

REPORT

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

DECEMBER 31, 2021

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PEARL RIVER, LOUISIANA

DECEMBER 31, 2021

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ACCOUNTANT'S COMPILATION REPORT

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May 3, 2022

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

Management is responsible for the accompanying financial statements of the business-type activities of St. Tammany Parish Recreation District 7, a component unit of St. Tammany Parish, which comprise the statement of net position for the year ended December 31, 2021, and the related statement of revenues, expenses and changes in net position for the year then ended, 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 AICPA. 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. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit management's discussion and analysis, the statement of cash flows and substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted management's discussion and analysis, the statement of cash flows and disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, change in net position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

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

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The accompanying supplementary information contained in the schedule of compensation, benefits and other payments to the agency head is presented for additional analysis as required by the Louisiana Revised Statute R.S. 24:513A and is not a required part of the basic financial statements. The supplementary information was not subject to our compilation engagement. We do not express an opinion, a conclusion nor provide any assurance on such information.

Duplantier, Sharpness, Hogan and Graker, LLP

New Orleans, Louisiana

ST. TAMMANY RECREATION DISTRICT NO 7
STATEMENT OF NET POSITION
DECEMBER 31, 2021
(Unaudited)

ASSETS

Cash	\$ 286,693
Fixed Assets:	
Building Improvements	113,938
Furniture & Equipment	54,978
Land Improvements	126,305
Land	624,050
	919,271
Accumulated Depreciation	(179,345)
Fixed Assets - net	739,926
TOTAL ASSETS	\$ 1,026,619

LIABILITIES AND NET POSITION

Liabilities:	
Payroll Taxes Payable	\$ 2,623
Unearned Revenue	91,085
Total Liabilities	93,708
Net Position:	
Investment in General Fixed Assets	739,926
Unrestricted	192,985
Total Net Position	932,911
TOTAL LIABILITIES AND NET POSITION	\$ 1,026,619

See accountant's compilation report

ST. TAMMANY RECREATION DISTRICT NO 7
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021
(Unaudited)

OPERATING REVENUES:		
Concession Income		\$ 19,272
Sponsorship		4,900
Sport Registrations	\$ 40,030	
Less refunds	<u>(533)</u>	
Sport Registrations - net		39,497
Facility Rentals	6,577	
Less refunds	<u>(450)</u>	
Facility Rentals - net		6,127
Other		<u>2,096</u>
Total Operating Income		<u>71,892</u>
OPERATING EXPENSES:		
Advertising		652
Bank service charges		266
Baseball, basketball		37,988
Concession		14,435
Depreciation expense		16,487
Equipment		1,539
Equipment rental and maintenance		3,159
Facility maintenance		23,420
Facility maintenance - other		14,721
Insurance		17,634
Other		982
Payroll expense		62,738
Postage, printing		430
Professional fees		7,150
Repairs and maintenance		962
Sales tax		1,208
Security		6,456
Supplies		2,397
Telephone		4,595
Utilities		<u>14,333</u>
Total Operating Expenses		<u>231,552</u>
Operating Loss		<u>(159,660)</u>
NON OPERATING REVENUES/(EXPENSES)		
Ad Valorem		1,276
Interest Income		30
Other Income		1,339
Cell Tower Lease Revenue		<u>55,161</u>
Total Non Operating Revenues		<u>57,806</u>
Change in Net Position		(101,854)
NET POSITION - BEGINNING OF YEAR		<u>1,034,765</u>
NET POSITION - END OF YEAR		<u>\$ 932,911</u>

See accountant's compilation report

ST. TAMANY PARISH RECREATION DISTRICT NO 7
SUPPLEMENTAL INFORMATION
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2021
(Unaudited)

NO PAYMENTS MADE.

ST. TAMMANY PARISH RECREATION DISTRICT 7

AGREED-UPON PROCEDURES

DECEMBER 31, 2021



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ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES ST. TAMMANY PARISH RECREATION DISTRICT 7

June 24, 2022

To the Board Members
St. Tammany Parish Recreation District 7
Covington, Louisiana

We have performed the procedures enumerated below solely to assist the St. Tammany Parish Recreation District 7 in assessing certain controls and in evaluating management's compliance with certain laws and regulations during the period from January 01, 2021 to December 31, 2021, in accordance with Act 774 of the 2014 Regular Legislative Session requirements from the Louisiana Legislative Auditor's office (LA R.S. 24:513(J)(1)(c)(v)(aa)). Management of the St. Tammany Parish Recreation District 7 is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations.

The St. Tammany Parish Recreation District 7 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, which is to meet the requirements of Act 774 of the 2014 Regular Legislative Session (LA R.S. 24:513(J)(1)(c)(v)(aa)). 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.

Our procedures and findings are as follows:

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Written Policies and Procedures (follow-up)

Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to the entity's operations):

- a) ***Purchasing***, including (1) how vendors are added to the vendor list.
- b) ***Travel and expense reimbursement***, including (1) dollar thresholds by category of expense.
- c) ***Ethics***, including (1) actions to be taken if an ethics violation takes place, (2) system to monitor possible ethics violations, and (3) requirement that all employees, including elected officials and appointed board members, annually attest through signature verification that they have read the entity's ethics policy.
- d) ***Bank Reconciliations***, including (1) process for addressing items outstanding for more than 12 months from the statement closing date, if applicable.

Results: Not findings were noted on the purchasing, travel and expense reimbursement and ethics policy. The bank reconciliation policy did not contain the process for addressing items outstanding for more than 12 months from the statement closing date.

Management's response - St. Tammany Parish Recreation District 7 will add the following language to the bank reconciliation policy: A board member (or designee who is independent of the receipt and disbursement process) and the accountant will review and address items outstanding for greater than 12 months from the statement closing date.

Board (or Finance Committee, if applicable) Oversight (follow-up)

1. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on all funds.

Results: No findings noted as a result of applying the procedures above.

Ethics (follow-up)

1. Obtain a listing of employees/elected officials/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials/board members, obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee/official/board members completed one hour of ethics training during the fiscal period; and
 - b) Observe that the documentation demonstrates each employee/official/board member attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results: Employees tested completed the one hour of ethics training. Employees/board members did not attest through signature verification that he/she read the entity's ethics policy during the fiscal period.

Management's response – St. Tammany Parish Recreation District 7 board members and hired employees did not attest through signature verification that he/she read the entity's ethics policy for the fiscal year (January 2021 – December 2021). All elected board members and hired employees for the St. Tammany Parish Recreation District 7 attested through signature verification that he/she read the ethics policy in the year 2022 and will be signed each year moving forward.

Information Technology Disaster Recovery/Business Continuity (follow-up)

1. Obtain and inspect the entity's written policies and procedures over information technology disaster recovery/business continuity (or the equivalent contractual terms if IT services are outsourced) and observe that they address (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No findings noted as a result of applying the procedures above.

Sexual Harassment (follow-up)

1. Obtain and inspect the entity's written sexual harassment policies and procedures and observe that they address all requirements of Louisiana Revised Statutes (R.S.) 42:342-344, including agency responsibilities and prohibitions; annual employee training; and annual reporting requirements.
2. Obtain a listing of employees/elected officials/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/elected officials/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/elected official/board member completed at least one hour of sexual harassment training during the calendar year.

Sexual Harassment (follow-up) - Continued

3. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
4. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344.

Results: No findings on the entity's policy, posting of the policy and sexual harassment report. The employees/board members did not complete one hour of sexual harassment training during the calendar year.

Management's response – The St. Tammany Parish Recreation District 7 board members and employees have not completed/obtained the required one hour of sexual harassment training course for the 2021 calendar year. Moving forward all elected board members and hired employees will complete the required training course for the 2022 calendar year and each year thereafter.

We were engaged by the St. Tammany Parish Recreation District 7 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. We were not engaged to, and did not, conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the assessment of certain controls and on the evaluation of management's compliance with certain laws and regulations during the period from July 1, 2020 to June 30, 2021, in accordance with the requirements of Act 774 of the 2014 Regular Legislative Session from the Louisiana Legislative Auditor's office (LA R.S. 24:513(J)(1)(c)(v)(aa)). 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 meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. We are not independent with St. Tammany Parish Recreation District 7.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. This report is intended solely for the information and use of management of the St. Tammany Parish Recreation District 7 and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Duplantier, Chapman, Hogan and Baker, LLP

New Orleans, Louisiana