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Financial Report
Lafourche Parish Recreation District No. 11
Bayou Blue, Louisiana
December 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the clerk of court, and after appropriate public notice, the report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 01/11/97

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December 31, 1996

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Emergentis Bennett

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Lafourche Parish Recreation District No. 11,
Bayou Blue, Louisiana.

We have audited the accompanying general purpose financial statements of the Lafourche Parish Recreation District No. 11 (the District), a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lafourche Parish Recreation District No. 11 as of December 31, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 16, 1997 on our consideration of the Lafourche Parish Recreation District No. 11's internal control structure and a report dated June 16, 1997 on its compliance with laws and regulations.

Burgess Bennett, LLC

Certified Public Accountants

Hebrou, La.,
June 16, 1997.

**COMBINED BALANCE SHEET
GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS**

La Barche Parish Recreation District No. 11

December 31, 1996

	Governmental Fund Types		Account Groups		Total (Majority Only)
	General	Debt Service	General	General	
			Fixed Assets	Long-Term Debt	
Assets					
Cash	\$ 29,882	\$ 67,185	\$ -	\$ -	\$ 97,067
Reversions - taxes	1,850	17,187	-	-	21,037
Due from Lafourche Parish					
Tax Collector	11,185	98,819	-	-	72,084
Due from other funds		17,323	-	-	17,323
Fixed assets	-	-	723,078	-	723,078
Amounts available in Debt Service Fund	-	-	-	168,514	168,514
Amounts to be provided for retirement of general long-term debt	-	-	-	284,486	284,486
Totals	\$ 46,918	\$ 168,514	\$ 723,078	\$ 445,000	\$ 1,375,512
Liabilities					
Accounts payable and accrued expenditures	\$ 237			\$ -	\$ 237
Due to LaBarche Parish Council	7,162			-	7,162
Due to other funds	17,323			-	17,323
Bonds payable	-			445,000	445,000
Total liabilities	24,722			445,000	469,722
Fund Equity and Other Credits					
Investments in general fixed assets	-	\$ -	\$ 723,078		723,078
Fund balances:					
Removed for debt service		168,514			168,514
Unassigned	22,198				22,198
Total fund equity and other credits	22,198	168,514	723,078		905,790
Totals	\$ 46,918	\$ 168,514	\$ 723,078	\$ 445,000	\$ 1,375,512

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUND TYPES**

Lafourche Parish Recreation District No. 11

For the year ended December 31, 1996

	<u>General</u>	<u>Debt Service</u>	<u>Total (Miscellaneous Only)</u>
Revenues			
Taxes	\$ 17,572	\$ 78,346	\$ 95,918
Miscellaneous:			
Interest	444	3,169	3,613
Other	4,975	-	4,975
Total revenues	<u>22,991</u>	<u>78,515</u>	<u>103,506</u>
Expenditures			
Current:			
General Government:			
Ad valorem tax adjustment	156	695	851
Ad valorem tax deduction	536	2,390	2,926
Total general government	<u>692</u>	<u>3,085</u>	<u>3,777</u>
Culture and Recreation:			
Personal services	17,039	-	17,039
Supplies and materials	413	-	413
Other services and charges	8,587	352	9,939
Repairs and maintenance	14,287	-	14,287
Total culture and recreation	<u>41,343</u>	<u>352</u>	<u>41,695</u>
Debt Service:			
Principal retirement		20,000	20,000
Interest and fiscal charges		35,060	35,060
Total debt service		<u>55,060</u>	<u>55,060</u>
Total expenditures	<u>41,990</u>	<u>58,497</u>	<u>100,486</u>
Excess (Deficiency) of Revenues Over Expenditures	(8,948)	2,018	3,020
Fund Balances			
Beginning of year	41,146	138,436	180,582
End of year	<u>\$ 22,198</u>	<u>\$ 160,514</u>	<u>\$ 182,712</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUND TYPES**

Lafourche Parish Recreation District No. 11

For the year ended December 31, 1990

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes			
Miscellaneous:	\$ 18,200	\$ 17,592	\$ 608
Interest	100	444	344
Other	2,900	4,875	2,475
Total revenues	18,866	22,921	4,125
Expenditures			
Current:			
General Government:			
Ad valorem tax adjustment		136	(136)
Ad valorem tax deductions		546	(546)
Total general government		682	(682)
Culture and Recreation:			
Personal services	15,800	17,890	(1,200)
Supplies and materials	4,500	413	4,887
Other services and charges	6,500	9,907	(3,807)
Repairs and maintenance	2,900	14,297	(11,397)
Total culture and recreation	29,700	41,287	(11,587)
Debt Service:			
Principal retirement			
Interest and fiscal charges			
Total debt service			
Total expenditures	29,700	41,287	(11,587)
Excess (Deficiency) of Revenues Over Expenditures	(10,434)	(18,548)	(8,314)
Fund Balances			
Beginning of year	41,546	41,546	-
End of year	\$ 30,712	\$ 22,198	\$ 8,514

See notes to financial statements.

Debt Service Fund		Variance Favorable (Unfavorable)
Budget	Actual	
\$ 72,100	\$ 78,700	\$ 6,290
1,642	1,100	(242)
<u>73,742</u>	<u>79,800</u>	<u>5,052</u>
	600	(600)
	<u>2,300</u>	<u>(2,300)</u>
	<u>3,085</u>	<u>(3,085)</u>
	-	-
	352	(352)
	<u>-</u>	<u>-</u>
	<u>352</u>	<u>(352)</u>
20,000	20,000	-
<u>20,000</u>	<u>20,000</u>	<u>-</u>
50,000	55,000	-
<u>50,000</u>	<u>50,000</u>	<u>(1,400)</u>
\$ 18,482	21,000	\$ 2,618
	<u>100,416</u>	
	<u>\$ 100,514</u>	

NOTES TO FINANCIAL STATEMENTS

Lafourche Parish Recreation District No. 11

December 31, 1996

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Lafourche Parish Recreation District No. 11 (the District) conform to generally accepted accounting principles as applicable to governments. The following is a summary of significant accounting policies:

a) Reporting Entity

The District was created on October 28, 1986, by ordinance 17-19 of the Lafourche Parish Council.

The District is a component unit of the Lafourche Parish Council.

The District has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

b) Fund Accounting

The government uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Governmental Funds

Governmental Funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the Governmental Funds of the District:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Account Groups

An Account Group is used to establish accounting control and accountability. The District's Account Groups are as follows:

General Fixed Assets Account Group - This account group is used to account for fixed assets not accounted for in proprietary or trust funds.

General Long-Term Debt Account Group - This account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

c) Basis of Accounting

Basis of accounting refers to ~~when~~ revenues and expenditures 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.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes (Intergovernmental revenue) are considered "measurable" at the time of levy. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1300, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District did not amend its budget during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

e) Bad Debts

The financial statements for the District contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the Funds.

f) General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

It is not involved with the measurement of results of operations. Public domains ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, cults and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Long-Term Debt

The accounting and reporting treatment applied to the long-term debt associated with a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term debt expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The Long-Term Debt Account Group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

h) Vacation and Sick Leave

The District does not grant vacation and sick leave to its part-time employees.

i) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledger, is not utilized by the District.

j) Total Columns on Combined Statements - Overview

The total columns on the combined statements - overview are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Intended eliminations have not been made in the aggregation of this data.

Note 2 - CASH AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

During the year, the District's cash was adequately secured by FDIC insurance.

Note 3 - PROPERTY TAXES

Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list on January 1, 1996. Taxes are due and payable

December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rates for the year ended December 31, 1996 were \$2.69 and \$12.00 for operations and debt retirement, respectively, per \$1,000 of assessed valuation on property within Recreation District No. 11.

Note 4 - GENERAL FIXED ASSETS

A summary at December 31, 1996 of general fixed assets follows:

Building	\$704,334
Equipment	11,524
Totals	\$715,858

Note 4 - GENERAL FINED ASSETS (Continued)

There were no additions or deletions of general fixed assets during 1996.

Note 5 - LONG-TERM DEBT

The District issued general obligation bonds dated February 1, 1988 totaling \$550,000 bearing interest from 10.0% to 7.1%, which are payable through February 1, 2008. The bonds are secured by ad valorem tax revenues.

The following is a summary of changes in the long-term debt of the District for the year ended December 31, 1996:

	Payable January 1, <u>1996</u>	Debt Retirement	Payable December <u>31, 1996</u>
General Obligation Bonds	<u>\$465,000</u>	<u>\$20,000</u>	<u>\$445,000</u>

The annual requirements to amortize all long-term debt outstanding at December 31, 1996 are as follows:

Year	Principal	Interest	Total
1997	\$ 20,000	\$ 33,475	\$ 53,475
1998	25,000	31,865	56,865
1999	25,000	30,053	55,053
2000	30,000	28,050	58,050
2001	30,000	25,795	55,795
2002-2008	<u>215,000</u>	<u>95,925</u>	<u>310,925</u>
Totals	<u>\$445,000</u>	<u>\$245,143</u>	<u>\$690,143</u>

Note 6 - COMPENSATION OF BOARD MEMBERS

The District did not pay per diem to any of its Board Members during the year ended December 31, 1996.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners,
Lafourche Parish Recreation District No. 11,
Bayou Blue, Louisiana.

We have audited the general purpose financial statements of Lafourche Parish Recreation District No. 11 (the District), a component unit of the Lafourche Parish Council, State of Louisiana, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 16, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement.

The management of the District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the District for the year ended December 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express an opinion.

We noted certain matters, described in Schedule I, involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the items in Schedule I involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing and extent of the procedures to be performed in our audit of the financial statements of the District for the year ended December 31, 1996.

This report is intended for the information of the Board of Commissioners, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants

Bossier, La.,
June 16, 1997.



Bourgeois Bennett
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN
AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners,
 Lafourche Parish Recreation District No. 11,
 Bayou Blue, Louisiana.

We have audited the general purpose financial statements of Lafourche Parish Recreation District No. 11 (the District), a component unit of the Lafourche Parish Council, State of Louisiana, as of and for the year ended December 31, 1996, and have issued our report thereon dated June 16, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed one instance of noncompliance, described in Schedule 1, item 2, that is required to be reported herein under Government Auditing Standards.

We considered this instance of noncompliance in forming our opinion on whether the District's general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated June 16, 1997, on those general purpose financial statements.

This report is intended for the information of the Board of Commissioners, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, L.L.C.
 Certified Public Accountants

Houma, La.,
 June 16, 1997.

SCHEDULE OF REPORTABLE CONDITIONS**Lafourche Parish Recreation District No. 11**

For the year ended December 31, 1996

1. **Condition** - Louisiana Revised Statute 44:28 requires that all persons and public bodies having custody or control of any public record, other than conveyance, probate, mortgage, or other permanent records required by existing law to be kept for all time, shall exercise diligence and care in preserving the public record for the period or periods of time specified for such public records in formal records retention schedules developed and approved by the state archivist and director of the division of archives, records management and history of the Department of State. However, in all instances in which a formal retention schedule has not been executed, such public records shall be preserved and maintained for a period of at least three years from the date on which the public record was made.

During the audit it was noted that the District did not maintain adequate documentation of expenditures and did not deposit all valuation tax revenue in the proper bank accounts. The District was unable to account for twelve months of bank statements for two of its bank accounts. Also, the District does not appear to be performing bank reconciliations on any of its bank accounts.

Recommendation - We recommend that the District implement a system that clearly reflects the financial position of government, so that elected and appointed government officials can make proper decisions. The bookkeeping system must also permit a continuing comparison between revenues and expenditures estimated in the budget and those that actually occur. Four minimum requirements should be structured into any governmental bookkeeping system:

- The system must comply with local, state and federal legal provisions and maintain the ability to produce financial statements that comply with generally accepted accounting principles.
- The system should be an accurate reflection of the fiscal condition, and results of operations, of the government to provide a basis for decisions and control.
- Required financial reports should be easily extractable from the system.
- The system must be capable of being audited in a simple manner.

In addition, the system should be supported by written policies and procedures. This documentation provides for a consistent, uniform approach to accumulating financial information.

1. (Continued)

Response - The District has a secretary that is maintaining the proper information. This is a new position that was not in place during 1996.

2. **Condition** - The District's tax proposition for ad valorem tax collections for the payment of bonds requires that the monies be spent only for debt principal, interest and fiscal charges. The District violated their tax proposition by disbursing funds out of their debt service account for insurance and repairs and maintenance expenditures. The District also commingled the monies collected for ad valorem taxes between their debt service and maintenance accounts.

Recommendation - We recommend that the District only disburse funds from its debt service account for the payment of debt principal, interest and fiscal charges. We also recommend that the District deposit all ad valorem tax collections in the proper bank accounts.

Response - The Secretary handling the financial affairs for the District is responsible for segregation of expenditures.



COMMUNICATIONS WITH BOARD OF COMMISSIONERS

To the Board of Commissioners,
Lafourche Parish Recreation District No. 11,
Bryon Blue, Louisiana

In fulfilling our responsibility as Lafourche Parish Recreation District No. 11 auditors for the year ended December 31, 1996, we are required to communicate to the Board of Commissioners certain matters related to the conduct of our audit.

1) AUDITOR'S RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States which require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatements.

As required, separate letters have been issued on the internal control structure and compliance with laws and regulations.

2) SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are described in Note 1 to the financial statements. No new accounting policies were adopted nor required to be adopted for the year ended December 31, 1996.

3) SIGNIFICANT AUDIT ADJUSTMENTS

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared.

4) DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

The completion of our audit was delayed because of the condition described in Schedule 1, Item 1 accompanying the financial statements.

To the Board of Commissioners,
Lafourche Parish Recreation District No. 11,
Page 2

This information is intended solely for the use by the Board of Commissioners and management of Lafourche Parish Recreation District No. 11 and should not be used for any other purpose.

Bouquin Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
June 16, 1997.