

Financial Report

Terrebonne Parish Recreation District No. 1
Schriever, Louisiana

December 31, 2024

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Schriever, Louisiana

December 31, 2024

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 1,
Schriever, Louisiana.

Opinion

We have audited the accompanying financial statements of the governmental activities and governmental funds of Terrebonne Parish Recreation District No. 1 (the "District"), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the governmental funds of the District as of December 31, 2024 and the respective changes in net position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 through 11 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information on page 37 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2025 on our consideration of District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Bourgeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

Houma, Louisiana,
May 12, 2025.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Terrebonne Parish Recreation District No. 1 Schriever, Louisiana

December 31, 2024

The Management’s Discussion and Analysis of the Terrebonne Parish Recreation District No. 1’s (the “District”) financial performance presents a narrative overview and analysis of the District’s financial activities for the year ended December 31, 2024. This document focuses on the current year’s activities, resulting changes, and currently known facts. Please read this document in conjunction with the financial statements which follow in this section.

FINANCIAL HIGHLIGHTS

The District’s assets exceeded its liabilities and deferred inflows at the close of fiscal year 2024 by \$5,450,733 (net position), which represents a 5.71% increase from last fiscal year.

The District’s revenue decreased by \$155,953 (9.66%) primarily due to decreases in the receipt of grant revenue from the Federal Emergency Management Agency (FEMA) and investment earnings.

The District’s expenses increased by \$335,683 (39.39%) due to increases in personal services, repairs and maintenance, and depreciation and amortization expenditures.

Capital assets additions amounted to \$138,317. These additions include the construction and completion of the Coteau Bayou Blue Park and the replacement of the A/C unit at the Schriever Gym.

The District did not have any funds with deficit fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District’s financial statements. The District’s annual report consists of three parts: (1) management’s discussion and analysis (this section) (2) financial statements; and (3) various governmental compliance reports and schedules by certified public accountants and management.

The financial statements include two kinds of statements that present different views of the District:

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The statement of activities presents information showing how the District's net position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the District is culture and recreation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the District are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Governmental Funds

The District maintains three governmental funds. Information is presented separately for the General Fund, Capital Projects Fund and the Debt Service Fund in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance. The District adopts annual appropriated budgets for its governmental funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 12 through 18 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. As of December 31, 2024, assets exceeded liabilities and deferred inflow of resources by \$5,450,733 (net position). A large portion of the District's net position (94.07%) reflects its net investment in capital assets (e.g., land; buildings; improvements other than buildings; office furniture, fixtures and equipment; machinery and equipment). Consequently, these assets are not available for future spending.

Condensed Statements of Net Position

	<u>December 31,</u>		<u>Dollar</u>
	<u>2024</u>	<u>2023</u>	<u>Change</u>
Current and other assets	\$ 1,751,900	\$ 2,022,765	\$ (270,865)
Capital assets	7,472,234	7,731,549	(259,315)
Right-of-use asset	28,542	30,773	(2,231)
Total assets	<u>9,252,676</u>	<u>9,785,087</u>	<u>(532,411)</u>
Liabilities	2,403,381	3,314,584	(911,203)
Deferred inflows of resources	<u>1,398,562</u>	<u>1,314,009</u>	<u>84,553</u>
Total liabilities and deferred inflows of resources	<u>3,801,943</u>	<u>4,628,593</u>	<u>(826,650)</u>
Net position:			
Net investment in capital assets	5,127,234	4,826,549	300,685
Unrestricted	<u>323,499</u>	<u>329,945</u>	<u>(6,446)</u>
Total net position	<u>\$ 5,450,733</u>	<u>\$ 5,156,494</u>	<u>\$ 294,239</u>

Capital assets decreased due to the disposals of various equipment during the year. Other Asset additions include the completion of the Coteau Bayou Blue Park and improvements to facilities, such as the replacement of the A/C unit at the Schriever Gym, purchase of an A/C unit for the Coteau Bayou Blue Park restrooms, and purchase of surveillance cameras for the Coteau Bayou Blue Park in the year ended December 31, 2024.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**Governmental Activities**

Governmental activities increased the District's net position by \$294,239. Key elements of this increase are as presented as follows:

Condensed Statements of Activities

	December 31,		Dollar	Percent
	2024	2023	Change	Change
Revenues:				
Program revenues:				
Charges for services	\$ 23,003	\$ 15,491	\$ 7,512	48.49%
General revenues:				
Taxes	1,327,400	1,289,527	37,873	2.94%
Intergovernmental	89,805	217,191	(127,386)	-58.65%
Miscellaneous	18,523	92,475	(73,952)	-79.97%
Total revenues	<u>1,458,731</u>	<u>1,614,684</u>	<u>(155,953)</u>	-9.66%
Expenses:				
General government	62,012	65,881	(3,869)	-5.87%
Culture and recreation	1,074,979	728,443	346,536	47.57%
Debt service	50,913	57,897	(6,984)	-12.06%
Total expenses	<u>1,187,904</u>	<u>852,221</u>	<u>335,683</u>	39.39%
Other Financing Sources (Uses):	<u>23,412</u>	<u>-</u>	<u>23,412</u>	100.00%
Change in net position	294,239	762,463	(468,224)	-61.41%
Net position, beginning of year	<u>5,156,494</u>	<u>4,394,031</u>	<u>762,463</u>	17.35%
Net position, end of year	<u>\$ 5,450,733</u>	<u>\$ 5,156,494</u>	<u>\$ 294,239</u>	5.71%

The Statement of Activities provides answers to the nature and source of changes in net position. The District's investment earnings decreased due to a decrease in LAMP interest earnings. Intergovernmental revenues decreased primarily due to a decrease in reimbursements received from the Federal Emergency Management Agency (FEMA). Culture and recreation expenses increased primarily due to increases in personal services, repairs and maintenance, and depreciation and amortization.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As previously noted, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's governmental funds' ending fund balance is \$315,858, a decrease of \$15,047 in comparison with the prior year. The fund balance decrease is primarily due to expenditures incurred on the completion of the Coteau Bayou Blue Park and other capital outlays. This fund balance consists of \$55,086 assigned for the subsequent year's expenditures and an unassigned balance of \$260,772.

General Fund Budgetary Highlights

The budget was amended once during the year. The primary reason for amending the budget was to align budgeted expenditures with actual. The major differences between the original General Fund budget and the final amended budget were as follows:

Revenues

- Miscellaneous revenues were increased by \$68,492 to better reflect the increase in other income during the year.
- Tax revenues were increased by \$18,948 to better reflect actual ad valorem tax collections.
- Intergovernmental revenues were increased by \$33,710 to reflect the revenues received from the Federal Emergency Management Agency (FEMA).

Expenditures

- Personal services expenditures were decreased by \$97,801 to better reflect actual expenditures.
- Other services and charges were decreased by \$13,575 to better reflect actual expenditures.
- Capital outlay expenditures were decreased by \$63,939 to better reflect the actual expenditures on capital assets around the District.

CAPITAL ASSETS AND DEBT ADMINISTRATION**Capital Assets**

The District's net investment in capital assets for its governmental activities as of December 31, 2024, amounts to \$7,472,234 (net of accumulated depreciation). This net investment in capital assets includes land; buildings; improvements other than buildings; office furniture, fixtures and equipment; machinery and equipment.

	<u>2024</u>	<u>2023</u>
Land	\$ 370,632	\$ 370,632
Construction in progress	-	4,885,755
Buildings and improvements	6,363,293	1,657,673
Office furniture, fixtures, and equipment	250,644	263,378
Machinery and equipment	<u>487,665</u>	<u>554,111</u>
Totals	<u>\$ 7,472,234</u>	<u>\$ 7,731,549</u>

The major capital asset events for the current year consisted of:

- The completion of the Coteau Bayou Blue Park.
- Replacement of the A/C unit at the Schriever Gym.
- Purchase of a 2 ton A/C for the Coteau Bayou Blue Park restrooms.

Additional information on the District's capital assets can be found in Note 6, Exhibit F of this report.

Debt Administration

On August 13, 2021, the District issued \$4,000,000 of Limited Tax Bonds Series 2021. As of December 31, 2024, the balance of bonds outstanding remains at \$2,345,000 and bears interest at rates ranging from .85% to 2.50%. The bonds are payable from the annual levy and collection of the 7 mill ad valorem tax on all the taxable property within the boundaries of the District. The tax is considered sufficient to pay the principal and interest of the bonds as they mature. The bonds have a maturity date of March 1, 2028 with principal due March 1st and interest due March 1st and September 1st of each year.

On October 1, 2016, the District entered into a lease with the Gray Improvement Committee, Inc. for the use of property. The total lease liability for the District as of December 31, 2024 is \$28,542.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The ad valorem tax revenue budgeted represents the estimated amount of the November 2024 assessment, which the District will receive, for the most part, in January 2025.
- The District anticipates being very conservative on repair and maintenance expenditures and capital outlay for 2025.
- Additional operating costs are expected due to the completion of the Coteau Bayou Blue Park.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Terrebonne Parish Recreation District No. 1, P.O. Box 1853, Gray, Louisiana 70359.

**STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET**

Terrebonne Parish Recreation District No. 1
Schriever, Louisiana

December 31, 2024

	General Fund	Capital Projects Fund	Debt Service Fund	Totals	Adjustments (Exhibit B)	Statement of Net Position
Assets						
Cash and cash equivalents	\$ 390,165	\$ -	\$ 100	\$ 390,265	\$ -	\$ 390,265
Receivables:						
Taxes	214,195	-	-	214,195	-	214,195
Due from other governmental units	1,121,483	-	-	1,121,483	-	1,121,483
Due from other funds	100	-	-	100	(100)	-
Prepaid insurance	-	-	-	-	25,957	25,957
Capital assets:						
Non-depreciable	-	-	-	-	370,632	370,632
Depreciable, net of accumulated depreciation	-	-	-	-	7,101,602	7,101,602
Right-of-use asset, net of accumulated amortization	-	-	-	-	28,542	28,542
Total assets	<u>\$ 1,725,943</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 1,726,043</u>	<u>7,526,633</u>	<u>9,252,676</u>
Liabilities						
Accounts payable and accrued expenditures	\$ 11,523	\$ -	\$ -	\$ 11,523	16,567	28,090
Due to other funds	-	-	100	100	(100)	-
Long-term liabilities - due within one year	-	-	-	-	572,286	572,286
Long-term liabilities - due after one year	-	-	-	-	1,803,005	1,803,005
Total liabilities	11,523	-	100	11,623	2,391,758	2,403,381
Deferred inflows of resources unavailable revenue - property taxes	1,398,562	-	-	1,398,562	-	1,398,562
Total liabilities and deferred inflows of resources	<u>1,410,085</u>	<u>-</u>	<u>100</u>	<u>1,410,185</u>	<u>2,391,758</u>	<u>3,801,943</u>
Fund Balance/Net Position						
Fund balance:						
Assigned - subsequent year's expenditures	55,086	-	-	55,086	(55,086)	-
Unassigned	260,772	-	-	260,772	(260,772)	-
Total fund balance	<u>315,858</u>	<u>-</u>	<u>-</u>	<u>315,858</u>	<u>(315,858)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,725,943</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 1,726,043</u>	<u>2,075,900</u>	<u>3,801,943</u>
Net position:						
Net investment in capital assets					5,127,234	5,127,234
Unrestricted					323,499	323,499
Total net position					<u>\$ 5,450,733</u>	<u>\$ 5,450,733</u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

Terrebonne Parish Recreation District No. 1

Schriever, Louisiana

December 31, 2024

Fund Balances - Governmental Fund **\$ 315,858**

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities are not
financial resources and, therefore, are not reported
in the governmental fund.

Governmental capital assets	\$ 10,242,654	
Less accumulated depreciation	<u>(2,770,420)</u>	7,472,234

Long-term assets are not financial resources and,
therefore, are not reported in the governmental fund.

Right-of-use asset, net of accumulated depreciation		28,542
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Other assets and liabilities used in governmental
activities are not financial resources and are
not reported in the governmental funds.

Prepaid insurance	25,957	
Accrued interest payable	<u>(16,567)</u>	9,390

Long-term liabilities are not due and payable in the
current period and therefore are not reported in the
governmental funds.

Limited Tax Bonds	(2,345,000)	
Lease liability	(28,542)	
Compensated absences	<u>(1,749)</u>	<u>(2,375,291)</u>

Net Position of Governmental Activities **\$ 5,450,733**

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT OF
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

Terrebonne Parish Recreation District No. 1
Schriever, Louisiana

For the year ended December 31, 2024

	General Fund	Capital Projects Fund	Debt Service Fund	Totals	Adjustments (Exhibit D)	Statement of Activities
Revenues						
Taxes	\$ 1,327,400	\$ -	\$ -	\$ 1,327,400	\$ -	\$ 1,327,400
Intergovernmental:						
FEMA	57,120	-	-	57,120	-	57,120
State of Louisiana:						
State revenue sharing	32,685	-	-	32,685	-	32,685
Charges for services	23,003	-	-	23,003	-	23,003
Miscellaneous:						
Investment earnings	8,867	-	-	8,867	-	8,867
Other	9,596	-	60	9,656	-	9,656
Total revenues	1,458,671	-	60	1,458,731	-	1,458,731
Expenditures/Expenses						
Current:						
General government:						
Ad valorem tax adjustment	17,365	-	-	17,365	-	17,365
Ad valorem tax deductions	44,647	-	-	44,647	-	44,647
Total general government	62,012	-	-	62,012	-	62,012
Culture and recreation:						
Personal services	262,539	-	-	262,539	452	262,991
Supplies and materials	45,600	-	-	45,600	-	45,600
Other services and charges	302,242	-	-	302,242	(6,626)	295,616
Repairs and maintenance	69,537	603	-	70,140	-	70,140
Lease expense	3,000	-	-	3,000	-	3,000
Depreciation and amortization	-	-	-	-	368,437	368,437
Loss on disposal of assets	-	-	-	-	29,195	29,195
Total culture and recreation	682,918	603	-	683,521	391,458	1,074,979
Debt service:						
Bond principal retirement	-	-	560,000	560,000	(560,000)	-
Interest	-	-	53,340	53,340	(2,427)	50,913
Total debt service	-	-	613,340	613,340	(562,427)	50,913
Capital outlay	48,705	89,612	-	138,317	(138,317)	-
Total expenditures/expenses	793,635	90,215	613,340	1,497,190	(309,286)	1,187,904
Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources (Uses)	665,036	(90,215)	(613,280)	(38,459)	309,286	270,827
Other Financing Sources (Uses)						
Insurance proceeds	23,412	-	-	23,412	-	23,412
Transfers-in	-	90,215	613,280	703,495	(703,495)	-
Transfers-out	(703,495)	-	-	(703,495)	703,495	-
Total other financing sources (uses)	(680,083)	90,215	613,280	23,412	-	23,412

	General Fund	Capital Projects Fund	Debt Service Fund	Totals	Adjustments (Exhibit D)	Statement of Activities
Excess (Deficiency) of Revenues Over Expenditures	(15,047)	-	-	(15,047)	15,047	-
Change in Net Position	-	-	-	-	294,239	294,239
Fund Balance/Net Position						
Beginning of year	330,905	-	-	330,905	2,254,983	5,156,494
End of year	<u>\$ 315,858</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315,858</u>	<u>\$ 2,564,269</u>	<u>\$ 5,450,733</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES**

Terrebonne Parish Recreation District No. 1
Schriever, Louisiana

For the year ended December 31, 2024

Net Change in Fund Balances - Governmental Fund **\$ (15,047)**

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.
However, in the Statement of Activities the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense.

Capital outlay	\$ 138,317	
Depreciation expense and amortization	<u>(368,437)</u>	(230,120)

The net effect of miscellaneous transactions involving capital assets, such as dispositions, impairments and donations, is to decrease net position.		(29,195)
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The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, the transaction, however, has no effect on net position.		560,000
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Some revenues and expenses reported in the Statement of Activities do not provide or require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.		
Decrease in accrued interest payable		2,427

Some expenditures reported in the Statement of Activities
do not require the use of current financial resources and,
therefore, are not reported as expenditures in governmental
funds.

Increase in prepaid insurance	6,626	
Increase in compensated absences payable	<u>(452)</u>	

Change in Net Position of Governmental Activities		<u>\$ 294,239</u>
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See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

Terrebonne Parish Recreation District No. 1

Schriever, Louisiana

For the year ended December 31, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
Revenues				
Taxes	\$ 1,327,424	\$ 1,346,372	\$ 1,327,400	\$ (18,972)
Intergovernmental:				
FEMA	-	33,710	57,120	23,410
State of Louisiana:				
State revenue sharing	33,333	32,685	32,685	-
Charges for services	10,500	19,751	23,003	3,252
Miscellaneous:				
Investment earnings	8,200	8,651	8,867	216
Other	1,000	69,492	9,596	(59,896)
Total revenues	<u>1,380,457</u>	<u>1,510,661</u>	<u>1,458,671</u>	<u>(51,990)</u>
Expenditures				
Current:				
General government:				
Ad valorem tax adjustment	7,731	2,883	17,365	(14,482)
Ad valorem tax deductions	40,098	44,299	44,647	(348)
Total general government	<u>47,829</u>	<u>47,182</u>	<u>62,012</u>	<u>(14,830)</u>
Culture and recreation:				
Personal services	363,000	265,199	262,539	2,660
Supplies and materials	66,000	56,799	45,600	11,199
Other services and charges	329,625	316,050	302,242	13,808
Repairs and maintenance	77,000	80,110	69,537	10,573
Lease expense	3,000	3,000	3,000	-
Total culture and recreation	<u>838,625</u>	<u>721,158</u>	<u>682,918</u>	<u>38,240</u>
Debt service:				
Bond principal retirement	560,000	560,000	-	560,000
Interest	53,340	53,340	-	53,340
Total debt service	<u>613,340</u>	<u>613,340</u>	<u>-</u>	<u>613,340</u>

**Exhibit E
(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
Expenditures (Continued)				
Capital outlay	<u>320,000</u>	<u>256,061</u>	<u>48,705</u>	<u>207,356</u>
Total expenditures	<u>1,819,794</u>	<u>1,637,741</u>	<u>793,635</u>	<u>844,106</u>
Other Financing Sources (Uses)				
Insurance proceeds	-	-	23,412	23,412
Transfers-out	<u>-</u>	<u>-</u>	<u>(703,495)</u>	<u>(703,495)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(680,083)</u>	<u>(680,083)</u>
(Deficiency) of Revenues Over Expenditures	<u>(439,337)</u>	<u>(127,080)</u>	<u>(15,047)</u>	<u>112,033</u>
Fund Balance/Net Position				
Beginning of year	<u>660,062</u>	<u>330,905</u>	<u>330,905</u>	<u>-</u>
End of year	<u><u>\$ 220,725</u></u>	<u><u>\$ 203,825</u></u>	<u><u>\$ 315,858</u></u>	<u><u>\$ 112,033</u></u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Terrebonne Parish Recreation District No. 1

Schriever, Louisiana

December 31, 2024

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Terrebonne Parish Recreation District No. 1 (the “District”) conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The District is a component unit of the Terrebonne Parish Consolidated Government (the “Parish”) and as such, these financial statements will be included in the annual comprehensive financial report (ACFR) of the Parish for the year ended December 31, 2024.

GASB Statement No. 14, “*The Financial Reporting Entity*”, GASB Statement No. 39, “*Determining Whether Certain Organizations Are Component Units—an amendment of GASB Statement No. 14*” and GASB No. 61, “*The Financial Reporting Entity: Omnibus and Amendment of GASB Statement No. 14 and No. 34*” established the criterion for determining which component units should be considered part of the District for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the District and the potential component unit.
4. Imposition of will by the District on the potential component unit.
5. Financial benefit/burden relationship between the District and the potential component unit.

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation

The District's financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements.

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements

The daily accounts and operations of the District are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the governmental funds of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for and report all financial resources not accounted for and reported in another fund.

Debt Service Fund - The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Capital Projects Fund - The Capital Projects Fund accounts for debt proceeds that are legally restricted to expenditures for improvements or maintenance of facilities and equipment used for park and recreation purposes.

c. Measurement Focus and 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current position. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are recognized as revenue in the period for which levied, thus the 2024 property taxes which are being levied to finance the 2025 budget will be recognized as revenue in 2025. The 2024 tax levy is recorded as deferred inflows of resources (unavailable revenue) in the District's 2024 financial statements. Charges for services are recorded when earned since they are measurable and available. 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. Allocations of cost such as depreciation are not recognized in the governmental funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Use of Estimates

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

e. Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners (the “Board”) adopted a budget for the District’s governmental funds. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and a public hearing on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditure must be approved by the Board. The District amended its budget once during the year so actual revenues would not be less than budgeted and actual expenditures would not be greater than budgeted.

All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

The governmental funds’ budgets are adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

The General Fund budget presentation is included in the financial statements.

f. Accounts Receivable

The financial statements for the District contain no allowance for uncollectible accounts. 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.

g. Investments

Investments are stated at fair value as established by open market, except for the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net position to compute share prices if certain conditions are met.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Investments (Continued)

Investments during the year consisted of LAMP and are reported as cash equivalents as of December 31, 2024.

h. Prepaid Insurance

The District has recorded prepaid insurance in its government-wide financial statements. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

i. Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$500 or more are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	5 - 40 years
Improvements other than buildings	5 - 25 years
Machinery and equipment	5 - 20 years
Furniture, fixtures, and equipment	5 - 7 years

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

j. Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time. The governmental fund reports unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reports unavailable revenue when resources associated with imposed non exchange revenue transactions are received or reported as a receivable before (a) the period for which property taxes are levied; or (b) the period when resources are required to be used or when use is first permitted for all other imposed non exchange revenues in which the enabling legislation includes time requirements.

k. Vacation and Sick Leave

The District provides annual leave for all full time permanent employees. Each employee will earn 80 hours of annual leave per year. These 80 hours will continue to be given to those qualifying employees throughout the entirety of their employment. Annual leave is earned at a rate of 1.539 hours per 40 hours worked. Failure to use leave results in its loss if the employee is terminated within the first year of employment. Annual leave is paid upon separation.

The District provides sick leave for all full time permanent employees. Each employee will earn 40 hours of sick leave per year. These 40 hours will continue to be given to those qualifying employees throughout the entirety of their employment. Sick leave is allocated at the beginning of each fiscal year. Once, the 40 hours of sick leave is exhausted no sick leave can be allocated until the next fiscal year. Sick leave hours shall not contribute to overtime compensation. Sick leave is not paid upon separation.

The liability for these compensated absences is recorded as a long-term obligation in the government-wide statements. In the fund financial statements, government funds report only compensated absence liability payable from expendable available financial resources.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Leases

The District is a lessee of property. Since the contract provides the District with the right to substantially all the economic benefits and the right to direct use of the identified asset, it is considered to be or contains a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. ROU assets are also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred. There were no adjustments for 2024.

Future lease payments are discounted using the interest rate implicit in the lease. If the discount rate is not readily determined, the estimated incremental borrowing rate should be used. The District used an estimated incremental borrowing rate when discounting future lease payments.

Lease liabilities are reduced as payments are made and the District recognizes an outflow of resources, and an expense for interest on the lease liability. ROU assets are amortized in a systematic and rational way over the shorter term of the lease term or the useful life of the underlying asset.

The right-of-use assets and lease liability as of December 31, 2024 are presented as separate line items on the District's statement of net position.

m. Equity

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment 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, if any.
- b. Restricted net position - Consists of assets and deferred outflows of resources less liabilities and deferred inflow of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions 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 "net investment in capital assets".

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Equity (Continued)

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

Fund Financial Statements

Government fund equity is classified as fund balance. Fund balance is further classified as follows:

- a. Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to maintain intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements 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 action of the District's Board of Commissioners. Commitments may be established, modified, or rescinded only through resolutions approved by the District's Board of Commissioners.
- d. Assigned - amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Assignments may be established, modified, or rescinded by the President of the District's Board of Directors or his representative.
- e. Unassigned - all other spendable amounts.

For the classification of governmental fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available. The District's fund balances were classified as assigned and unassigned as of December 31, 2024.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. New GASB Statements

During the year ended December 31, 2024, the District implemented the following GASB Statements:

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. This Statement did not affect the financial statements for the year ended December 31, 2024.

Statement No. 100, “*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement did not affect the financial statements for the year ended December 31, 2024.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement did not have a material affect on the financial statements for the year ended December 31, 2024.

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 102, “*Certain Risk Disclosures*” defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Additional disclosures are to be included if reporting criteria is met which will provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. New GASB Statements (Continued)

Statement No. 103, “*Financial Reporting Model Improvements*” provides objectives to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 104, “*Disclosure of Certain Capital Assets*” provides users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in Statement No. 87, and intangible right-to-use assets recognized in accordance with Statement No. 94, should be disclosed separately by major class of underlying asset in the capital asset note disclosure. Subscription assets recognized in accordance with Statement No. 96 also should be separately disclosed. This Statement also requires additional disclosure for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Note 2 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Bank Deposits

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes Federal Deposit Insurance Corporation (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.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

The year-end balances of deposits are as follows:

	<u>Bank Balances</u>	<u>Reported Amounts</u>
Cash	<u>\$ 252,871</u>	<u>\$ 248,506</u>

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 has a written policy for custodial credit risk that is similar to state law. As of December 31, 2024, \$2,871 of the District's bank balance of \$252,871 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent and are deemed to be held in the District's name by state statutes.

As of December 31, 2024, cash was adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the District. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and LAMP.

As a means of limiting its exposure to fair value losses arising from interest rates, the District's investment policy emphasized maintaining liquidity to match specific cash flows.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy requires the application of the prudent-person rule. This policy states, investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income be derived. Primary emphasis shall be placed upon the safety of principal, secondly to maintain liquidity to meet operating requirements and finally to obtain the most favorable rate of return. The District's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAm.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

For an investment, custodial credit risk is that risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. governments floating/variable rate investments. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued as amortized cost. The fair value of participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in LAMP as of December 31, 2024, amounted to \$141,759 and are classified on the Statement of Net Position as "Cash and Cash Equivalents".

Reconciliation

A reconciliation of deposits and investments as shown on the Statement of Net Position for the District is as follows:

Bank deposits	\$ 248,506
Investment in LAMP	<u>141,759</u>
Total cash and cash equivalents	<u><u>\$ 390,265</u></u>

Note 3 - PROPERTY TAXES

Property taxes are levied each November 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 Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A statewide reevaluation of all property is required to be completed no less than every four years. The last statewide reevaluation was completed for the list of January 1, 2024. A special reassessment was completed for the list of January 1, 2020. 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 rate for the year ended December 31, 2024 was \$7.00 per \$1,000 of assessed valuation on property within Recreation District No. 1 for the purpose of constructing, maintaining and operating recreational facilities within the District. As indicated in Note 1c, taxes levied November 1, 2024 are for budgeted expenditures in 2025 and will be recognized as revenues in 2025.

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of December 31, 2024 consisted of the following:

	<u>General Fund</u>
State of Louisiana	
State revenue sharing	\$ 21,500
FEMA	18,120
Terrebonne Parish Tax Collector - December 2024	
collections remitted to the District in January 2025:	
Ad valorem taxes	1,071,113
State revenue sharing	<u>10,750</u>
Total	<u><u>\$ 1,121,483</u></u>

Note 5 - LEASE COMMITMENTS

The District entered into a lease with the Gray Improvement Committee, Inc. (the "Committee") for property. The lease term began on October 1, 2016 and covers 10 years with an option to renew for 10 additional years which management has represented will be renewed. The lease calls for monthly payments of \$3,000. The lease interest rate is approximated at the incremental borrowing rate of 2.5%.

Note 5 - LEASE COMMITMENTS (Continued)

The weighted-average discount rate is approximated at the incremental borrowing rate of 2.5%. The District has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for the lease where the implicit rate is not readily determinable. The District has applied the risk-free rate option to the lease.

Reported under Statement 87 for year ended December 31, 2024 are as follows:

Lease expense	<u>\$ 2,230</u>
Cash paid for lease	<u>\$ 3,000</u>
Right-of-use asset	<u>\$28,542</u>
Lease liability	<u>\$28,542</u>

Weighted-Average Information

Weighted-average remaining lease in years	11
Weighted-average discount rate:	2.50%

Future Minimum Lease Payments

<u>Year Ending December 31,</u>	<u>Amounts</u>
2025	\$ 3,000
2026	3,000
2027	3,000
2028	3,000
2029	3,000
Thereafter	<u>18,000</u>
Total lease payments	33,000
Less amounts representing interest	<u>(4,458)</u>
Present value of lease liability	28,542
Less current maturities	<u>(2,286)</u>
Long-term lease obligation	<u>\$26,256</u>

Note 6 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance January 1, 2024	Additions	Deletions	Balance December 31, 2024
Capital assets not being depreciated:				
Land	\$ 370,632	\$ -	\$ -	\$ 370,632
Construction in progress	4,885,755	40,237	(4,925,992)	-
	<u>5,256,387</u>	<u>40,237</u>	<u>(4,925,992)</u>	<u>370,632</u>
Capital assets being depreciated:				
Buildings	1,799,717	4,968,449	(18,374)	6,749,792
Improvements other than building	1,811,835	14,022	(68,380)	1,757,477
Office furniture, fixtures, and equipment	307,776	29,337	-	337,113
Machinery and equipment	1,044,039	12,264	(28,663)	1,027,640
Total capital assets being depreciated	<u>4,963,367</u>	<u>5,024,072</u>	<u>(115,417)</u>	<u>9,872,022</u>
Less accumulated depreciation for:				
Buildings	(1,168,595)	(143,526)	12,173	(1,299,948)
Improvements other than building	(785,284)	(107,119)	48,375	(844,028)
Office furniture, fixtures, and equipment	(44,398)	(42,071)	-	(86,469)
Machinery and equipment	(489,928)	(75,721)	25,674	(539,975)
Total accumulated depreciation	<u>(2,488,205)</u>	<u>(368,437)</u>	<u>86,222</u>	<u>(2,770,420)</u>
Total capital assets being depreciated, net	<u>2,475,162</u>	<u>4,655,635</u>	<u>(29,195)</u>	<u>7,101,602</u>
Right-of-use assets:				
Property	60,000	-	-	60,000
Less accumulated amortization for:				
Property	(29,227)	(2,231)	-	(31,458)
Right-of-use assets being amortized, net	<u>30,773</u>	<u>(2,231)</u>	<u>-</u>	<u>28,542</u>
Total capital assets, net	<u>\$ 7,762,322</u>	<u>\$ 4,693,641</u>	<u>\$ (4,955,187)</u>	<u>\$ 7,500,776</u>

During 2024, the District's Improvements to facilities include an A/C unit replacement at the Schriever Gym, a 2 ton A/C for Coteau Bayou Blue Park restrooms, surveillance cameras at Coteau Bayou Blue Park, and various benches and picnic tables for the parks.

As of December 31, 2024, construction of the Coteau Bayou Blue Park has been completed.

District depreciation amounting to \$368,437 was recorded as cultural and recreation expenses for the year ended December 31, 2024.

Note 7 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenditures as of December 31, 2024 consisted of the following:

	<u>General Fund</u>	<u>Adjustments</u>	<u>Government- Wide</u>
Accrued salaries and related payables	\$ 4,204	\$ -	\$ 4,204
Vendors	7,319	-	7,319
Accrued interest on Limited Tax Bonds	-	16,567	16,567
	<u>\$ 11,523</u>	<u>\$ 16,567</u>	<u>\$ 28,090</u>

Note 8 - LONG-TERM OBLIGATIONS

Long-term obligations consist of Limited Tax Bonds Series 2021, lease liability and accumulated earned and unpaid vacation and sick leave. The following is a summary of changes in the long-term obligations of the District for the year ended December 31, 2024:

	<u>Payable January 1, 2024</u>	<u>Increase</u>	<u>Decrease</u>	<u>Payable December 31, 2024</u>	<u>Due Within One Year</u>
Limited Tax Bonds					
Series 2021	\$ 2,905,000	\$ -	\$ 560,000	\$ 2,345,000	\$ 570,000
Lease liability	30,773	-	2,231	28,542	2,286
Accumulated unpaid annual leave	1,297	452	-	1,749	-
	<u>\$ 2,937,070</u>	<u>\$ 452</u>	<u>\$ 562,231</u>	<u>\$ 2,375,291</u>	<u>\$ 572,286</u>

On August 13, 2021, the District issued \$4,000,000 of Limited Tax Bonds Series 2021. As of December 31, 2024, the balance of bonds outstanding totaled \$2,345,000 and the bonds bear interest at rates ranging from .85% to 2.50%. The bonds are payable from the annual levy and collection of 7 mill ad valorem tax on all the taxable property within the boundaries of the District. The tax is considered sufficient to pay the principal and interest of the bonds as they mature. Ad valorem tax revenue recognized during the year ended December 31, 2024 amounted to \$1,327,400. The bonds have a maturity date of March 1, 2028 with principal due March 1st and interest due March 1st and September 1st of each year.

Note 8 - LONG-TERM OBLIGATIONS (Continued)

Annual debt service requirements through maturity for the bonds as of December 31, 2024 is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2025	\$ 570,000	\$ 44,998	\$ 614,998
2026	580,000	34,495	614,495
2027	590,000	21,910	611,910
2028	<u>605,000</u>	<u>7,562</u>	<u>612,562</u>
	<u>\$ 2,345,000</u>	<u>\$ 108,965</u>	<u>\$ 2,453,965</u>

Lease liability and accumulated unpaid leave are described in Notes 5 and 11, respectively.

Note 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance and also participates in the Parish's risk management program for general liability and workers' compensation. No settlements were made during the year that exceeded the District's insurance coverage. The District pays monthly premiums to the Parish for workers' compensation based on a fixed percentage of payroll. The District's premiums for general liability are based on various factors such as operations and maintenance budget, exposure and claims experience. The Parish handles all claims filed against the District related to workers' compensation and general liability. The District could have additional exposure for claims in excess of the Parish's insurance contracts as described is as follows:

<u>Coverage Policy</u>	<u>Limits</u>
General liability	\$10,000,000
Workers' compensation	Statutory

Coverage for general liability claims in excess of the above stated limits are to be funded first by assets of the Parish's risk management internal service fund, then secondly by the District. Workers' compensation claims in excess of \$750,000 are covered under an insurance contract for claims aggregate up to limits are to be funded first by assets of the Parish's workers' compensation internal service fund. As of December 31, 2024, the District had no claims in excess of the above coverage limits.

Expenditures for premiums to the Parish for insurance coverage during the year ended December 31, 2024 totaled \$34,868.

Note 10 - COMPENSATION OF BOARD MEMBERS

The following amounts were paid to board members for the year ended December 31, 2024.

<u>Board Members</u>	<u>Number of Meetings Attended</u>	<u>Per Diem</u>
Mark Amedee	10	\$225
Teri Chatagnier	8	175
Justin Ward	*	-
Christine Parr-Vitter	*	-
Peter Verrett III	*	-
Timothy Ward	*	-
Shaun Meche	*	-
		<hr/>
Total		<u>\$400</u>

* These board members have waived their right to receive a per diem.

Note 11 - STATE OF LOUISIANA TAX ABATEMENTS

The District's ad valorem tax revenues were reduced by \$1,207 under agreements entered into with the State of Louisiana.

Note 12 - RELATED PARTIES

During the year ended December 31, 2024, the District engaged the services of a contract accountant who is a related party to the District Manager. The total amount paid to the contract accountant for services rendered during the year was approximately \$32,000.

Note 13 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through May 12, 2025, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

Terrebonne Parish Recreation District No. 1
Schriever, Louisiana

For the year ended December 31, 2024

Agency Head Name: Deron Bourg, District Manager

Purpose	
Salary	\$ 47,688
Benefits - insurance	6,725
Benefits - retirement	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
	<u>\$ 54,413</u>

Note:
Deron Bourg is the District Manager for Terrebonne Parish Recreation District No. 1.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 1,
Schriever, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General Fund of Terrebonne Parish Recreation District No. 1 (the “District”), a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated May 12, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Certified Public Accountants.

Houma, Louisiana,
May 12, 2025.

SCHEDULE OF FINDINGS AND RESPONSES

Terrebonne Parish Recreation District No. 1

Schriever, Louisiana

For the year ended December 31, 2024

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

b) Federal Awards

Terrebonne Parish Recreation District No. 1 did not expend federal awards in excess of \$750,000 during the year ended December 31, 2024 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings were reported during the audit for the year ended December 31, 2024

Compliance and Other Matters

No compliance and other matters were reported during the audit for the year ended December 31, 2024

Section - III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Terrebonne Parish Recreation District No. 1

Schriever, Louisiana

For the year ended December 31, 2024

Section I - Internal Control and Compliance Material to the Financial Statements

Internal Control Over Financial Reporting and Compliance and Other Matters

No material weaknesses were reported during the audit for the year ended December 31, 2023.

No significant deficiencies were reported during the audit for the year ended December 31, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Recreation District No. 1 did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2023.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Terrebonne Parish Recreation District No. 1

Schriever, Louisiana

For the year ended December 31, 2024

Section I - Internal Control and Compliance Material to the Financial Statements

Internal Control Over Financial Reporting and Compliance and Other Matters

No material weaknesses were reported during the audit for the year ended December 31, 2024.

No significant deficiencies were reported during the audit for the year ended December 31, 2024.

Compliance and Other Matters

No compliance and other matters were reported during the audit for the year ended December 31, 2024

Section II - Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Recreation District No. 1 did not expend federal awards in excess of \$750,000 during the year ended December 31, 2024 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2024.

STATEWIDE AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners,
Terrebonne Parish Recreation District No. 1,
Schriever, Louisiana.

We have performed the procedures described in Schedule 2 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2024 through December 31, 2024. Terrebonne Parish Recreation District No. 1 (the "District") management is responsible for those C/C areas identified in the SAUPs.

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 C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 2.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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 these C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Bougeois Bennett, L.L.C.

Certified Public Accountants

Houma, Louisiana,
May 12, 2025.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS
OF THE STATEWIDE AGREED-UPON PROCEDURES

Terrebonne Parish Recreation District No. 1
Schriever, Louisiana

For the year ended December 31, 2024

The required procedures and our findings are as follows:

1. Procedures Performed on the District's Written Policies and Procedures:

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- iii. ***Disbursements***, including processing, reviewing, and approving.
Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

1. Procedures Performed on the District's Written Policies and Procedures: (Continued)

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Performance: Obtained and read the written policy for contracting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Performance: Obtained and read the written policy for debt service and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

1. Procedures Performed on the District's Written Policies and Procedures: (Continued)

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (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.

Performance: Obtained and read the written policy for information technology disaster recovery/business continuity policy and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Performance: Obtained and read the written policy for sexual harassment and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

2. Procedures Performed on the District's Board or Finance Committee:

Prior year testing resulted in no exceptions related to the board or finance committee. Therefore, testing is not required in the current year.

3. Procedures Performed on the District's Bank Reconciliations:

Prior year testing resulted in no exceptions related to bank reconciliations. Therefore, testing is not required in the current year.

4. Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers):

Prior year testing resulted in no exceptions related to collections. Therefore, testing is not required in the current year.

5. Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases, Travel Reimbursements, and Petty Cash Purchases):

Prior year testing resulted in no exceptions related to non-payroll disbursements. Therefore, testing is not required in the current year.

6. Procedures Performed on the District's Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (cards):

Prior year testing resulted in no exceptions related to credit cards. Therefore, testing is not required in the current year.

7. Procedures Performed on the District's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions):

Prior year testing resulted in no exceptions related to travel and travel-related expense reimbursements. Therefore, testing is not required in the current year.

8. Procedures Performed on the District's Contracts:

Prior year testing resulted in no exceptions related to contracts. Therefore, testing is not required in the current year.

9. Procedures Performed on the District's Payroll and Personnel:

Prior year testing resulted in no exceptions related to payroll and personnel. Therefore, testing is not required in the current year.

10. Procedures Performed on the District's Ethics:

Prior year testing resulted in no exceptions related to ethics. Therefore, testing is not required in the current year.

11. Procedures Performed on the District's Debt Service:

Prior year testing resulted in no exceptions related to debt service. Therefore, testing is not required in the current year.

12. Procedures Performed on the District's Fraud Notice:

Prior year testing resulted in no exceptions related to fraud notice. Therefore, testing is not required in the current year.

13. Procedures Performed on the District's Information Technology Disaster Recovery/Business Continuity:

Prior year testing resulted in no exceptions related to information technology disaster recovery/business continuity. Therefore, testing is not required in the current year.

14. Procedures Performed on the District's Prevention of Sexual Harassment:

Prior year testing resulted in no exceptions related to sexual harassment. Therefore, testing is not required in the current year.

Management's Overall Response to Exceptions:

No exceptions noted.