## Independent Accountants' Review Report

To the Board  
Lafourche Parish Recreation District No. 11  
Component Unit of the Lafourche Parish Government  
Lafourche, Louisiana 70364

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Lafourche Parish Recreation District No. 11, a component unit of the Lafourche Parish Government as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### 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.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Lafourche Parish Recreation District No. 11 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule – General Fund on page 17 be presented to supplement the basic financial statements. Such information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and I we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context.

#### 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.



Thibodaux, Louisiana

May 24, 2022

**Lafourche Parish Recreation District No. 11**  
Component Unit of the Lafourche Parish Government  
Balance Sheet / Statement of Net Position

December 31, 2021

	Balance Sheet		Statement of Net Position
	Governmental Fund - General Fund	Adjustments - Note 1D	Governmental Activities
<b>ASSETS</b>			
Cash	\$ 200,693	\$ -	\$ 200,693
Receivables - Ad valorem tax	286,901	-	286,901
Capital Assets, net of depreciation	-	507,784	507,784
Total assets	\$ 487,594	\$ 507,784	\$ 995,378
<b>LIABILITIES</b>			
Accounts payable	\$ 106,945	\$ -	\$ 106,945
Total liabilities	\$ 106,945	\$ -	\$ 106,945
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Ad valorem tax revenue	\$ 286,901	\$ (286,901)	\$ -
Total deferred inflows of resources	\$ 286,901	\$ (286,901)	\$ -
<b>FUND BALANCE / NET POSITION:</b>			
Net investment in capital assets		- \$ 507,784	\$ 507,784
Unassigned / unrestricted	\$ 93,748	286,901	380,649
Total fund balance / net position	\$ 93,748	\$ 794,685	\$ 888,433
Total Liabilities, Deferred Inflows of Resources and Fund Balances / Net Position	\$ 487,594	\$ 507,784	\$ 995,378

See accountants' compilation report.

**Lafourche Parish Recreation District No. 11**  
Component Unit of the Lafourche Parish Government  
Statement of Governmental Fund Revenues, Expenditures, and  
Changes in Fund Balances / Statement of Activities

For the Year ended December 31, 2021

	Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance		Statement of Activities
	Governmental Fund - General Fund	Adjustments - Note 1D	Governmental Activities
Expenditures / Expenses:			
Recreation - current			
Payroll and employee benefits	\$ 166,182	\$ -	\$ 166,182
Property and equipment maintenance	55,049	-	55,049
Insurance	3,653	-	3,653
Recreation programs	34,570	-	34,570
Office expenses	4,513	-	4,513
Professional Fees	4,120	-	4,120
Accounting	1,550	-	1,550
Utilities	22,380	-	22,380
Fuel	773	-	773
Depreciation expense	-	52,314	52,314
Capital Outlay	1,049	(1,049)	-
Total Expenditures / Total Expenses	\$ 293,839	\$ 51,265	\$ 345,104
General Revenues:			
Ad Valorem Taxes	\$ -	\$ 286,901	\$ 286,901
Charges for services	29,996	-	29,996
Summer program	89,266	-	89,266
Total General Revenues	\$ 119,262	\$ 286,901	\$ 406,163
Special Items: (see note below)			
Support from Lafourche Parish - Cash	\$ 184,261	\$ -	\$ 184,261
Support from Lafourche Parish - Payroll and Benefits	73,425	-	73,425
Total Special Items	\$ 257,686	\$ -	\$ 257,686
Excess (Deficiency) of Revenues Over Expenditures	\$ 83,109	\$ 235,636	\$ 318,745
Fund Balance / Net Position:			
Beginning of the Year	\$ 10,640		\$ 569,689
End of the Year	\$ 93,749		\$ 888,434

See accountants' compilation report.

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Component Unit of the Lafourche Parish Government  
Lafourche, Louisiana

Notes to the Financial Statements  
December 31, 2021

## INTRODUCTION

The Lafourche Parish Recreation District No. 11, (the District) State of Louisiana was created by the Lafourche Parish Council, by virtue of the authority conferred by Part I, Chapter 7, Title 40 of the Louisiana Revised Statute of 1950. A board of Directors, appointed by the Lafourche Parish Council, governs the District. The District's finances are primarily ad valorem taxes on property located within the District's boundaries. The District provides the facilities, equipment, programs, and finances to conduct recreational activities throughout the year. The District has all the rights and powers and privileges granted by and conferred by the Constitution and Statutes of the State of Louisiana, including the right to incur debt, issue bonds and levy taxes.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

### A. Reporting entity

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

Because the parish council appoints the governing board and because of the potential for the organization to impose specific financial burdens on the council, the district was determined to be a component unit of the Lafourche Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

The Governmental Accounting Standards Board (GASB) statements provide guidelines in determining whether certain organizations are component units. An objective of Statement No. 14, The Financial Reporting Entity, is that all entities associated with a

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primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. Statement 39 amends Statement 14 to provide additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based upon the nature and significance of their relationship with the primary government. Generally, it requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. Organizations that are legally separate, tax-exempt entities and that meet all of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the District, its component units, or its constituents.
2. The District, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the District, or its component units, is entitled to, or has the ability to otherwise access, are significant to the District.

Based on the previous criteria, the District has determined that it has no component units.

#### B. Basis of Presentation

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

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.



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Fund Financial Statements (FFS)

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the District is described below:

Governmental Fund

General Fund - The General Fund is the principal fund of the District and is used to account for the operations of the District's office. General revenues are accounted for in this fund. General operating expenditures are paid from this fund.

C. Measurement Focus / Basis of Accounting

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

Government-Wide Financial Statements (GWFS) -

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these columns reflects the economic resources measurement focus and

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the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

Fund Financial Statements (FFS) -

The amounts reflected in the Governmental Funds of Statements A and B, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of District wide operations.

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

Revenues

Revenues are generally recognized when they become measurable and available as net current assets.

Expenditures

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

D. Reconciliation of FFS to GWFS

The reconciliation of the items reflected in the adjustments columns on the Statement of Activities (Statement B) and the Statement of Net Position (Statement A) are as follows:

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Statement B

Capitalization of capital assets	\$ (1,049)
Recording depreciation expense	52,314
Increase in available revenue	<u>(286,901)</u>
Net effect of changes	\$ (235,636)

Statement A

Recording capital assets	\$1,479,637
Recording of accumulated depreciation	(971,853)
Invested in capital assets, net	(507,784)
Increase in available revenue	286,901
Fund balance	<u>(51,265)</u>
Net effect of changes	\$ 235,636

E. Budgets and Budgetary Accounting

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners is required to adopt a budget for the District's general fund. The Board, as allowed by state law, does not have to obtain public participation in the budgetary process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on the cash basis. An adjustment is made to convert the actual financial information from GAAP basis to Non- GAAP basis, for comparison purposes.

F. Encumbrances

The district does not use encumbrance accounting.

G. Cash and cash equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents also include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the District may deposit

funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

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H. Inventories

Physical inventories consist of expendable supplies held for consumption. Because inventories are expended within one operating cycle they are recorded as expenditures when paid for and are not recorded as an inventory asset.

I. Capital assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) 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 District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Buildings	20-40 years
Park facilities	5-20 years
Equipment	5-20 years

J. Equity Classifications

In the Government-Wide statements, equity is classified as Net Position and displayed in three components:

- a. Invested in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position - Consists of Net Position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Position - All other Net Position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

- a. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

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- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by a formal decision of the Board, which is the highest level of decision-making authority.
- d. Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned - all other spendable amounts.

When an expenditure is incurred for the purposed for which both restricted and unrestricted fund balance is available, the Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

#### K. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires an entity to delay recognition of decreases in net position as expenditures until a future period. In other instances, entities are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

#### L. Use of Estimates

The preparation of financial statements 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.

#### M. Subsequent Events

The subsequent events of the organization were evaluated through the date of the financial statements were available to be issued (May 24, 2022).

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Notes to the Financial Statements  
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NOTE 2. SUPPORT FROM LAFOURCHE PARISH GOVERNMENT

On November 13, 2018, the Lafourche Parish Council passed ordinance no. 6128 which deconsolidated the recreation districts from the Parish. The Parish transferred assets to the recreation district's board in 2021. This support is reported as a Special Item in accordance with GASB 69.

The Lafourche Parish Government has an agreement with the District to pay certain expenses on behalf of the District up to a budgeted amount. Amounts paid by the Parish over this amount are billed directly to the District for reimbursement. For the current year, the Parish paid \$73,425 in salaries and related benefits, which were not reimbursed by the District, on behalf of the District for their employees. As required, these payments are reported as revenues and expenditures in the accompanying financial statements. Any payments reimbursed to the Parish for overages, are reported in the expenditures section of the accompanying financial statements, as required.

NOTE 3. LEVIED TAXES

Ad valorem taxes are levied on the assessed value listed as of the prior January 1 for all real property, merchandise and moveable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax District at percentages of actual value as specified by Louisiana law. A reevaluation of all real property is required to be completed no less than every four years. Taxes are typically due and payable December 31st with interest being charged on payments after January 1st. However, because of a mandatory reassessment due to Hurricane Ida, the 2021 tax roll was considered due and payable March 2022 with interest being charged on payments after May 31st. Taxes can be paid through the tax sale date, which is usually the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The District is authorized levy a maximum of 15 mills for ad valorem tax. The tax rate for the year ended December 31, 2021 was 9.25 mills per \$1,000 of assessed valuation on property within the District's area for the purpose of maintaining and operating the District.

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Notes to the Financial Statements  
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NOTE 4. CASH AND CASH EQUIVALENTS

At December 31, 2021, the District has cash (book balances) totaling \$200,693 as follows:

Demand Deposits	<u>\$200,693</u>
Total	<u>\$200,693</u>

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

NOTE 5. CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution the District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security 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 bank. These securities are held in the name of the District or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. At December 31, 2021 the District has \$202,668 in deposits (collected) bank balance. The deposits were secured from risk by federal deposits insurance. As of December 31, 2021, the District's bank balance was not exposed to custodial credit risk.

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NOTE 6. CHANGES IN CAPITAL ASSETS

A summary of changes in general fixed assets follows:

	<u>12/31/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2021</u>
Governmental Activities:				
Capital assets being depreciated				
Building	\$ 812,523	\$ -	\$ -	\$ 812,523
Equipment	259,726	1,049	-	260,775
Park	406,338	-	-	406,338
Total capital assets	<u>1,478,588</u>	<u>1,049</u>	<u>-</u>	<u>1,479,637</u>
Total accumulated depreciation	<u>(919,540)</u>	<u>(52,314)</u>	<u>-</u>	<u>(971,853)</u>
Total capital assets, net of depreciation	<u>\$ 559,048</u>	<u>\$ (51,265)</u>	<u>\$ -</u>	<u>\$ 507,784</u>

Total depreciation expense is \$52,314.

NOTE 7. COMPENSATION OF BOARD MEMBERS

The District did not pay per diem to any of its Board Members during the year ended December 31, 2021.

NOTE 8. LITIGATION AND CLAIMS

At December 31, 2021, the District had no litigation or claims pending.

NOTE 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; illnesses or injuries to its volunteers; and natural disasters. The District has purchased commercial insurance to cover or reduce the risk of loss. No settlements were made during the current year that exceeded the District's insurance coverage.



## REQUIRED SUPPLEMENTAL INFORMATION

**Lafourche Parish Recreation District No. 11**  
**Component Unit of the Lafourche Parish Government**

Budgetary Comparison Schedule  
 General Fund - Non-GAAP (Cash) Basis  
 For the Year ended December 31, 2021

	<u>Original Budget</u>	<u>Amended / Final Budget</u>	<u>Actual (See Note 1E)</u>	<u>Variance - favorable (unfavorable)</u>
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 29,996	\$ 29,996
Summer program	-	-	89,266	89,266
Support from Lafourche Parish - Cash	-	-	184,261	184,261
<b>Total Revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303,523</u>	<u>\$ 303,523</u>
<b>Expenditures:</b>				
Advertising	\$ 3,000	\$ 3,000	\$ -	\$ 3,000
Payroll and employee benefits	26,000	26,000	-	26,000
Property and equipment maintenance	30,000	37,750	43,472	(5,722)
Insurance	22,000	22,000	-	22,000
Recreation programs	10,000	21,310	34,570	(13,260)
Office expenses	5,000	5,940	4,513	1,427
Professional Fees	7,000	7,000	4,120	2,880
Accounting	2,000	2,000	1,550	450
Utilities	45,000	25,000	23,422	1,578
Fuel	4,000	4,000	773	3,227
Capital Outlay	5,000	5,000	1,049	3,951
<b>Total Expenditures</b>	<u>\$ 159,000</u>	<u>\$ 159,000</u>	<u>\$ 113,469</u>	<u>\$ 45,531</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (159,000)</b>	<b>\$ (159,000)</b>	<b>\$ 190,054</b>	<b>\$ 349,054</b>
Fund balance, beginning	<u>not budgeted</u>	<u>not budgeted</u>	<u>\$ 10,640</u>	
Fund balance, ending	<u>not budgeted</u>	<u>not budgeted</u>	<u>\$ 200,694</u>	

See accountants' compilation report.

## SUPPLEMENTAL INFORMATION

Lafourche Parish Recreation District No. 11  
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For the Year Ended December 31, 2021

Schedule of Compensation, Benefits, and Other Payments to Agency Head or  
 Chief Executive Officer

Agency Head Name: Holly Duet - Director

Purpose	Amount
Salary	\$26,375
Benefits - insurance	0
Benefits - retirement	0
Benefits - other	2,018
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

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Schedule of Findings and Corrective Action Plan &  
Schedule of Prior Year Findings  
December 31, 2021

Current year findings

Ref. No.  
1221-01

Condition  
Noncompliance with state budgeting laws.

Criteria  
The district violated Local Governmental Budget Act (LRS 39:1301-1315)

Cause  
The board was unaware that estimated revenues and fund balance must be established in accordance with the Local Governmental Budget Act (LRS 39:1301-1315). The board only budgeted estimated expenditures for the year 2021.

Effect  
Noncompliance with state law. Budgets are used by the board as a control device to guide management of its resources on a monthly basis through comparison to actual revenues and expenditures. While there was no indication of mismanagement during the year, failure to adopt a budget for revenues and fund balance could result in overspending or other fiscal mismanagement.

Corrective Action Planned  
The board has taken necessary steps to ensure compliance with state budgeting laws in the future.

Name of Contact Person  
Albert Martin, Chairman

Anticipated Completion Date  
Resolved January 2022

Prior year findings

Noncompliance with state budgeting laws.

The board was established by the Lafourche Parish Council in February 2020. A budget was not created for 2020. This issue has been partially resolved by the boards adoption of the 2021 budget in January 2021. The budget adoption did not include estimated revenue or fund balance and warranted a repeated finding number 1221-01. The board has taken necessary steps to ensure compliance with the state budgeting law in the future.

## OTHER REPORTS



## Independent Accountant's Report on Applying Agreed-Upon Procedures

To The Board of Commissioners  
Lafourche Parish Recreation District No. 11  
Component Unit of the Lafourche Parish Government  
Houma, Louisiana 70364

We have performed the procedures enumerated below on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code); R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year for materials and supplies exceeding \$30,000, or for public works exceeding \$250,000.

### Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year, therefore, this does not apply.

The District did not directly pay employees during the fiscal year.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

Not applicable.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. There were no instances of the District doing business with related parties.

### **Budgeting**

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget as well as all amendments made during the fiscal year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced adoption of the original budget to documentation in the minutes of the meeting of the District's commissioners held on January 5, 2021. Management approved amendments to the budget at the meeting of the District's commissioners held on October 6, 2021.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures for the year failed to meet budgeted amounts by more than 5%. The board failed to budget revenues.

### **Accounting and Reporting**

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:



(a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account.

Each of the six selected disbursements were coded to the correct fund and general ledger account.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Obtained documentation for six disbursements. The District's policy is that two check signatures are required. Reviewed cancelled checks on bank statements. All checks provided evidence of two signatures.

## **Meetings**

10. Obtain evidence from management to support that agenda for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represented that the District is has posted a notice of each meeting and the accompanying agenda on the door of the District's recreation building in compliance with open meetings law.

## **Debt**

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

## **Advances and Bonuses**

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We scanned disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

### **State Audit Law**

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's report was filed in accordance with R.S. 24:513.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The District complied with R.S. 24:513.

The District did not enter into any contracts that utilized state funds during the fiscal year.

### **Prior-Year Comments**

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

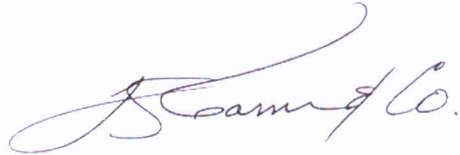
Our prior year report, dated May 13, 2021, reported findings of noncompliance with state budgeting laws. The board was established by the Lafourche Parish Council in February 2020. A budget was not created for the fiscal year ending December 31, 2020. This issue has been partially resolved by the board's adoption of the 2021 budget. The budget adoption did not include estimated revenue or fund balance and warranted a repeated finding. The board has taken necessary steps to ensure compliance with the state budgeting law in the future.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. 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.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, 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 Louisiana Legislative Auditor as a public document.

Very truly yours,

A handwritten signature in blue ink that reads "T.S. Kearns & Co." with a stylized flourish at the end.

T.S. Kearns & Co., CPA  
May 24, 2022

LAFOURCHE PARISH RECREATION DISTRICT #11

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Governmental Agencies)

2/09/22 (Date Transmitted)

T.S. Kearns & Co CPA

154 W Main St

Thibodaux, LA 70301

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2021 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.

**Public Bid Law**

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes  No [ ] N/A [ ]

**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 [ ] N/A [ ]

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 [ ] N/A [ ]

**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 [ ] N/A [ ]

**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 [ ] N/A [ ]

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

Yes  No [ ] N/A [ ]

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

Yes  No [ ] N/A [ ]

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes  No [ ] N/A [ ]

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  N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes  No  N/A

#### Meetings

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

Yes  No  N/A

#### Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes  No  N/A

#### Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes  No  N/A

#### Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes  No  N/A

#### General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes  No  N/A

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes  No  N/A

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes  No  N/A

We have provided you with all relevant information and access under the terms of our agreement.

Yes  No  N/A

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes  No  N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes  No  N/A

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes  No [ ] N/A [ ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes  No [ ] N/A [ ]

The previous responses have been made to the best of our belief and knowledge.

no position ~~Secretary~~ \_\_\_\_\_ Date

no position ~~Treasurer~~ \_\_\_\_\_ Date

[Signature] ~~Chairman~~ 2/9/22 \_\_\_\_\_ Date  
~~President~~