

Recreation District No. 6 of Allen Parish
Reeves, Louisiana

ANNUAL FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANTS' REPORTS

YEAR ENDED SEPTEMBER 30, 2023

Royce T. Scimemi, CPA, APAC
Oberlin, LA

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Annual Financial Report and Independent Accountants' Reports
For the Year Ended September 30, 2023**

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

March 21, 2024

**Waylin Bertrand, Chairman
and the Board of Commissioners
Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

We have reviewed the accompanying financial statements of the governmental activities and each major fund of Recreation District No. 6 of Allen Parish (District), a component unit of the Allen Parish Police Jury, as of and for the year ended September 30, 2023, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the District. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements. Management of the District is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibilities. Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Committee of the American Institute of Certified Public Accountants and the standards applicable to review engagements contained in the *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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

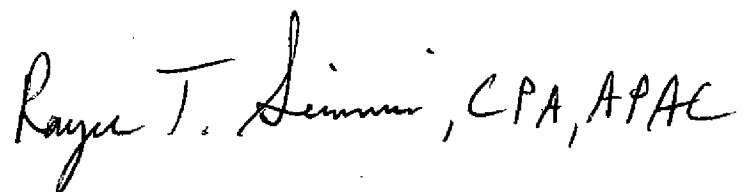
Required Supplementary Information. Accounting principles generally accepted in the United States of America require that the General Fund budgetary comparison schedule (on page 26) be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have reviewed the required supplementary information and, based on our review, we are not aware of any material modifications that should be made to such information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the required supplementary information and we do not express an opinion on such information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Supplementary Information. The accompanying schedule of compensation paid to board members (on page 29) and the schedule of compensation, benefits and other payments to chief executive officer (on page 30) are presented as other supplementary information for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information is the representation of management. We have reviewed the other supplementary information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the other supplementary information and do not express an opinion on such information.

Other Reporting Requirements. In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued our report dated March 21, 2024, on the results of our agreed-upon procedures on pages 31 to 35 with the District's completed *Louisiana Attestation Questionnaire* attached as pages 36 to 38.

Royce T. Scimemi, CPA, APAC



BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Net Position
September 30, 2023**

	Primary Government Activities
ASSETS	
Cash and Interest-Bearing Deposits	\$ 120,380
Ad Valorem Tax Receivable	2,257
Intergovernmental Receivable	49,700
Cash and Interest-Bearing Deposits - Restricted	110,668
Ad Valorem Tax Receivable - Restricted	2,655
Prepaid Insurance	13,111
Land	59,117
Capital Assets, net	3,081,047
Total Assets	3,438,935
 DEFERRED OUTFLOWS OF RESOURCES	
Aggregated Deferred Outflows	--
Total Deferred Outflows of Resources	--
 LIABILITIES	
Accounts Payable	59,320
Accrued Interest Payable	2,137
Bonds Payable	
Due Within One Year	98,000
Due After One Year	1,006,000
Total Liabilities	1,165,457
 DEFERRED INFLOWS OF RESOURCES	
Aggregated Deferred Inflows	--
Total Deferred Inflows of Resources	--
 NET POSITION	
<i>Invested in Capital Assets, Net of Related Debt</i>	2,034,027
<i>Restricted for:</i>	
<i>Debt Service</i>	113,323
<i>Unrestricted</i>	126,128
Total Net Position	\$ 2,273,478

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Activities
For the Year Ended September 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Primary Government Governmental Activities:					
Recreation	\$ 228,470	\$ 38,258	\$ --	\$ 49,700	\$ (140,512)
Interest Expense	32,346	--	--	--	(32,346)
Total Governmental Activities	260,816	38,258	--	49,700	(172,858)
General Revenues:					
					262,430
					279
					262,709
					89,851
					2,183,627
					\$ 2,273,478

See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

MAJOR FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of bond principal, interest, and related costs. It is funded by ad valorem tax revenues.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Balance Sheet
Governmental Funds
September 30, 2023**

	General	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and Interest-Bearing Deposits	\$ 120,380	\$ --	\$ 120,380
Ad Valorem Tax Receivable	2,257	--	2,257
Intergovernmental Receivable	49,700	--	49,700
Cash & Interest-Bearing deposits-Restricted	--	110,668	110,668
Ad Valorem Tax Receivable-Restricted	--	2,655	2,655
Prepaid Insurance	13,111	--	13,111
Total Assets	185,448	113,323	298,771
DEFERRED OUTFLOWS OF RESOURCES			
Aggregated Deferred Outflows	--	--	--
Total Assets and Deferred Outflows of Resources	185,448	113,323	298,771
LIABILITIES			
Accounts Payable	59,320	\$ --	\$ 59,320
Total Liabilities	59,320	--	59,320
DEFERRED INFLOWS OF RESOURCES			
Aggregated Deferred Inflows	--	--	--
Total Liabilities and Deferred Inflows of Resources	59,320	--	59,320
FUND BALANCE			
Nonspendable	13,111	--	13,111
Restricted for Debt Service	--	113,323	113,323
Unassigned	113,017	--	113,017
Total Fund Balance	126,128	113,323	239,451
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 185,448	\$ 113,323	\$ 298,771

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position
September 30, 2023**

Total Fund Balance - Governmental Funds	\$	239,451
Accrued interest payable is accrued on Statement of Net Position and expensed on the Statement of Activities. Interest is expensed on a cash basis on the Statement of Revenues, Expenditures, and Changes in Fund Balance.		(2,137)
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed as capital outlays when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		3,140,164
Long-term debt is reflected on the Statement of Net Position but not on the governmental funds balance sheet.		(1,104,000)
Total Net Position - Governmental Activities	\$	<u>2,273,478</u>

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2023**

	General	Debt Service Fund	Total Governmental Funds
Revenues			
Ad Valorem Taxes, net	\$ 120,775	\$ 141,655	\$ 262,430
Gym Membership/Usage Fees	37,657	--	37,657
Intergovernmental Revenue - State Grants	49,700	--	49,700
Interest Income	77	202	279
Miscellaneous Income	601	--	601
Total Revenues	208,810	141,857	350,667
Expenditures			
<i>Current -</i>			
Advertising	1,305	--	1,305
Bookkeeping	2,100	--	2,100
Insurance	6,262	--	6,262
Merchant Credit Card Fees	6,661	--	6,661
Office Supplies	516	--	516
Professional Fees	6,700	--	6,700
Promotion	10,519	--	10,519
Repairs and Maintenance	57,896	--	57,896
Safe Deposit Rental	72	--	72
Utilities	22,448	--	22,448
<i>Debt Service -</i>			
Interest Expense	--	32,580	32,580
Principal Payments	--	96,000	96,000
<i>Capital Outlay</i>	53,817	--	53,817
Total Expenditures	168,296	128,580	296,876
 Net Change in Fund Balance	40,514	13,277	53,791
<i>Fund Balance at Beginning of Period</i>	85,614	100,046	185,660
Fund Balance at End of Period	\$ 126,128	\$ 113,323	\$ 239,451

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance to Statement of Activities
For the Year Ended September 30, 2023**

Total Net Change in Fund Balance - Governmental Funds	\$	53,791
Fixed assets are expensed as capital outlays in governmental fund statements, but capitalized in the Statement of Net Position.		53,817
Principal payments on long-term debt are expensed in the governmental fund statements, but are treated as reductions of outstanding debt in the entity-wide statements.		96,000
Depreciation expense is reflected in the entity-wide statements, but not deducted in the governmental fund statements.		(113,991)
Accrued interest expense is included in Statement of Activities, but interest expense is only expensed when actually paid in governmental fund statements.		234
Changes in Net Position - Governmental Activities	\$	<u>89,851</u>

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recreation District No. 6 of Allen Parish (the “District”) was created by the Allen Parish Police Jury on September 18, 2000 under the authority conferred by Article VI, Section 19 of the 1974 Louisiana Constitution and Louisiana Revised Statutes 33:4562-33:4566. The purpose of the District is to provide recreational facilities for the citizens of Ward Three of Allen Parish. The District has a board of five appointed commissioners who serve without pay or per diem, although the board could authorize a per diem of up to \$10 per meeting attended, not to exceed twelve meetings per year. The District had no employees for the fiscal year ended September 30, 2023.

The District’s accounting and reporting policies conform to generally accepted accounting principles as applied to governments and to the requirements of the industry audit guide, *Audits of State and Local Governments*. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

1. Reporting Entity

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

The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. GASB Statement No. 14 established criteria for determining which component units should be considered part of the primary government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

- a. Appointing a voting majority of an organization's governing body, and
 - (1) The ability of the primary government to impose its will on that organization, and/or
 - (2) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

- b. Organizations for which the primary government does not appoint a voting majority but are fiscally dependent on the primary government.
- c. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, the District is a component unit of the Allen Parish Police Jury. The District itself has no component units. The District is the reporting entity for this financial report which presents financial data of the District itself, and not the Allen Parish Policy Jury or any other entity.

2. Basis of Presentation

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America and with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments", issued in June 1999. However, management has omitted the Management's Discussion and Analysis otherwise required by GASB Statement 34.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. They include all funds of the reporting entity. All of the financial activities of the District are considered governmental activities, which are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues would include (a) fees and charges paid by the recipients of services offered by the District and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Program revenues during the year included fitness center membership dues and access/usage fees. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis of fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District; if the total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds of that category or type; or if the total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined. The District has no enterprise funds.

The District reports the following major funds, all of which are governmental funds:

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of bond principal, interest, and related costs. It is funded by ad valorem tax revenues.

3. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

- b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Government-wide equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are generally recorded only when payment is due.

4. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. On or before the last meeting of each year, the budget is prepared by function and activity, with consideration being given to information on the past year and current year estimates. All annual appropriations lapse at fiscal year-end.

5. Cash and Interest-Bearing Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. Such deposits are stated at cost, which approximates market.

6. Interfund Receivables/Payables

During operations, transactions may occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

7. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

8. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalization of asset purchases.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated 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 asset type is as follows:

Buildings and Recreation Improvements	15-50 years
Equipment and Furniture	5-25 years

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.

9. Long-Term Debt

The accounting treatment of long-term debt depends on whether the financed assets are used in governmental fund operations and whether the long-term debt is reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

10. Equity Classification

In the government-wide statements, equity is classified as net position and displayed in the following components:

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

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

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

In the fund statements, governmental fund equity is classified as fund balance and is further classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Board of Commissioners, the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the board.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the board members may assign amounts for specific purposes.
- e. Unassigned – includes the residual balance within the general fund which has not been classified within the above-mentioned categories and for other funds, any deficit balance resulting from overspending for specific purposes for which amounts had been included within the above-mentioned categories.

The District typically uses restricted fund balances first unless prohibited by legal or contractual provisions and then less restrictive classifications -- committed, assigned, and lastly unassigned amounts of fund balance -- in that order when expenditures are made.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

11. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

12. Use of Estimates

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

13. Revenues, Expenditures, and Expenses

Program Revenues. Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

General Revenues. Ad valorem taxes are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent after December 31. The taxes are generally collected in December, January and February of the fiscal year. Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures/expenses. The District's primary expenditures include repairs and maintenance, insurance and utilities, which are recorded when the liabilities are incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfers are authorized by the District.

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

15. Environmental Remediation Costs

The District accrues for losses associated with environmental remediation obligations when such losses are probable and reasonably estimable. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than completion of the remedial feasibility study. Such accruals are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value.

16. Subsequent Events

Management has evaluated subsequent events through March 21, 2024, the date the financial statements were issued.

NOTE B – CASH AND CASH EQUIVALENTS

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. government agencies, or time certificates of deposit of any bank domiciled or having a branch in the State of Louisiana, as stipulated in La. R.S. 33:2955, or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP maintains a local government investment pool.

As of September 30, 2023, the District had deposits (book balances) totaling \$231,048. These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As an alternative to being collateralized by pledged securities, Louisiana Revised Statutes 6:748.1 allows for the custodial bank to obtain a letter of credit from the Federal Home Loan Bank (FHLB) as collateral for public fund deposits.

At September 30, 2023, the District has \$232,024 in deposits (collected bank balances). These deposits are fully secured from custodial credit risk by federal deposit insurance.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE C – AD VALOREM PROPERTY TAXES

For the year ended September 30, 2023, taxes of 18.50 mills were levied on property with assessed valuations totaling \$15,019,096 and were dedicated as follows:

<u>Millage Purpose</u>	<u>Tax Millage</u>	<u>Expires</u>
Maintenance and operations	3.00	12/31/27
Maintenance and operations	5.50	12/31/32
General obligation bonds	<u>10.00</u>	12/31/32
Total millage	18.50 mills	

Total property taxes levied were \$277,857.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

NOTE D - RECEIVABLES

The following is a summary of receivables for September 30, 2023:

<u>Class of Receivable:</u>	<u>Governmental Activities</u>
Ad Valorem Taxes	\$ 2,257
Ad Valorem Taxes – Restricted	2,655
Intergovernmental	49,700
Total Receivables	<u>\$ 54,612</u>

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE E – CAPITAL ASSETS

A summary of changes in capital assets for the year ended September 30, 2023 follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
<u>Governmental Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$ 59,117	\$ -	\$ -	\$ 59,117
Depreciable Capital Assets:				
Buildings	2,682,312	-	-	2,682,312
Machinery and Equipment	145,904	-	-	145,904
Recreational Improvements	<u>1,043,105</u>	<u>53,817</u>	-	<u>1,096,922</u>
Totals	3,930,438	53,817	-	3,984,255
Less Accumulated Depreciation for:				
Buildings	535,842	53,646	-	589,488
Machinery and Equipment	78,430	11,039	-	89,469
Recreational Improvements	<u>115,828</u>	<u>49,306</u>	-	<u>165,134</u>
Total Accumulated Depreciation	<u>730,100</u>	<u>113,991</u>	-	<u>844,091</u>
Governmental Activities Capital Assets, net	<u>\$3,200,338</u>	<u>\$ (60,174)</u>	<u>\$ -</u>	<u>\$ 3,140,164</u>

Depreciation expense for the year ended September 30, 2023 was \$113,991 for governmental activities.

A construction project was begun and substantially completed during the fiscal year primarily funded by a state grant of \$49,700. The total contract amount for construction and engineering on that project amounted to \$53,817. The total amount expended on construction in progress in the current fiscal year was \$53,817. The project was complete as of the end of the current fiscal year.

The new addition to depreciable capital assets consisted of fencing of the track area.

NOTE F - ACCOUNTS PAYABLE

The following is a summary of payables at September 30, 2023:

<u>Class of Payable:</u>	<u>Governmental Activities</u>
General Fund –	
Trade Accounts	\$ 9,620
Construction Contract Payable	<u>49,700</u>
Total Accounts Payables	<u>\$ 59,320</u>

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE G - LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended September 30, 2023 follows:

	<u>Beginning of Year</u>	<u>Issued</u>	<u>Retired</u>	<u>End of Year.</u>
Bonds payable	\$ <u>1,200,000</u>	\$ _____ -	\$ <u>96,000</u>	\$ <u>1,104,000</u>
Total Long-Term Liabilities	\$ <u>1,200,000</u>	\$ _____ -	\$ <u>96,000</u>	\$ <u>1,104,000</u>

Bond payments are and will be paid out of the Debt Service Fund. The long-term debt is comprised of the following individual issues:

<u>2018 Series Bonds Payable-Governmental:</u>	
\$1,250,000 revenue bonds dated 8/7/2018 due in annual principal installments ranging from \$25,000 in 2021 to \$126,000 in 2033 with interest averaging 2.96%	\$ <u>1,104,000</u>
Total Bonds Payable	\$ <u>1,104,000</u>

The annual requirements to amortize all revenue bonds outstanding at September 30, 2023 are as follows:

<u>Fiscal Year Ending</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Totals</u>
2024	98,000	30,563	128,563
2025	100,000	28,417	128,417
2026	102,000	26,136	128,136
2027	105,000	23,710	128,710
2028	108,000	21,137	129,137
2029-2033	<u>591,000</u>	<u>51,408</u>	<u>642,408</u>
Totals	\$ <u>1,104,000</u>	\$ <u>181,371</u>	\$ <u>1,285,371</u>

In accordance with La. R.S. 39:562, the District is legally restricted from incurring long-term bonded debt (payable solely from ad valorem taxes) in excess of 35% of the assessed value of taxable property in the District. At September 30, 2023 the statutory limit is \$5,256,683.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE H - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; personal injuries; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE I – OPERATING TRANSFERS

Operating transfers are used to move revenues from the fund that is required by statute or budget to collect them to the fund that is required by statute or budget to expend them. Typically, any operating transfers are from the General Fund to the Debt Service Fund.

There were no operating transfers between the District's funds during the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
				Final to Actual
Revenues				
Ad Valorem Taxes, net	\$ 113,200	\$ 113,200	\$ 120,775	\$ 7,575
Gym Membership/Usage Fees	20,000	\$ 20,000	\$ 37,657	17,657
Intergovernmental - State Grants	350,000	350,000	49,700	(300,300)
Interest Income	200	200	77	(123)
Miscellaneous Income	--	--	601	601
Total Revenues	483,400	483,400	208,810	(274,590)
Expenditures				
<i>Current -</i>				
Advertising	1,200	1,200	1,305	(105)
Bookkeeping	2,100	2,100	2,100	-
Insurance	19,000	19,000	6,262	12,738
Merchant Credit Card Fees	--	--	6,661	(6,661)
Office Supplies	400	400	516	(116)
Professional Fees	8,000	8,000	6,700	1,300
Promotion	8,000	8,000	10,519	(2,519)
Repairs and Maintenance	47,000	62,000	57,896	4,104
Safe Deposit Rental	130	130	72	58
Utilities	22,000	22,000	22,448	(448)
<i>Capital Outlay</i>	20,000	20,000	53,817	(33,817)
Total Expenditures	127,830	142,830	168,296	(25,466)
Net Change in Fund Balance	355,570	340,570	40,514	(300,056)
<i>Fund Balance at Beginning of Period</i>	85,614	85,614	85,614	--
Fund Balance at End of Period	\$ 441,184	\$ 426,184	\$ 126,128	\$ (300,056)

See accompanying notes and independent accountants' review report.

RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana

Notes to Required Supplementary Information
for the Year Ended September 30, 2023

(1) Budget and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary and Chairman prepares a proposed budget and present it to the Commissioners prior to ninety days before the beginning of each fiscal year.
2. After the proposed budget is presented to the Commissioners, the Chairman schedules a public hearing. If the budgeted expenditures equal or exceed \$500,000, the Secretary publishes the proposed budget and notifies the public that the proposed budget is available for public inspection and that public participation is invited at the public hearing.
3. A public hearing is held on the proposed budget at least ten days after any required publication of the public notice concerning the budget hearing.
4. Any changes in the proposed annual operating budget require a majority vote of the Commissioners.
5. No later than the last regular meeting of the fiscal year, the Board of Commissioners adopts the annual operating budget for the ensuing fiscal year.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget appropriations lapse at year-end.
8. For the current fiscal year, the District adopted an original budget that was amended one time.

(2) Excess of Expenditures Over Appropriations

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted, amended, and final budget amounts.

OTHER SUPPLEMENTARY INFORMATION

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**Schedule of Compensation Paid to Board Members
For The Year Ended September 30, 2023**

Brandi Croxdale	\$ -0-
Emma Young	-0-
McKinley "Mick" Estay	-0-
Waylin Bertrand - Chairman	-0-
Wm. E. "Rusty" Reeves	<u>-0-</u>
 Total Compensation Paid to Board Members	 <u>\$ -0-</u>

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**Schedule of Compensation, Benefits and Other Payments to
Chief Executive Officer
For The Year Ended September 30, 2023**

Chief Executive Officer: Waylin Bertrand, Chairman/President

<u>Purpose</u>	<u>Amount</u>
Salary	\$-0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-cell phone	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

March 21, 2024

**Waylin Bertrand, Chairman
and the Board of Commissioners
Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

We have performed the procedures enumerated below on the District's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the year ended September 30, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Government Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the District's compliance with the laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year ended September 30, 2023. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$60,000 and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year for materials and supplies exceeding \$60,000 and no expenditures made during the year for public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

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

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the requested information and represented to us that the District had no employees during the period under review.

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

As the District had no employees during the year under review, there were no employees included on the list provided by management for agreed-upon procedure (3) that appeared on the list provided by management for agreed-upon procedure (2).

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

Management provided us with the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

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

Management provided us with a copy of the original budget and one amended budget. Management represented to us that there were no other amendments to the budget during the year.

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

The General Fund original budget and amended budget for the current fiscal year were timely adopted at the District's meetings held on September 19, 2022 and September 25, 2023, respectively, according to the minutes of those meetings.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues exceeded actual revenues by \$274,590, or 57% because actual intergovernmental revenue of \$49,700 was substantially less than budgeted intergovernmental revenue of \$350,000, the bulk of which is now expected to be received in the future. Actual expenditures for the fiscal year exceeded budgeted expenditures by \$25,466, or 18%, primarily because capital outlays to be paid with grant proceeds were not included in budgeted expenditures.

Accounting and Reporting

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

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

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

- (b) Report whether the six disbursements are coded to the correct fund and general ledger account, and

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

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

With two exceptions, all of the disbursements were approved in accordance with the District's policies and procedures as each invoice was approved by two board members as evidenced by their initials on the invoices and/or each check was signed by two board members.

One exception involved a debit card purchase for \$68 that the District represented to have been authorized by the board and made by an authorized board member but for which there was no documentary proof of such authorization on the available receipt. The second exception involved a routine recurring maintenance payment for which the invoice reflected no board approval and for which the check could not be examined for signatures because the check had not cleared the bank so no check image was available. However, the District represented that all checks, including this particular one, were all authorized by the board and signed by two board members.

Meetings

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

The District is only required to post a notice of each meeting and the accompanying agenda at the building where the meeting is to be held with such posting to be at least 24 hours in advance of the meeting. We found no evidence of noncompliance.

Debt

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

We inspected all bank deposits recorded in the District's records for the period under examination and noted no deposits which appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

Our review of the District's records and minutes indicated no discussion or authorization for any payments that would constitute bonuses, advances or gifts. Our review of the District's records for the year did not reveal any instances which would indicate payments that would constitute bonuses, advances, or gifts. The District has no employees or payroll.

State Audit Law

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

The District provided for a timely report in accordance with R.S. 24:513.

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

The District complied with R.S. 24:513 and therefore is in compliance with R.S. 39:72.1A(2).

Prior Comments and Recommendations

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

Our prior year review report, dated February 21, 2023, did not include any exceptions, comments or unresolved matters, other than an exception related to actual expenditures in excess of budgeted expenditures by more than 5%. A similar budget finding is reported for the current year.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statutes 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Royce T. Scimemi, CPA, APAC
Oberlin, Louisiana

Royce T. Scimemi, CPA, APAC

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

3/14 2024
(Date Transmitted)

Royce T. Scimemi, CPA, APAC
Attention: Mr. Royce T. Scimemi
Post Office Box 210
Oberlin, LA 70655

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of September 30, 2022 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes No [] N/A []

Code of Ethics for Public Officials and Public Employees

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

Yes No [] N/A []

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

Yes No [] N/A []

Budgeting

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

Yes No [] N/A []

Accounting and Reporting

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes [] No [] N/A

Meetings

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

Yes No [] N/A []

Debt

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

Yes No [] N/A []

Advances and Bonuses

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

Yes No [] N/A []

Prior-Year Comments

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

Yes No [] N/A []

General

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

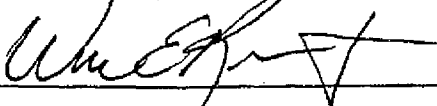
We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose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

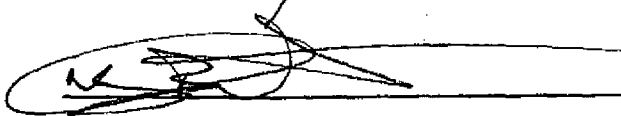
Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

 Secretary/Treasurer 3/14/24 Date

 President 3/14/24 Date

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended September 30, 2023**

1. Summary of Accountants' Results:

- a) Accountants issued a review report on the financial statements.
- b) The attestation procedures yielded evidence of one noncompliance pertaining to the Louisiana local governmental budget act.

2. Findings – Financial Statement Review and Agreed-Upon Procedures:

Finding 2022-1 C:

Louisiana Local Governmental Budget Act Compliance

Criteria: Budgeted revenues in the General Fund exceeded actual revenues by 5% or more and actual expenditures in the General Fund exceeded budgeted expenditures by 5% or more.

Cause: Capital outlay expenditures were not sufficiently budgeted to cover accrued contract expenditures for work done but not yet paid by year-end on a contract that was substantially completed by year-end. Budgeted revenues included potential future state grants that were not received and not properly accruable at year-end.

Effect: Possible violation of the Louisiana Local Governmental Budget Act.

Recommendation: Closely monitor revenues (including intergovernmental grants) and expenses (including capital outlays) on an interim basis and amend the budget as necessary to comply with the governmental budget act.

Response: Management will monitor the local government budget act requirements more closely and evaluate the need for budget amendments on a timely basis.



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March 21, 2024

Board of Commissioners
Recreation District No. 6 of Allen Parish
Reeves, LA 70658

Re: Review/Attest and Agreed-Upon Procedures Engagement
Agreement for the Year Ended September 30, 2024

Dear Board Members:

As certified public accountants licensed to practice in Louisiana, we are pleased that you have engaged our firm to review the Recreation District No. 6 of Allen Parish (the "District") financial statements as of and for the year ended September 30, 2024, and to apply certain agreed-upon procedures relating to representations made by the management of the District. This letter will confirm our acceptance and understanding of the terms and objectives of our engagement, and the nature and limitations of the services we will provide to the District.

We will perform a review/attestation engagement with respect to the District's basic financial statements as of and for the year ended September 30, 2024, as required by Louisiana Revised Statute (La. R.S.) 24:513. Our review/attestation engagement will be performed in accordance with the *Louisiana Governmental Audit Guide*, authorized by La. R.S. 24:513A(5)(a)(i), which is published jointly by the Louisiana Legislative Auditor and the Society of Louisiana Certified Public Accountants; and the applicable standards enumerated below.

Our Responsibilities – Review Engagement:

The objective of our engagement is to—

- 1) prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you, and
- 2) obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our review engagement in accordance with *Statements on Standards for Accounting and Review Services* (SSARSS) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General; and will comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence, and due care.

A review engagement includes primarily applying analytical procedures to your financial data and making inquiries of the District's management. A review engagement is substantially less in scope than an audit engagement, the objective of which is the expression of an opinion regarding the financial statements as a whole. A review engagement does not contemplate obtaining an understanding of the District's internal control; assessing fraud risk; testing accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, or other examination of source documents, or other procedures ordinarily performed in an audit engagement. Accordingly, we will not express an opinion regarding the financial statements.

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

Management's Discussion and Analysis (MD&A)
General Fund Budgetary Comparison Schedule.

Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. It is our understanding that the otherwise required MD&A will be omitted by management from the District's financial report.

Other supplementary information ("OSI") that will accompany the financial statements will be presented for purposes of additional analysis but is not a required part of the basic financial statements, will include the following:

- Schedule of Compensation Paid to Board Members
- Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer

The RSI and OSI accompanying the financial statements will be presented for purposes of additional analysis. Such information is the responsibility of the District's management and will be derived from and related directly to, the underlying accounting and other records used to prepare the basic financial statements. The information will be subjected to the review procedures applied in our review of the financial statements. We will not audit the information and accordingly, we will not express an opinion on the RSI or OSI.

Our review engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the District or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our review procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our review procedures regarding noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

Should we become aware of fraud or misappropriation of funds during our review, we will immediately notify you and the Legislative Auditor in writing. We will also notify you and the Legislative Auditor of any breach of the security of our firm's computer system, defined in La. R.S. 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the District's personal information, as

defined in La. R.S. 51:3073. The notification to you and the Legislative Auditor will be in writing and will be within ten (10) days of our firm's constructive knowledge of the occurrence of the security breach.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Our Responsibilities – Attestation (Agreed-Upon Procedures) Engagement:

We will apply the agreed-upon procedures listed in the attached schedule on certain control and compliance matters contained in the *Louisiana Attestation Questionnaire* for the fiscal year ended September 30, 2024, as required by La. R.S. 24:513 and the *Louisiana Governmental Audit Guide*.

These procedures were agreed to by the Louisiana Legislative Auditor; and the Legislative Auditor acknowledges that the procedures are appropriate for the intended purpose of the engagement, as described in this letter.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the AICPA, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General.

Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgement that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. The agreement and acknowledgement are contained within this letter. A refusal to provide such agreement and acknowledgement will result in our withdrawal from the engagement. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose.

Because the agreed-upon procedures do not constitute an examination or review, we will not express an opinion or conclusion on the control and compliance matters contained in the agreed-upon procedures. In addition, we have no obligation to perform any procedures beyond those to which you agree.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you and the Legislative Auditor any known and suspected fraud and noncompliance with laws or regulations affecting the control and compliance matters contained in the agreed-upon procedures that come to our attention. In addition, if in connection with this engagement, matters come to our attention that contradict the District's representations in the *Louisiana Attestation Questionnaire*, we will communicate such matters to you and will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

Should we become aware of fraud or misappropriation of funds during the performance of the agreed-upon procedures, we will immediately notify you and the Legislative Auditor in writing.

Your Responsibilities – Review Engagement:

The review engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for the statements to be in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARSS:

- a) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of financial statements;
- b) The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America;
- c) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free of material misstatement, whether due to fraud or error;
- d) The prevention and detection of fraud;
- e) To ensure that the District complies with the laws and regulations applicable to its activities;
- f) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement;
- g) To provide us with (i) access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters; (ii) additional information that we may request from you for the purpose of the review engagement, and (iii) unrestricted access to persons within the District of whom we determine it necessary to make inquiries; and
- h) To provide us, at the conclusion of the engagement, with a letter that confirms certain representations made during the review.

The District is also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee any services we provide; evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Your Responsibilities – Attestation (Agreed-Upon Procedures) Engagement:

You will agree to the procedures to be performed that are described in the attachment to this letter; and will acknowledge that the procedures to be performed are appropriate for the intended purpose of the engagement, which is to perform specified procedures on certain control and compliance matters contained in the *Louisiana Attestation Questionnaire* for the year ended September 30, 2024, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. As stated previously, these procedures were also agreed to by the Louisiana Legislative Auditor; and the Legislative Auditor also acknowledges that the procedures are appropriate for the intended purpose of the engagement.

You have acknowledged to us your intent to complete and sign the *Louisiana Attestation Questionnaire*, indicating your responsibility for the assertions therein. Likewise, you are responsible for the District's compliance with the laws and regulations specified in the questionnaire and the effectiveness of the District's internal control over compliance with those laws and regulations.

In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the District's office from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the District's compliance with the laws and regulations specified in the questionnaire and the effectiveness of the District's internal control over compliance with those laws and regulations.

Our Report:

We will issue a written accountant's review report upon completion of our engagement. Our report will be addressed to the District's governing board. We cannot provide assurance that an unmodified accountant's review report will be issued. Circumstances may arise in which it is necessary for us to report known departures from accounting principles generally accepted in the United States of America, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

The District agrees to include our accountant's review report in any document containing financial statements that indicate that such financial statements have been reviewed by us, and, prior to inclusion of the report, to ask our permission to do so.

Our report will have an "other-matter" paragraph that will describe the required supplementary information that is presented and/or omitted, as well as the other supplementary information that is presented. The paragraph will state that the required supplementary information and other supplementary information is the representation of the District's management and will also inform the user that we reviewed all information presented, but do not express an opinion on the information presented.

We will also issue a written attestation report upon completion of our engagement that lists the procedures performed, our findings, and management's response to our findings. The attestation report will be addressed to the District and the Louisiana Legislative Auditor, and will be included with our report on the reviewed financial statements.

If we encounter restrictions in performing the agreed-upon procedures, we will discuss the matter with you. If we determine the restrictions are appropriate, we will disclose the restrictions in our attestation report. Our attestation report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

You understand that the attestation report is intended solely for the information and use of the District and the Legislative Auditor and should not be used by anyone other than these specified parties. Under La. R.S. 24:513, the report will be distributed by the Legislative Auditor as a public document.

The reporting package will also include the following:

- The schedule of per diem or compensation paid to board members as required by House Concurrent Resolution 54 of the 1979 Louisiana Legislative Session, if applicable;
- The schedule of compensation, reimbursements, benefits and other payments to agency head, political subdivision head, or chief executive office, as required by La. R.S. 24:513A(3);
- Management's corrective action plan for any findings contained in the report, which the District's management will complete;
- A summary schedule of prior findings, which the District's management will complete; and
- The signed *Louisiana Attestation Questionnaire*.

We will assist you in the preparation of management's corrective action plan, if applicable, and the summary schedule of prior year findings, if applicable.

If, for any reason, we are unable to complete our review of your financial statements, we will not issue a report on such statements as a result of this engagement. If, for any reason, we are unable to complete the agreed-upon procedures, we will describe in our report any restrictions on the performance of the procedures, or will not issue a report and withdraw from the engagement. Should such situation arise, we will notify you and the Legislative Auditor.

There may exist circumstances that, in our professional judgment, will require we not issue an attestation report and withdraw from the engagement. Such circumstances include the following:

- You refuse to provide written agreement to the procedures and acknowledge that they are appropriate for the intended purpose of the engagement;
- You fail to provide requested written representations, or we conclude that there is sufficient doubt about the competence, integrity, ethical values, or diligence of those providing the written representations, or we conclude that the written representations provided are otherwise not reliable;
- We determine that the description of the procedures performed or the corresponding findings are misleading in the circumstances of the engagement; or
- We determine that restrictions on the performance of the engagement are not appropriate.

Due Professional Care:

A review/attestation may not meet the needs of all report users, who may require additional information and assurances on the financial statements, internal control, and compliance with laws and regulations. In accordance with *Government Auditing Standards*, you should consider whether additional testing of financial statement amounts and presentations, controls, and compliance are necessary to supplement the coverage of these areas and to meet the reasonable needs of report users. These additional needs are quite often met by:

- An audit of financial statements conducted in accordance with *Government Auditing Standards*,
- Supplemental (or agreed-upon) procedures, or
- An examination of compliance or internal control resulting in an opinion.

If during the performance of our engagement we become aware that a review/attestation will not satisfy the requirements of all report users, laws, and regulations, we will notify you as soon as this comes to our attention. We will then submit another engagement letter for your approval that complies with the applicable requirements, and will submit the engagement to the Legislative Auditor for approval. We will consider all standards that may apply, but in particular, we will be cognizant of:

- State of Louisiana's audit law.
- Audit requirements of *Government Auditing Standards*.
- *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Chapter I and Chapter II, parts 200, 215, 225 and 230) requirements when federal award expenditures equal or exceed \$750,000 for the fiscal year.
- Bond requirements, either to issue bonds or as a bond indenture provision.
- Other contractual requirements.

We are available to discuss the expanded needs of report users, the nature of the expanded examinations, and the degree to which these type examinations, or other examinations, will meet the needs of the District and its report users.

Timing of Engagement:

It is our understanding that the accounting records will be available by November 15, 2024. We anticipate that the engagement will commence no later than December 1, 2024 and that the reports will be issued no later than March 31, 2025.

Recommendations:

During the course of our engagement, it is possible that we may observe opportunities for economies of operation, for improved internal administrative and accounting controls, or we may observe variances with applicable laws and regulations or other matters that should be brought to your attention. Our comments and recommendations concerning such matters, if any, will be conveyed to you in written form.

Prior Comments and Recommendations:

Our engagement will include a review of any prior-year suggestions, recommendations, and/or comments included in the summary schedule of prior findings. As to any current-year recommendations, suggestions, and/or comments, we will afford you the opportunity to respond to such matters and include your response in management's corrective action plan.

Engagement Completion:

At the completion of our engagement, we will submit to the District, six (6) copies of our reports for the District's records and each of the District's board members. We will submit the report, including the management letter, if applicable, and management's plan of corrective action, if applicable, to the Legislative Auditor. Either the accountant or the District shall send a copy of the report, any management letter, and management's corrective action plan, if applicable, to each state grantor agency providing assistance to the District, if applicable.

If we find events subsequent to the issuance of our reports that would cause us to revise and reissue the reports, we will notify the Louisiana Legislative Auditor immediately. We shall distribute the revised and reissued reports in the same fashion and to the same individuals and organizations as the original reports.

Changes:

The Legislative Auditor will be notified immediately in writing of the accountant's decision to withdraw from the engagement or if the engagement is cancelled, to include all substantive reasons for the withdrawal or cancellation.

The Legislative Auditor will be notified immediately, in writing, if there are any significant disagreements. The Legislative Auditor will be notified immediately, in writing, if there are any changes in this agreement or if there are any restrictions placed on our staff during the engagement, to include failure to provide the appropriate books and records in a timely manner or denial of access to appropriate books and records, that would impact the scope of the engagement or the nature of the tests required under the previously discussed standards.

Compensation:

Our fees for all services are related to our standard hourly rates in effect at the time services are performed. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your engagement. Our fee for this engagement, which we estimate, will not exceed \$7,800.00, including out-of-pocket expenses. This fee estimate is based on the assumption that you will provide assistance, anticipated cooperation from your personnel, and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Any

amendments to the not-to-exceed amount of the fees will be in writing and signed by both our firm and the District. Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation. If a multi-year engagement is entered into, all outstanding invoices for work performed during any prior engagement will be paid in full before work commences on the current engagement.

Engagement Documentation:

It is understood that our engagement documentation is confidential information. However, we will make our engagement documentation available to the Legislative Auditor, any successor auditor/accountant, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. We will follow the Legislative Auditor's policy regarding confidentiality of audit/engagement documentation found in the *Louisiana Governmental Audit Guide* when giving access to engagement documentation to any parties other than those previously named individuals and organizations.

Should we become aware of any illegal acts, we shall make our engagement documentation available to the local district attorney and/or any other state or federal enforcement or regulatory agency without liability. We will retain the engagement documentation for five years.

Personnel:

We have assigned Royce T. Scimemi, P.O. Box 210, Oberlin, LA 70655, (337) 639-4334, as the manager for the engagement, and he shall be responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. It is our understanding that you have assigned Mrs. Brenda Chaffin (135 Short Leaf Street, Kinder, LA 70648, phone number (337) 738-3406), as your representative during the engagement.

Notification of Use of Third Parties:

We may, from time to time and depending on the circumstances, assign professional work within this engagement to qualified employees and/or third-party agents or service providers in serving your account. We may share your information, including confidential and personal information, with these third-party agents or service providers, and you consent to such sharing of such information. We will remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. If we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, our firm remains ultimately responsible for the quality of the engagement, whether we use our own staff or the staff of other CPA firms or third-parties to perform the engagement. Ultimate responsibility is defined as:

- We are responsible for every employee of our own staff and/or third-party agent (collectively our "agent") who performs work on the engagement;
- We attest to the qualifications of every employee and/or every third-party agent.
- Every employee and/or third-party agent (a) shall be trained as required by governmental auditing standards, (b) will be subject to all confidentiality requirements as mandated by La. R.S. 24:513(I), and has or will have the cybersecurity training as required by La. R.S. 42:1267.
- We agree to indemnify the District, the Louisiana Legislative Auditor, and the State of Louisiana for the work of every employee and/or third-party agent.

Other Services:

You may request that we perform additional nonattest services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We may also issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Under the provisions of *Government Auditing Standards*, our ability to provide nonattest services may result in an impairment of our independence, and therefore may be limited for the duration of this engagement and for the period covered by this engagement. We will consult those standards and the Louisiana Legislative Auditor to determine whether such an impairment exists, prior to the performance of any nonattest services.

Approval:

We appreciate the opportunity to be of service to you, and believe this letter accurately summarizes the significant terms of our engagement. If these comments and arrangements meet with your approval, please sign below and return the agreement to us.

In accordance with the provisions of state law, this engagement agreement must be approved by the Legislative Auditor prior to commencement of our work. Upon your signature and approval, we will seek approval of the Legislative Auditor of this engagement.

We look forward to a pleasant association and the opportunity to provide the services included in this engagement. If you have any questions, please let us know.

Respectfully,

ROYCE T. SCIMEMI, CPA, APAC


Royce T. Scimemi

Enclosure: Agreed-Upon Procedures for Governmental Agency

This letter correctly sets forth our understanding of the engagement and such engagement is approved on this 21 day of March, 2024, by and on behalf of Recreation District No. 6 of Allen Parish.

By: 

Printed Name: Waylin Bertrand

Title: Chairman

Date: 03/21/2024

ATTACHMENT TO REVIEW/ATTEST ENGAGEMENT AGREEMENT

AGREED-UPON PROCEDURES FOR GOVERNMENTAL AGENCY

With respect to the representations included within the *Louisiana Attestation Questionnaire*, as of September 30, 2024, and for the year then ended, we will apply the following agreed-upon procedures:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).
3. Obtain a list of all employees paid during the fiscal year.
4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.
5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.
7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.
8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) report whether the six disbursements were approved in accordance with management's policies and procedures.

Meetings

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

Debt

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

Advances and Bonuses

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

State Audit Law

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

Prior-Year Comments

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

RECREATION DISTRICT NO. 6 OF ALLEN PARISH

Waylin Bertrand, President/Chairman

P.O. Box 207

Reeves, LA 70658

(337) 749-2060

March 21, 2024

Royce T. Scimemi, CPA, APAC
P.O. Box 210
Oberlin, LA 70655

This representation letter is provided in connection with your review of the financial statements of the Recreation District No. 6 of Allen Parish (the District), which comprise the respective financial position of the governmental activities and each major fund as of September 30, 2023, and the respective changes in financial position for the year then ended, and the related notes to the financial statements (collectively, the "financial statements"), for the purpose of obtaining limited assurance as a basis for reporting whether you are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 21, 2024, the following representations made to you during your review.

Financial Statements

- 1) We acknowledge that we have fulfilled our responsibilities as set out in the terms of the review engagement letter dated February 21, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by U.S. GAAP to be included in the financial reporting entity. We confirm that the District's accounting policies, and the practices and methods followed in applying them, are appropriate and disclosed in the notes to the financial statements. We further confirm that except as otherwise disclosed in the notes to the financial statements, there have been no changes during the period under review in the District's accounting policies and practices.
- 3) We acknowledge that we have fulfilled our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 5) We believe that the significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable in the circumstances.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) We have evaluated events subsequent to the date of the financial statements through the date of this letter, and no such events have occurred that would require adjustment or disclosure in the financial statements. No events, including instances of noncompliance, have occurred subsequent to the date of the financial statements through the date of this letter that would require adjustment to or disclosure in the financial statements or in the schedule of findings and responses, if applicable.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters including all review or relevant monitoring reports, if any, received from funding sources.
 - b) Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, if applicable.
 - c) Additional information that you have requested from us for the purpose of the review.
 - d) Unrestricted access to persons within the District from whom you determined it necessary to obtain review evidence.
 - e) Completeness and availability of all minutes of the meetings of the Board of Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - f) All significant contracts and agreements.
- 12) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) All documents and records provided electronically are accurate and complete reproductions of the original documents and records.

- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. Based on our assessment, we did not identify any fraud risks that we believe would result in a material misstatement of the financial statements.
- 15) We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, analysts, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 18) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 19) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

Government—specific

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contract, and grant agreements that you have reported to us, if any.
- 22) We have a process to track the status of review findings and recommendations, if any.
- 23) We have identified to you any previous audits, reviews, attestation engagements, and other studies related to the review objectives and whether related recommendations have been implemented.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report, if any.
- 25) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe

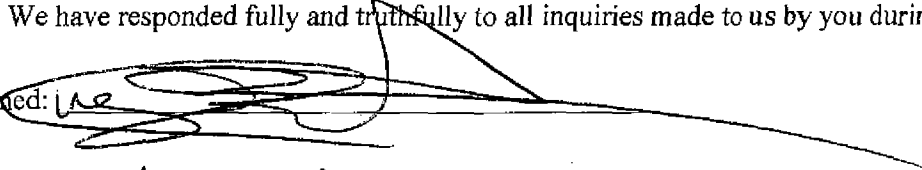
have a material effect on the financial statements or other financial data significant to the review objectives, and any other instances that warrant the attention of those charged with governance.

- 28) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the review objectives.
- 29) Except as disclosed to you, there are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 30) As part of your review, you assisted with preparation of the financial statements and disclosures. You have also assisted us with the preparation and submission of annual Form 1099s. We acknowledge our responsibility as it relates to those nonattest services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures. We also understand that as part of your review, you prepared various adjusting journal entries, both on the fund and government-wide level, and acknowledge that we have reviewed and approved those entries and accepted responsibility for them.
- 31) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 32) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 33) The financial statements properly classify all funds and activities, in accordance with GASBS No. 34, as amended, and GASBS No. 84.
- 34) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted), and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 36) Receivables recorded in the financial statements represent valid claims against debtors/obligors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

- 39) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 40) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 42) Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment losses and insurance recoveries, if any, have been properly recorded.
- 43) We have disclosed to you all information relevant to the use of the going concern assumption in the financial statements.
- 44) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 46) We are responsible for the fair presentation of the general fund budgetary comparison schedule accompanying the basic financial statements that is presented for purposes of additional analysis of the basic financial statements. Such information, which is Required Supplementary Information (RSI), is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI. *Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information although not a part of the financial statements, is required by the Government Accounting Standard Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. You have represented to us that your review is not affected by this missing information.*
- 47) With respect to the schedule of compensation, benefits, and other payments to the chief executive officers and the schedule of compensation paid to board members, which are presented as Other Supplementary Information (OSI):
 - a) We acknowledge our responsibility for presenting the OSI in accordance with accounting principles generally accepted in the United States of America, and we believe the OSI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the OSI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the OSI.

b) If the OSI is not presented with the reviewed financial statements, we will make the reviewed financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the reviewer's report thereon.

48) We have responded fully and truthfully to all inquiries made to us by you during your review.

Signed: 

Signed: 

Signed: _____

Royce T. Scimemi, CPA, APAC
Management Representation Letter
March 21, 2024
Page 7.

RECREATION DISTRICT NO. 6 OF ALLEN PARISH

Waylin Bertrand, President/Chairman

P.O. Box 207

Reeves, LA 70658

(337) 749-2060

March 21, 2024

There were no uncorrected financial misstatements that are considered material with respect to the financial statements as of and for the year ended September 30, 2023, both individually and in the aggregate.

Recreation District No. 6 of Allen Parish
Reeves, Louisiana

ANNUAL FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANTS' REPORTS

YEAR ENDED SEPTEMBER 30, 2023

Royce T. Scimemi, CPA, APAC
Oberlin, LA

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Annual Financial Report and Independent Accountants' Reports
For the Year Ended September 30, 2023**

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ROYCE T. SCIMEMI, CPA, APAC



CERTIFIED PUBLIC ACCOUNTANT

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American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

March 21, 2024

Waylin Bertrand, Chairman
and the Board of Commissioners
Recreation District No. 6 of Allen Parish
Reeves, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of Recreation District No. 6 of Allen Parish (District), a component unit of the Allen Parish Police Jury, as of and for the year ended September 30, 2023, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the District. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements. Management of the District is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibilities. Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Committee of the American Institute of Certified Public Accountants and the standards applicable to review engagements contained in the *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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

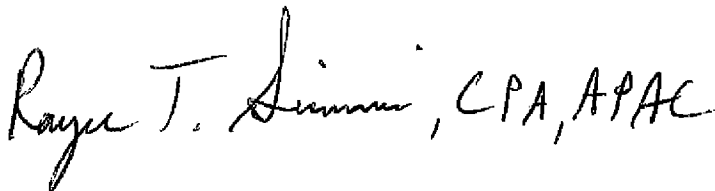
Required Supplementary Information. Accounting principles generally accepted in the United States of America require that the General Fund budgetary comparison schedule (on page 26) be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have reviewed the required supplementary information and, based on our review, we are not aware of any material modifications that should be made to such information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the required supplementary information and we do not express an opinion on such information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Supplementary Information. The accompanying schedule of compensation paid to board members (on page 29) and the schedule of compensation, benefits and other payments to chief executive officer (on page 30) are presented as other supplementary information for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information is the representation of management. We have reviewed the other supplementary information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the other supplementary information and do not express an opinion on such information.

Other Reporting Requirements. In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued our report dated March 21, 2024, on the results of our agreed-upon procedures on pages 31 to 35 with the District's completed *Louisiana Attestation Questionnaire* attached as pages 36 to 38.

Royce T. Scimemi, CPA, APAC



BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Net Position
September 30, 2023**

	Primary Government Activities
ASSETS	
Cash and Interest-Bearing Deposits	\$ 120,380
Ad Valorem Tax Receivable	2,257
Intergovernmental Receivable	49,700
Cash and Interest-Bearing Deposits - Restricted	110,668
Ad Valorem Tax Receivable - Restricted	2,655
Prepaid Insurance	13,111
Land	59,117
Capital Assets, net	3,081,047
Total Assets	3,438,935
DEFERRED OUTFLOWS OF RESOURCES	
Aggregated Deferred Outflows	--
Total Deferred Outflows of Resources	--
LIABILITIES	
Accounts Payable	59,320
Accrued Interest Payable	2,137
Bonds Payable	
Due Within One Year	98,000
Due After One Year	1,006,000
Total Liabilities	1,165,457
DEFERRED INFLOWS OF RESOURCES	
Aggregated Deferred Inflows	--
Total Deferred Inflows of Resources	--
NET POSITION	
<i>Invested in Capital Assets, Net of Related Debt</i>	2,034,027
<i>Restricted for:</i>	
<i>Debt Service</i>	113,323
<i>Unrestricted</i>	126,128
Total Net Position	\$ 2,273,478

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Activities
For the Year Ended September 30, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
Primary Government Governmental Activities:					
Recreation	\$ 228,470	\$ 38,258	\$ --	\$ 49,700	\$ (140,512)
Interest Expense	32,346	--	--	--	(32,346)
Total Governmental Activities	260,816	38,258	--	49,700	(172,858)
General Revenues:					
					262,430
					279
					<u>262,709</u>
					89,851
					2,183,627
					<u>\$ 2,273,478</u>

See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

MAJOR FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of bond principal, interest, and related costs. It is funded by ad valorem tax revenues.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Balance Sheet
Governmental Funds
September 30, 2023**

	General	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and Interest-Bearing Deposits	\$ 120,380	\$ --	\$ 120,380
Ad Valorem Tax Receivable	2,257	--	2,257
Intergovernmental Receivable	49,700	--	49,700
Cash & Interest-Bearing deposits-Restricted	--	110,668	110,668
Ad Valorem Tax Receivable-Restricted	--	2,655	2,655
Prepaid Insurance	13,111	--	13,111
Total Assets	185,448	113,323	298,771
DEFERRED OUTFLOWS OF RESOURCES			
Aggregated Deferred Outflows	--	--	--
Total Assets and Deferred Outflows of Resources	185,448	113,323	298,771
LIABILITIES			
Accounts Payable	59,320	\$ --	\$ 59,320
Total Liabilities	59,320	--	59,320
DEFERRED INFLOWS OF RESOURCES			
Aggregated Deferred Inflows	--	--	--
Total Liabilities and Deferred Inflows of Resources	59,320	--	59,320
FUND BALANCE			
Nonspendable	13,111	--	13,111
Restricted for Debt Service	--	113,323	113,323
Unassigned	113,017	--	113,017
Total Fund Balance	126,128	113,323	239,451
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 185,448	\$ 113,323	\$ 298,771

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position
September 30, 2023**

Total Fund Balance - Governmental Funds	\$	239,451
 Accrued interest payable is accrued on Statement of Net Position and expensed on the Statement of Activities. Interest is expensed on a cash basis on the Statement of Revenues, Expenditures, and Changes in Fund Balance.		
		(2,137)
 Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed as capital outlays when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		
		3,140,164
 Long-term debt is reflected on the Statement of Net Position but not on the governmental funds balance sheet.		
		(1,104,000)
Total Net Position - Governmental Activities	\$	<u>2,273,478</u>

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2023**

	General	Debt Service Fund	Total Governmental Funds
Revenues			
Ad Valorem Taxes, net	\$ 120,775	\$ 141,655	\$ 262,430
Gym Membership/Usage Fees	37,657	--	37,657
Intergovernmental Revenue - State Grants	49,700	--	49,700
Interest Income	77	202	279
Miscellaneous Income	601	--	601
Total Revenues	208,810	141,857	350,667
Expenditures			
<i>Current -</i>			
Advertising	1,305	--	1,305
Bookkeeping	2,100	--	2,100
Insurance	6,262	--	6,262
Merchant Credit Card Fees	6,661	--	6,661
Office Supplies	516	--	516
Professional Fees	6,700	--	6,700
Promotion	10,519	--	10,519
Repairs and Maintenance	57,896	--	57,896
Safe Deposit Rental	72	--	72
Utilities	22,448	--	22,448
<i>Debt Service -</i>			
Interest Expense	--	32,580	32,580
Principal Payments	--	96,000	96,000
<i>Capital Outlay</i>	53,817	--	53,817
Total Expenditures	168,296	128,580	296,876
 Net Change in Fund Balance	40,514	13,277	53,791
<i>Fund Balance at Beginning of Period</i>	85,614	100,046	185,660
Fund Balance at End of Period	\$ 126,128	\$ 113,323	\$ 239,451

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance to Statement of Activities
For the Year Ended September 30, 2023**

Total Net Change in Fund Balance - Governmental Funds	\$	53,791
Fixed assets are expensed as capital outlays in governmental fund statements, but capitalized in the Statement of Net Position.		53,817
Principal payments on long-term debt are expensed in the governmental fund statements, but are treated as reductions of outstanding debt in the entity-wide statements.		96,000
Depreciation expense is reflected in the entity-wide statements, but not deducted in the governmental fund statements.		(113,991)
Accrued interest expense is included in Statement of Activities, but interest expense is only expensed when actually paid in governmental fund statements.		234
Changes in Net Position - Governmental Activities	\$	<u>89,851</u>

See accompanying notes and independent accountants' review report.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recreation District No. 6 of Allen Parish (the “District”) was created by the Allen Parish Police Jury on September 18, 2000 under the authority conferred by Article VI, Section 19 of the 1974 Louisiana Constitution and Louisiana Revised Statutes 33:4562-33:4566. The purpose of the District is to provide recreational facilities for the citizens of Ward Three of Allen Parish. The District has a board of five appointed commissioners who serve without pay or per diem, although the board could authorize a per diem of up to \$10 per meeting attended, not to exceed twelve meetings per year. The District had no employees for the fiscal year ended September 30, 2023.

The District’s accounting and reporting policies conform to generally accepted accounting principles as applied to governments and to the requirements of the industry audit guide, *Audits of State and Local Governments*. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

1. Reporting Entity

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

The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. GASB Statement No. 14 established criteria for determining which component units should be considered part of the primary government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

- a. Appointing a voting majority of an organization's governing body, and
 - (1) The ability of the primary government to impose its will on that organization, and/or
 - (2) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

- b. Organizations for which the primary government does not appoint a voting majority but are fiscally dependent on the primary government.
- c. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, the District is a component unit of the Allen Parish Police Jury. The District itself has no component units. The District is the reporting entity for this financial report which presents financial data of the District itself, and not the Allen Parish Policy Jury or any other entity.

2. Basis of Presentation

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America and with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments", issued in June 1999. However, management has omitted the Management's Discussion and Analysis otherwise required by GASB Statement 34.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. They include all funds of the reporting entity. All of the financial activities of the District are considered governmental activities, which are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues would include (a) fees and charges paid by the recipients of services offered by the District and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Program revenues during the year included fitness center membership dues and access/usage fees. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis of fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District; if the total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds of that category or type; or if the total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined. The District has no enterprise funds.

The District reports the following major funds, all of which are governmental funds:

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of bond principal, interest, and related costs. It is funded by ad valorem tax revenues.

3. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Government-wide equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are generally recorded only when payment is due.

4. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. On or before the last meeting of each year, the budget is prepared by function and activity, with consideration being given to information on the past year and current year estimates. All annual appropriations lapse at fiscal year-end.

5. Cash and Interest-Bearing Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. Such deposits are stated at cost, which approximates market.

6. Interfund Receivables/Payables

During operations, transactions may occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

7. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

8. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalization of asset purchases.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated 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 asset type is as follows:

Buildings and Recreation Improvements	15-50 years
Equipment and Furniture	5-25 years

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.

9. Long-Term Debt

The accounting treatment of long-term debt depends on whether the financed assets are used in governmental fund operations and whether the long-term debt is reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

10. Equity Classification

In the government-wide statements, equity is classified as net position and displayed in the following components:

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

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

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

In the fund statements, governmental fund equity is classified as fund balance and is further classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Board of Commissioners, the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the board.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the board members may assign amounts for specific purposes.
- e. Unassigned – includes the residual balance within the general fund which has not been classified within the above-mentioned categories and for other funds, any deficit balance resulting from overspending for specific purposes for which amounts had been included within the above-mentioned categories.

The District typically uses restricted fund balances first unless prohibited by legal or contractual provisions and then less restrictive classifications -- committed, assigned, and lastly unassigned amounts of fund balance -- in that order when expenditures are made.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

11. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

12. Use of Estimates

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

13. Revenues, Expenditures, and Expenses

Program Revenues. Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

General Revenues. Ad valorem taxes are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent after December 31. The taxes are generally collected in December, January and February of the fiscal year. Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures/expenses. The District's primary expenditures include repairs and maintenance, insurance and utilities, which are recorded when the liabilities are incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfers are authorized by the District.

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

15. Environmental Remediation Costs

The District accrues for losses associated with environmental remediation obligations when such losses are probable and reasonably estimable. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than completion of the remedial feasibility study. Such accruals are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted to their present value.

16. Subsequent Events

Management has evaluated subsequent events through March 21, 2024, the date the financial statements were issued.

NOTE B – CASH AND CASH EQUIVALENTS

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. government agencies, or time certificates of deposit of any bank domiciled or having a branch in the State of Louisiana, as stipulated in La. R.S. 33:2955, or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP maintains a local government investment pool.

As of September 30, 2023, the District had deposits (book balances) totaling \$231,048. These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As an alternative to being collateralized by pledged securities, Louisiana Revised Statutes 6:748.1 allows for the custodial bank to obtain a letter of credit from the Federal Home Loan Bank (FHLB) as collateral for public fund deposits.

At September 30, 2023, the District has \$232,024 in deposits (collected bank balances). These deposits are fully secured from custodial credit risk by federal deposit insurance.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE C – AD VALOREM PROPERTY TAXES

For the year ended September 30, 2023, taxes of 18.50 mills were levied on property with assessed valuations totaling \$15,019,096 and were dedicated as follows:

<u>Millage Purpose</u>	<u>Tax Millage</u>	<u>Expires</u>
Maintenance and operations	3.00	12/31/27
Maintenance and operations	5.50	12/31/32
General obligation bonds	<u>10.00</u>	12/31/32
Total millage	18.50 mills	

Total property taxes levied were \$277,857.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

NOTE D - RECEIVABLES

The following is a summary of receivables for September 30, 2023:

<u>Class of Receivable:</u>	<u>Governmental Activities</u>
Ad Valorem Taxes	\$ 2,257
Ad Valorem Taxes – Restricted	2,655
Intergovernmental	<u>49,700</u>
Total Receivables	<u>\$ 54,612</u>

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE E – CAPITAL ASSETS

A summary of changes in capital assets for the year ended September 30, 2023 follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
<u>Governmental Activities:</u>				
Non-Depreciable Capital Assets:				
Land	\$ 59,117	\$ -	\$ -	\$ 59,117
Depreciable Capital Assets:				
Buildings	2,682,312	-	-	2,682,312
Machinery and Equipment	145,904	-	-	145,904
Recreational Improvements	<u>1,043,105</u>	<u>53,817</u>	-	<u>1,096,922</u>
Totals	3,930,438	53,817	-	3,984,255
Less Accumulated Depreciation for:				
Buildings	535,842	53,646	-	589,488
Machinery and Equipment	78,430	11,039	-	89,469
Recreational Improvements	<u>115,828</u>	<u>49,306</u>	-	<u>165,134</u>
Total Accumulated Depreciation	<u>730,100</u>	<u>113,991</u>	-	<u>844,091</u>
Governmental Activities Capital Assets, net	<u>\$3,200,338</u>	<u>\$ (60,174)</u>	<u>\$ -</u>	<u>\$ 3,140,164</u>

Depreciation expense for the year ended September 30, 2023 was \$113,991 for governmental activities.

A construction project was begun and substantially completed during the fiscal year primarily funded by a state grant of \$49,700. The total contract amount for construction and engineering on that project amounted to \$53,817. The total amount expended on construction in progress in the current fiscal year was \$53,817. The project was complete as of the end of the current fiscal year.

The new addition to depreciable capital assets consisted of fencing of the track area.

NOTE F - ACCOUNTS PAYABLE

The following is a summary of payables at September 30, 2023:

<u>Class of Payable:</u>	<u>Governmental Activities</u>
General Fund –	
Trade Accounts	\$ 9,620
Construction Contract Payable	<u>49,700</u>
Total Accounts Payables	<u>\$ 59,320</u>

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE G - LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended September 30, 2023 follows:

	<u>Beginning of Year</u>	<u>Issued</u>	<u>Retired</u>	<u>End of Year</u>
Bonds payable	\$ <u>1,200,000</u>	\$ _____ -	\$ <u>96,000</u>	\$ <u>1,104,000</u>
Total Long-Term Liabilities	\$ <u>1,200,000</u>	\$ _____ -	\$ <u>96,000</u>	\$ <u>1,104,000</u>

Bond payments are and will be paid out of the Debt Service Fund. The long-term debt is comprised of the following individual issues:

2018 Series Bonds Payable-Governmental:

\$1,250,000 revenue bonds dated 8/7/2018 due in annual principal installments ranging from \$25,000 in 2021 to \$126,000 in 2033 with interest averaging 2.96%

\$ 1,104,000

Total Bonds Payable

\$ 1,104,000

The annual requirements to amortize all revenue bonds outstanding at September 30, 2023 are as follows:

<u>Fiscal Year Ending</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Totals</u>
2024	98,000	30,563	128,563
2025	100,000	28,417	128,417
2026	102,000	26,136	128,136
2027	105,000	23,710	128,710
2028	108,000	21,137	129,137
2029-2033	<u>591,000</u>	<u>51,408</u>	<u>642,408</u>
Totals	\$ <u>1,104,000</u>	\$ <u>181,371</u>	\$ <u>1,285,371</u>

In accordance with La. R.S. 39:562, the District is legally restricted from incurring long-term bonded debt (payable solely from ad valorem taxes) in excess of 35% of the assessed value of taxable property in the District. At September 30, 2023 the statutory limit is \$5,256,683.

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Notes to Basic Financial Statements
For the Year Ended September 30, 2023**

NOTE H - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; personal injuries; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE I – OPERATING TRANSFERS

Operating transfers are used to move revenues from the fund that is required by statute or budget to collect them to the fund that is required by statute or budget to expend them. Typically, any operating transfers are from the General Fund to the Debt Service Fund.

There were no operating transfers between the District's funds during the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended September 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
Revenues				
Ad Valorem Taxes, net	\$ 113,200	\$ 113,200	\$ 120,775	\$ 7,575
Gym Membership/Usage Fees	20,000	\$ 20,000	\$ 37,657	17,657
Intergovernmental - State Grants	350,000	350,000	49,700	(300,300)
Interest Income	200	200	77	(123)
Miscellaneous Income	--	--	601	601
Total Revenues	<u>483,400</u>	<u>483,400</u>	<u>208,810</u>	<u>(274,590)</u>
Expenditures				
<i>Current -</i>				
Advertising	1,200	1,200	1,305	(105)
Bookkeeping	2,100	2,100	2,100	-
Insurance	19,000	19,000	6,262	12,738
Merchant Credit Card Fees	--	--	6,661	(6,661)
Office Supplies	400	400	516	(116)
Professional Fees	8,000	8,000	6,700	1,300
Promotion	8,000	8,000	10,519	(2,519)
Repairs and Maintenance	47,000	62,000	57,896	4,104
Safe Deposit Rental	130	130	72	58
Utilities	22,000	22,000	22,448	(448)
<i>Capital Outlay</i>	<u>20,000</u>	<u>20,000</u>	<u>53,817</u>	<u>(33,817)</u>
Total Expenditures	<u>127,830</u>	<u>142,830</u>	<u>168,296</u>	<u>(25,466)</u>
Net Change in Fund Balance	355,570	340,570	40,514	(300,056)
<i>Fund Balance at Beginning of Period</i>	<u>85,614</u>	<u>85,614</u>	<u>85,614</u>	<u>--</u>
Fund Balance at End of Period	\$ <u>441,184</u>	\$ <u>426,184</u>	\$ <u>126,128</u>	\$ <u>(300,056)</u>

See accompanying notes and independent accountants' review report.

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**Notes to Required Supplementary Information
for the Year Ended September 30, 2023**

(1) Budget and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary and Chairman prepares a proposed budget and present it to the Commissioners prior to ninety days before the beginning of each fiscal year.
2. After the proposed budget is presented to the Commissioners, the Chairman schedules a public hearing. If the budgeted expenditures equal or exceed \$500,000, the Secretary publishes the proposed budget and notifies the public that the proposed budget is available for public inspection and that public participation is invited at the public hearing.
3. A public hearing is held on the proposed budget at least ten days after any required publication of the public notice concerning the budget hearing.
4. Any changes in the proposed annual operating budget require a majority vote of the Commissioners.
5. No later than the last regular meeting of the fiscal year, the Board of Commissioners adopts the annual operating budget for the ensuing fiscal year.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budget appropriations lapse at year-end.
8. For the current fiscal year, the District adopted an original budget that was amended one time.

(2) Excess of Expenditures Over Appropriations

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted, amended, and final budget amounts.

OTHER SUPPLEMENTARY INFORMATION

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**Schedule of Compensation Paid to Board Members
For The Year Ended September 30, 2023**

Brandi Croxdale	\$ -0-
Emma Young	-0-
McKinley "Mick" Estay	-0-
Waylin Bertrand - Chairman	-0-
Wm. E. "Rusty" Reeves	<u>-0-</u>
 Total Compensation Paid to Board Members	 <u><u>\$ -0-</u></u>

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**Schedule of Compensation, Benefits and Other Payments to
Chief Executive Officer
For The Year Ended September 30, 2023**

Chief Executive Officer: Waylin Bertrand, Chairman/President

<u>Purpose</u>	<u>Amount</u>
Salary	\$-0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-cell phone	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

ROYCE T. SCIMEMI, CPA, APAC



CERTIFIED PUBLIC ACCOUNTANT

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Member
American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

March 21, 2024

**Waylin Bertrand, Chairman
and the Board of Commissioners
Recreation District No. 6 of Allen Parish
Reeves, Louisiana**

We have performed the procedures enumerated below on the District's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the year ended September 30, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Government Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the District's compliance with the laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year ended September 30, 2023. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$60,000 and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year for materials and supplies exceeding \$60,000 and no expenditures made during the year for public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

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

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the requested information and represented to us that the District had no employees during the period under review.

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

As the District had no employees during the year under review, there were no employees included on the list provided by management for agreed-upon procedure (3) that appeared on the list provided by management for agreed-upon procedure (2).

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

Management provided us with the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

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

Management provided us with a copy of the original budget and one amended budget. Management represented to us that there were no other amendments to the budget during the year.

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

The General Fund original budget and amended budget for the current fiscal year were timely adopted at the District's meetings held on September 19, 2022 and September 25, 2023, respectively, according to the minutes of those meetings.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues exceeded actual revenues by \$274,590, or 57% because actual intergovernmental revenue of \$49,700 was substantially less than budgeted intergovernmental revenue of \$350,000, the bulk of which is now expected to be received in the future. Actual expenditures for the fiscal year exceeded budgeted expenditures by \$25,466, or 18%, primarily because capital outlays to be paid with grant proceeds were not included in budgeted expenditures.

Accounting and Reporting

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

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

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

- (b) Report whether the six disbursements are coded to the correct fund and general ledger account, and

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

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

With two exceptions, all of the disbursements were approved in accordance with the District's policies and procedures as each invoice was approved by two board members as evidenced by their initials on the invoices and/or each check was signed by two board members.

One exception involved a debit card purchase for \$68 that the District represented to have been authorized by the board and made by an authorized board member but for which there was no documentary proof of such authorization on the available receipt. The second exception involved a routine recurring maintenance payment for which the invoice reflected no board approval and for which the check could not be examined for signatures because the check had not cleared the bank so no check image was available. However, the District represented that all checks, including this particular one, were all authorized by the board and signed by two board members.

Meetings

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

The District is only required to post a notice of each meeting and the accompanying agenda at the building where the meeting is to be held with such posting to be at least 24 hours in advance of the meeting. We found no evidence of noncompliance.

Debt

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

We inspected all bank deposits recorded in the District's records for the period under examination and noted no deposits which appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

Our review of the District's records and minutes indicated no discussion or authorization for any payments that would constitute bonuses, advances or gifts. Our review of the District's records for the year did not reveal any instances which would indicate payments that would constitute bonuses, advances, or gifts. The District has no employees or payroll.

State Audit Law

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

The District provided for a timely report in accordance with R.S. 24:513.

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

The District complied with R.S. 24:513 and therefore is in compliance with R.S. 39:72.1A(2).

Prior Comments and Recommendations

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

Our prior year review report, dated February 21, 2023, did not include any exceptions, comments or unresolved matters, other than an exception related to actual expenditures in excess of budgeted expenditures by more than 5%. A similar budget finding is reported for the current year.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statutes 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Royce T. Scimemi, CPA, APAC
Oberlin, Louisiana

Royce T. Scimemi, CPA, APAC

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

3/14, 2024
(Date Transmitted)

Royce T. Scimemi, CPA, APAC
Attention: Mr. Royce T. Scimemi
Post Office Box 210
Oberlin, LA 70655

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of September 30, 2022 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes No [] N/A []

Code of Ethics for Public Officials and Public Employees

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

Yes No [] N/A []

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

Yes No [] N/A []

Budgeting

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

Yes No [] N/A []

Accounting and Reporting

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

Meetings

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

Yes No N/A

Debt

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

Yes No N/A

Advances and Bonuses

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

Yes No N/A

Prior-Year Comments

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

Yes No N/A

General

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes No N/A

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []


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

Yes [] No [] N/A []

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



Secretary/Treasurer 3/14/24 Date



President 3/14/24 Date

**RECREATION DISTRICT NO. 6 OF ALLEN PARISH
Reeves, Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended September 30, 2023**

1. Summary of Accountants' Results:

- a) Accountants issued a review report on the financial statements.
- b) The attestation procedures yielded evidence of one noncompliance pertaining to the Louisiana local governmental budget act.

2. Findings – Financial Statement Review and Agreed-Upon Procedures:

Finding 2022-1 C:

Louisiana Local Governmental Budget Act Compliance

Criteria: Budgeted revenues in the General Fund exceeded actual revenues by 5% or more and actual expenditures in the General Fund exceeded budgeted expenditures by 5% or more.

Cause: Capital outlay expenditures were not sufficiently budgeted to cover accrued contract expenditures for work done but not yet paid by year-end on a contract that was substantially completed by year-end. Budgeted revenues included potential future state grants that were not received and not properly accruable at year-end.

Effect: Possible violation of the Louisiana Local Governmental Budget Act.

Recommendation: Closely monitor revenues (including intergovernmental grants) and expenses (including capital outlays) on an interim basis and amend the budget as necessary to comply with the governmental budget act.

Response: Management will monitor the local government budget act requirements more closely and evaluate the need for budget amendments on a timely basis.