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St. Tammany Parish  
Recreation District No. 4

General Purpose Financial Statements  
and  
Report on Applying Agreed-Upon Procedures  
Year Ended December 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 APR 05 2000

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# Jules F. Richard, III, CPA

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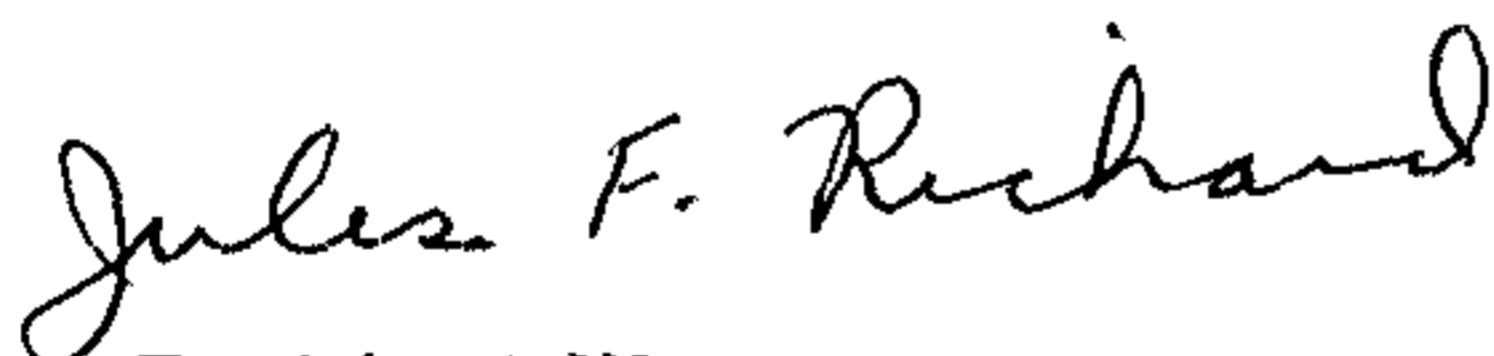
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To the Board of Commissioners  
St. Tammany Parish Recreation District No. 4  
Lacombe, Louisiana

I have compiled the accompanying general purpose financial statements of the St. Tammany Parish Recreation District No. 4 as of and for the year ended December 31, 1999, as listed in the foregoing table of contents, 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 management of the recreation district. 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.

The Independent Accountant's Report on Applying Agreed-Upon Procedures presented as Supplementary Information was based on performing procedures included in the *Louisiana Government Audit Guide*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representations regarding the sufficiency of the procedures described in the report either for the purpose of which this report has been requested or for any other purpose.



Jules F. Richard, III  
Certified Public Accountant

February 7, 2000

St. Tammany Parish Recreation District No. 4  
 Balance Sheet  
 All Fund Types and Account Group  
 December 31, 1999

	<u>Gov't'l Fund- General Fund</u>	<u>Acct Group- General Fixed Assets</u>	<u>Total (Memo Only)</u>
<b>ASSETS</b>			
Cash	\$47,551		\$47,551
Accounts receivable	10,070		10,070
Improvements to facilities		\$135,410	135,410
	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$57,621</u>	<u>\$135,410</u>	<u>\$193,031</u>
 <b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
Accounts payable	\$728		\$728
Equity and other credits			
Investment in general fixed assets		\$135,410	135,410
Fund balance-unreserved-undesignated	56,893		56,893
	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities, Equity and Other Credits	<u>\$57,621</u>	<u>\$135,410</u>	<u>\$193,031</u>

See accompanying notes and accountant's compilation report

St. Tammany Parish Recreation District No. 4  
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual  
Governmental Fund-General Fund  
For the Year Ended December 31, 1999

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes	\$55,000	\$49,358	(\$5,642)
State revenue sharing	5,000	4,731	(269)
Commissions and charges for services	3,000	3,614	614
Total Revenues	63,000	57,703	(5,297)
 <b>EXPENDITURES</b>			
General Government			
Operating services-maintenance	27,000	19,592	7,408
General liability insurance	4,000	2,855	1,145
Special projects expense	16,000	16,138	(138)
Summer program, including insurance	12,000	11,023	977
Professional fees	2,500	2,000	500
Administrative expenses	1,500	810	690
Total Expenditures	63,000	52,418	10,582
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	 0	 5,285	 5,285
 <b>FUND BALANCE AT BEGINNING OF YEAR</b>	 51,608	 51,608	 0
 <b>FUND BALANCE AT END OF YEAR</b>	 \$51,608	 \$56,893	 \$5,285

See accompanying notes and accountant's compilation report

St. Tammany Parish Recreation District No. 4  
Notes to Financial Statements  
December 31, 1999

NOTE A-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the St. Tammany Parish Recreation District No.4 is presented to assist in understanding the recreation district's financial statements. The financial statements are the representation of the management of the recreation district who is responsible for their integrity and objectivity.

Nature of Operations

The St. Tammany Parish Recreation District No. 4 was created by the St. Tammany Parish Police Jury on August 6, 1981, pursuant to Louisiana Revised Statute 33:4564. The district has the authority to own and operate facilities and engage in activities which promote recreation. The governing board is made up of six commissioners appointed by the Police Jury (Parish Council) who serve five-year terms.

Basis of Presentation

The accompanying financial statements of the St. Tammany Parish Recreation District No. 4 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The St. Tammany Parish Police Jury appoints the governing board, but does not significantly influence operations, fiscal matters or the scope of public service. Therefore, the district was determined to be a separate governmental entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the St. Tammany Parish Recreation District No. 4 includes the General Fund and account group that are within the oversight responsibility of the St. Tammany Parish Recreation District No. 4. Certain units of local government over which the St. Tammany Parish Recreation District No. 4 exercises no oversight responsibility, such as the parish police

St. Tammany Parish Recreation District No. 4  
Notes to Financial Statements  
December 31, 1999

jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the St. Tammany Parish Recreation District No. 4.

### Fund Accounting

The district uses a fund (General Fund) and an account group (General Fixed Assets) 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

The General Fund of the district is classified as a governmental fund. Governmental funds account for the district's general activities; including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. The *General Fund is the general operating fund of the district and accounts for all financial resources.*

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. The account group is not a fund. It is concerned only with the measurement of financial position, not with the measurement of results of operations. 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 of donation. No depreciation is recorded on general fixed assets.

### Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible

St. Tammany Parish Recreation District No. 4  
Notes to Financial Statements  
December 31, 1999

within the current period or soon enough thereafter to be used to pay liabilities of the current period. The district uses the following modified accrual basis practices in recording revenues and expenditures:

Revenues:

All revenues are recognized in the amounts earned, to the extent that they are both measurable and available.

During 1992, the St. Tammany Parish Recreation District No. 4 passed a 5 mill, 10 year property tax for the permanent funding of recreation with the district.

The first assessment of the tax was for the 1992 property tax year. This tax is assessed on a calendar year basis and becomes due each year on December 31. The St. Tammany Parish Sheriff's Office collects the tax for the St. Tammany Parish Recreation District No. 4 and remits to the district the monies after collection. The taxes are generally remitted to the district in February, March and April of the next fiscal year. Since the tax is not available for use until the following tax year, it is not setup as a receivable at year-end.

Expenditures:

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

Cash

Cash includes amounts in demand deposit accounts. Under state law, the St. Tammany Parish Recreation District No. 4 may deposit funds with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. As of December 31, 1999, all cash deposits are under the amount protected by the Federal Deposit Insurance Corporation (FDIC).



St. Tammany Parish Recreation District No. 4  
Notes to Financial Statements  
December 31, 1999

General Long-Term Obligations

The district has no long-term obligations as of December 31, 1999.

Vacation, Sick Leave and Pension Plan

The district has no employees, therefore, the district has not established a policy concerning vacation and sick leave and has not established a pension plan.

Total Column on Balance Sheet

The total column on the balance sheet is captioned "Memo Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE B-CASH

As of December 31, 1999, the district had cash (book balance) totaling \$47,551. 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 the amount on deposit with the fiscal agent. As of December 31, 1999, the district had \$47,551 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance.

St. Tammany Parish Recreation District No. 4  
Notes to Financial Statements  
December 31, 1999

NOTE C-FIXED ASSETS

There were no additions or material improvements to facilities in 1999.

	<u>Acct Group- General Fixed Assets</u>
Improvements to facilities at beginning of year	\$135,410
Additions to facilities in 1999	0
	-----
Improvements to facilities at end of year	<u>\$135,410</u>

NOTE D-LEASE OBLIGATIONS

The district did not have any capital or operating leases for the year ended December 31, 1999.

NOTE E-RELATED PARTY TRANSACTIONS

The district was not involved in any related party transactions for the year ended December 31, 1999.

NOTE F-SUBSEQUENT EVENTS

There are no subsequent events that would affect the district's financial statements for the year ended December 31, 1999.

## Supplementary Information

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Phone (504) 828-4722  
Fax (504) 828-4723

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

To the Board of Commissioners  
St. Tammany Parish Recreation District No. 4  
Lacombe, Louisiana

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the St. Tammany Parish Recreation District No. 4 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the St. Tammany Parish Recreation District No. 4's compliance with certain laws and regulations during the year 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 representations 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 any amount in excess of \$15,000.

*Code of Ethics for Public Officials and Public Employees*

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedures (3)] appeared on the list provided by management in agreed-upon procedures (2).

It was also noted that the spouse of one of the board members received \$562.50 during 1999 to perform administrative/accounting work for the board as an independent contractor.

#### *Budgeting*

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

I obtained a copy of the budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minutes book.

I traced the adoption of the original budget to the minutes of a meeting held on January 19, 1999 which indicated that the budget had been adopted unanimously. No amendments were made to the budget during the year.

7. 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 exceeded budgeted amounts by 5% or more.

This procedure is not necessary because the St. Tammany Parish Recreation District No. 4 is a special revenue fund with anticipated expenditures of less than \$250,000 and is exempt from this state revenue law.

#### *Accounting and Reporting*

8. 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

All 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 indicating approval from the chairman of the district. In addition, each of the disbursements over \$100 was reviewed and accepted by the full board.

### *Meetings*

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

St. Tammany Parish Recreation District No. 4 posts a notice for each meeting and its accompanying agenda at two places. The notice is posted at the City Library Annex Building (where the board meets). In addition, it is also posted on the community notice board which is located on Main Street in the district. Although management has asserted that such documents were properly posted, by its nature, we could find no evidence supporting such assertion other than copies of the notices showing the agenda.

### *Debt*

10. 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 note no deposits which appeared to be proceeds of bank loan, bonds or like indebtedness.

### *Advances and Bonuses*

11. 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 above. I also inspected payroll records for the year and note no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

My prior year report, dated May 6, 1999 did not include any comments or unresolved matters.

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 management of the St. Tammany Parish Recreation District No. 4 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.

February 7, 2000

A handwritten signature in cursive script that reads "Jules F. Richard, III". The signature is written in black ink and is positioned above the printed name and title.

Jules F. Richard, III  
Certified Public Accountant

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

3-10-2000 (Date Transmitted)

JULES F. Richard CPA

3209 RIDGELAKE DR. SUITE 100

METairie LA

70002

(Auditors)

12/31/99

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

2/10/00

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No [ ]

**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 LSA-RS 42:1101-1124.

Yes [] No [ ]

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 LSA-RS 42:1119.

Yes [] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No [ ]



**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 LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes  No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes  No

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes  No

**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 LSA-RS 39:1410.60-1410.65.

Yes  No

**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, LSA-RS 14:138, and AG opinion 79-729.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>John W. Musson</u>	Secretary	<u>3/1/00</u>	Date
<u>Georgine W. Musson</u>	Treasurer	<u>3-1-00</u>	Date
<u>Dwight Smith</u>	President	<u>3/1/2000</u>	Date