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LAFOURCHE PARISH RECREATION DISTRICT NO. 1

LOCKPORT, LOUISIANA

FINANCIAL REPORT

December 31, 1999

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

Release Date MAY 24 2000

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Ann T. Hebert

Certified Public Accountant
901 Ridgefield Road
Thibodaux, Louisiana

(504) 446-0994

To the Board
Lafourche Parish Recreation District No. 1
Lockport, Louisiana

I have compiled the accompanying component unit financial statements of Lafourche Parish Recreation District No. 1 (the District), a component unit of the Lafourche Parish Council, as of December 31, 1999, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the Board. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Audit Guide and the provisions of state law, I have issued a report dated February 18, 2000, on the results of our agreed-upon procedures.

Respectfully submitted,

Ann T. Hebert

Ann T. Hebert
Certified Public Accountant

February 18, 2000

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

COMBINED BALANCE SHEET -
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP
December 31, 1999

	Governmental Fund Type General	Account Group General Fixed Assets	Total (Memorandum Only) December 31, 1998
ASSETS			
Cash	\$ 116,336	\$ -	\$ 116,336
Receivables -			
Ad valorem taxes	9,839	-	9,839
Due from other governmental units	63,151	-	63,151
General fixed assets	-	654,719	654,719
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 189,326</u>	<u>\$ 654,719</u>	<u>\$ 844,045</u>
LIABILITIES AND FUND EQUITY			
Accounts Payable	\$ 726	\$ -	\$ 726
Investment in general fixed assets	-	654,719	654,719
Fund balance - unreserved	188,600	-	188,600
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund equity	<u>\$ 189,326</u>	<u>\$ 654,719</u>	<u>\$ 844,045</u>

See accountant's report and accompanying notes.

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - GOVERNMENTAL FUND TYPE - GENERAL FUND
 For the twelve month period ended December 31, 1999

Revenues:	
Taxes - ad valorem	\$ 56,996
Intergovernmental - State of Louisiana	15,820
Use of money and property Interest earned	3,500
Pool revenue	7,323
Donation	9,000
Other Income	<u>36</u>
Total revenues	<u>92,675</u>
Expenditures:	
General government - Intergovernmental - Ad valorem tax deductions	1,674
Culture and recreation - General and administrative Personal services Materials and supplies Capital outlays	17,117 23,182 15,455 <u>11,042</u>
Total expenditures	<u>68,470</u>
Excess (deficiency) of revenues over expenditures	24,205
Fund balance, beginning	<u>164,395</u>
Fund balance, ending	<u><u>\$ 188,600</u></u>

See accountant's report and accompanying notes.

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
 For the twelve month period ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance- favorable (unfavorable)
Revenues:			
Taxes - ad valorem	\$ 53,221	\$ 56,996	\$ 3,775
Intergovernmental - State of Louisiana	15,829	15,820	(9)
Use of money and property Interest earned	3,413	3,500	87
Pool revenue	7,082	7,323	241
Donation	9,000	9,000	-
Other Revenue	-	36	36
	<u>88,545</u>	<u>92,675</u>	<u>4,130</u>
Total revenues			
Expenditures:			
General government - Intergovernmental - Ad valorem tax deductions	1,589	1,674	(85)
Culture and recreation - General and administrative	14,513	17,117	(2,604)
Personal services	24,537	23,182	1,355
Materials and supplies	15,009	15,455	(446)
Capital outlays	11,042	11,042	-
	<u>66,690</u>	<u>68,470</u>	<u>(1,780)</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	21,855	24,205	2,350
Fund balance, beginning	<u>164,395</u>	<u>164,395</u>	-
Fund balance, ending	<u>\$ 186,250</u>	<u>\$ 188,600</u>	<u>\$ 2,350</u>

See accountant's report and accompanying notes.

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Lafourche Parish Recreation District No. 1 (the District) conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

a. Reporting Entity:

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

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

b. Fund Accounting:

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

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

Governmental Funds

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

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

c. Basis of Accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

c. Basis of Accounting: - Continued

All Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes and the insurance rebate are considered "measurable" at the time of availability since the timing of their collection coincides with the timing of the expenditures to be paid. Interest income on investments is recorded as revenue when the investments have matured and the income is available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

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

d. Operating Budgetary Data:

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

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

e. Bad Debts:

The financial statements for the District contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable.

f. General Fixed Assets:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges and curbs, gutters, streets and sidewalks,

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

f. General Fixed Assets: - Continued

drainage systems, and lighting systems, are not capitalized by the District. No depreciation has been provided on general fixed assets.

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

g. Vacation and Sick Leave:

The District has no full-time employees. There is no accumulated unpaid vacation at December 31, 1999.

The District does not have a sick leave policy.

h. Encumbrances:

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

i. Total Column on Combined Statements - Overview:

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

NOTE 2 - CASH AND CASH INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in the following:

Direct U. S. Treasury obligations.

Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the U. S.

Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by U. S. government instrumentalities, which are federally sponsored.

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 2 - CASH AND CASH INVESTMENTS - Continued

Direct security repurchase agreements of any federal book entry only securities enumerated in above paragraphs.

Time certificates of deposit of state banks organized under the laws of Louisiana, or national banks having their principal offices in the state of Louisiana.

Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U. S. Government or its agencies.

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

During the year the District's investments consisted of cash and a certificate of deposit held in banks. The District's cash and certificate of deposit at December 31, 1999, were not in excess of the FDIC insurance.

NOTE 3 - PROPERTY TAXES

Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 1999 was 2.48 mills per \$1,000 of assessed valuation on property within Recreation District No. 1 for the purpose of constructing, maintaining and operating recreational facilities and programs within the District.

LAFOURCHE PARISH RECREATION DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

December 31, 1999

NOTE 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1999, consisted of the following:

State of Louisiana		
State revenue sharing	\$	15,820
Lafourche Parish Tax Collector -		
December, 1999 collections		
remitted to the District in		
January, 2000		<u>47,331</u>
Total	\$	<u>63,151</u>

NOTE 5 - GENERAL FIXED ASSETS

A summary of general fixed assets follows:

	Balance January 1, 1999	Additions	Balance December 31, 1999
Land	\$ 43,865	\$ -	\$ 43,865
Building and Pool	549,671	11,042	560,713
Office furniture, fixtures and equipment	<u>50,141</u>	<u>-</u>	<u>50,141</u>
Total	<u>\$ 643,677</u>	<u>\$ 11,042</u>	<u>\$ 654,719</u>

NOTE 6 - COMPENSATION OF BOARD MEMBERS

The District did not pay per diem to any of its Board Members during the year ended December 31, 1999.

Ann J. Hebert

Certified Public Accountant
901 Ridgefield Road
Thibodaux, Louisiana

(504) 446-0994

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board
Lafourche Parish Recreation District No. 1
P. O. Box 385
Lockport, LA 70374

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Lafourche Parish Recreation District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating the management's assertions about the Lafourche Parish Recreation District No. 1's compliance with certain laws and regulations during the twelve months ended December 31, 1999 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$15,000 or for public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

The Board members are appointed, not elected as Public Servants.

Budgeting

2. Obtained a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original budget and its amendment.

3. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes of a meeting held on November 19, 1998 which indicated that the budget had been adopted by the Board of the Lafourche Parish Recreation District No. 1. I also traced the adoption of the amended budget to the minutes of October 28, 1999.

4. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues for the year were not under budget in the general fund. Expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

5. Randomly select 6 disbursements made during the period under examination and:
 - (a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

The payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated proper approval.

Meetings

6. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Meetings and the agenda are posted on the bulletin board of the meeting place and sent to the local newspaper.

Debt

7. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

8. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the district for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

My prior year report, dated March 29, 1999, included the following finding:

Condition

Budgeting - Actual revenues were 6.97% under budget in the general fund.

Resolution - Corrected at December 31, 1999.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the Board of the Lafourche Parish Recreation District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Ann T. Hebert
Certified Public Accountant

February 18, 2000

Lafourche Parish Recreation District # 1

RECEIVED
LEGISLATIVE AUDITOR

Management's Prior Year Corrective Plan

December 31, 1998

00 MAY 12 AM 9:57

Condition

Budgeting

Actual revenues were 6.97% under budget in the general fund.

Management's Response

We closely monitored revenues and amended the budget when necessary.

There were no current year findings at December 31, 1999.