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*Financial Report*  
*Terrebonne Parish Recreation District No. 8*  
*Donner and Gibron, Louisiana*  
*December 31, 1997*

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 06/27/98  
7-7-98

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December 31, 1997

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Bourgeois Bennett

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,  
Terrebonne Parish Recreation District No. 8,  
Denner and Gibson, Louisiana.

We have audited the accompanying general-purpose financial statements of Terrebonne Parish Recreation District No. 8, (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The general-purpose financial statements referred to above do not include a statement of the General Fixed Assets Account Group, which should be included to conform with generally accepted accounting principles. The amount that should be recorded in the General Fixed Assets Account Group is not known.

In our opinion, except for the effect on the general-purpose financial statements of the omission described in the preceding paragraph, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Terrebonne Parish Recreation District No. 8 as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated February 19, 1998 on our consideration of the Terrebonne Parish Recreation District No. 6's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Bourgeois Bennett, LLC.*

Certified Public Accountants.

Houma, La.,  
February 19, 1998

**BALANCE SHEET - GOVERNMENTAL FUND TYPE - GENERAL FUND****Terrebonne Parish Recreation District No. 8**

December 31, 1997

**ASSETS**

Cash	\$ 39,678
Investments	105,000
Receivable - taxes	119,653
State revenue sharing receivable	<u>1,816</u>
Total assets	<u>\$ 266,127</u>

**LIABILITIES**

Accounts payable and accrued expenditures	\$ 4,758
Due to Terrebonne Parish Consolidated Government	239
Deferred revenue	<u>126,341</u>
Total liabilities	131,338

**EQUITY**

Fund balance - unreserved	<u>134,789</u>
Total liabilities and equity	<u>\$ 266,127</u>

See notes to financial statements.

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

**Terrebonne Parish Recreation District No. 8**

For the year ended December 31, 1997

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 125,000	\$ 125,005	\$ 5
Intergovernmental:			
State of Louisiana:			
State revenue sharing	2,740	2,742	2
Charges for services	3,506	3,999	493
Miscellaneous - interest earned	8,150	8,255	105
	<u>139,396</u>	<u>139,997</u>	<u>602</u>
<b>Total revenues</b>			
<b>Expenditures</b>			
Current:			
General Government:			
Ad valorem tax adjustment	350	312	38
Ad valorem tax deductions	5,875	5,870	5
	<u>6,225</u>	<u>6,182</u>	<u>43</u>
Culture and Recreation:			
Personal services	30,250	29,787	463
Supplies and materials	4,500	4,343	157
Other services and charges	34,000	33,028	972
Repairs and maintenance	85,000	83,927	1,073
Capital expenditures	27,000	26,721	279
	<u>160,750</u>	<u>157,806</u>	<u>2,944</u>
<b>Total expenditures</b>	<u>166,975</u>	<u>163,988</u>	<u>2,987</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(27,585)</u>	<u>(23,991)</u>	<u>3,594</u>
<b>Fund Balance</b>			
Beginning of year	<u>158,780</u>	<u>158,780</u>	<u>-</u>
End of year	<u>\$ 131,195</u>	<u>\$ 134,789</u>	<u>\$ 3,594</u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Terrebonne Parish Recreation District No. 8**

December 31, 1997

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Terrebonne Parish Recreation District No. 8 (the District) conform to generally accepted accounting principles (GAAP) as applied to the governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

**a) Reporting Entity**

The District is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and as such, these component unit financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 1997.

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 District 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 the 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 upon net income determination. The following is the Governmental Fund of the District:

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Fund Accounting (Continued)**

**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.

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 related state revenue sharing (Intergovernmental revenue) are recorded as revenue in the period for which levied, thus the 1997 property taxes which are being levied to finance the 1998 budget will be recognized in 1998. The 1997 tax levy is recorded as deferred revenue in the District's 1997 Financial Statements. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recognized 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) Use of Estimates**

The preparation of 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.



Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) **Operating Budgetary Data**

As required by Louisiana Revised Statute 39:1303, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget twice in 1997. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

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

f) **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. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) **Investments**

Investments are stated at cost, which approximates market.

h) **Fixed Assets**

The District does not maintain accounting records for its Fixed Assets and, accordingly, the financial statements do not contain a statement of Fixed Assets, as required by generally accepted accounting principles.

i) **Vacation and Sick Leave**

The District has no full-time employees. There is no accumulated unpaid vacation and sick leave at December 31, 1997.

j) **Encumbrances**

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

**Note 2 - DEPOSITS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state banks organized under laws of Louisiana and National Banks having their principal office in Louisiana or any other federally insured investment.

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

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the District or its agent, in the District's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the District's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agents but not in the District's name and deposits which are uninsured or uncollateralized.

The year end bank balances of deposits and the carrying amount as shown on the balance sheet are as follows:

	Bank Balances Category			Book Balance
	1	2	3	
Cash	\$ 53,561	\$ -	\$ -	\$ 53,561
Investments:				
Certificates of deposit	46,439	-	58,561	104,999
Totals	<u>\$100,000</u>	<u>\$-</u>	<u>\$58,561</u>	<u>\$158,561</u>

At December 31, 1997, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by an unaffiliated bank for the account of the depositor. The Governmental Accounting Standards Board (GASB), which promulgates the standards for

**Note 2 - DEPOSITS (Continued)**

accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 59:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3 - PROPERTY TAXES**

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 1996. 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, 1997 was \$5.50 per \$1,000 of assessed valuation on property within Recreation District No. 8 for the purpose of maintaining and operating recreational facilities within the District. As indicated in Note 1c, taxes levied November 1, 1997 are for budgeted expenditures in 1998 and will be recognized as revenue in 1998.

**Note 4 - COMPENSATION OF BOARD MEMBERS**

The following amounts were paid to Board Members for the year ended December 31, 1997:

<u>Number of Board Members</u>	<u>Mornings Attended</u>	<u>Per Diem</u>
Paralela Norman	13	\$120
Jahmyr Maska	12	120
Sue Adams	11	110
Darrell Hebert	11	110
Charles Belliveau	9	90
Olga LeBlond	3	<u>30</u>
Total		<u>\$580</u>

**Note 5 - RISK MANAGEMENT**

The District participates in Terrebonne Parish's (oversight) risk management internal service fund for general liability and workers compensation insurance. The District pays monthly premiums to the Parish for workers' compensation based on a fixed percentage of payroll. The District's premiums for general liability is based on various factors such as its operations and maintenance budget, exposure and claims experience. The Parish handles all claims filed against the District. The District could have additional exposure for claims in excess of the Parish's insurance contracts as described below:

<u>Policy:</u>	<u>Coverage Limits</u>
General Liability	\$6,500,000
Workers' Compensation	Statutory

Coverage for claims in excess of the previous stated limits are to be funded first by assets of the Parish's risk management internal service fund, \$2,481,697 at December 31, 1996, then secondly by the District and other participating funds and agencies. At December 31, 1997, the District had no claims in excess of the above coverage limits.

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL-  
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners,  
Terrebonne Parish Recreation District No. 8,  
Denner and Gibson, Louisiana.

We have audited the general-purpose financial statements of the Terrebonne Parish Recreation District No. 8 (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1997, and have issued our report thereon dated February 19, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items 97-1 and 97-2.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable

conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the instructions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned cost as item 97-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, could not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable condition described above, we consider item 97-1 to be a material weakness.

This report is intended for the information of the Board of Commissioners, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants.

Metairie, La.,  
February 19, 1998.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

### Terrebonne Parish Recreation District No. 8

For the year ended December 31, 1997

#### Section I Summary of Auditor's Results

##### a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  X  yes      no
- Reportable condition(s) identified that are not considered to be material weaknesses?      yes  X  none reported
- Noncompliance material to financial statements noted?  X  yes      no

##### b) Federal Awards

Terrebonne Parish Recreation District No. 8 did not receive federal awards during the year ended December 31, 1997.

#### Section II Financial Statement Findings

- 97-1 **Criteria** - The Louisiana Revised Statutes 25:513 require all public entities to maintain "a current itemized list of all property and equipment purchased or otherwise obtained on or after January 1, 1975, for which such entity is accountable".

**Condition** - Fixed assets listings are not maintained by the District.

**Questioned Costs** - None

**Context** - Not applicable

**Effect** - Because of the failure to keep records of fixed assets, assets are not reported on the financial statements.

**Cause** - The District has never maintained fixed assets listing since inception.



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**(Continued)**

**Terrebonne Parish Recreation District No. 8**

For the year ended December 31, 1997

**Section II Financial Statement Findings (Continued)**

97-1 (Continued)

**Recommendation** - We recommend the District accumulate the information necessary to report general fixed assets in its general-purpose financial statements.

**Management's Response** - The District is currently in the process of compiling a fixed asset listing.

97-2 **Criteria** - Louisiana Revised Statute 38:2211-2225, at the time of the purchase, required all purchases of materials and supplies between \$5,000 and \$10,000 to have obtained phone or facsimile quotes and be kept as part of the purchase file.

**Condition** - The District purchased a tractor for \$6,388 and it appears that no quotes were obtained.

**Questioned Costs** - \$6,388

**Context** - This is the sole transaction exceeding the legal limit to obtain quotes during the year ended December 31, 1997.

**Effect** - The District may have overpaid for the tractor.

**Cause** - A quote was not obtained for the tractor because of an oversight of the Board.

**Recommendation** - We recommend that phone quotes be obtained and kept as part of the purchase file for all purchase of materials and supplies between \$7,500 and \$10,000 (effective August 1997) to be in compliance with public bid law.

**Management's Response** - The District will be more careful when purchasing equipment and make sure quotes are obtained and kept as part of the purchase file when required to be in compliance with public bid law.

**Section III Federal Award Findings and Questioned Costs**

Not applicable.

## **REPORTS BY MANAGEMENT**

## SCHEDULE OF PRIOR YEAR FINDINGS

### Terrebonne Parish Recreation District No. 8

For the year ended December 31, 1997

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control and Compliance:**

96 - 1 **Recommendation** - We recommended the District accumulate the information necessary to report general fixed assets in its general-purpose financial statements.

**Management's Response** - Unresolved, the District is currently attempting to compile a fixed asset listing. The recommendation was not adopted in 1997 and a similar finding was noted in the accompanying schedule of findings and questioned costs as item 97-1.

#### **Section II Internal Control and Compliance Material to Federal Awards**

Terrebonne Parish Recreation District No. 8 did not receive federal awards during the year ended December 31, 1996.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended December 31, 1996.

## MANAGEMENT'S CORRECTIVE ACTION PLAN

### Terrebonne Parish Recreation District No. 8

For the year ended December 31, 1997

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

- 97 - 1 **Recommendation** - We recommend the District accumulate the information necessary to report general fixed assets in its general-purpose financial statements.

**Management's Corrective Action** - The District currently is in the process of compiling a fixed asset listing.

##### **Compliance**

- 97 - 1 **Recommendation** - We recommend the District accumulate the information necessary to report general fixed assets in its general-purpose financial statements.

**Management's Corrective Action** - The District currently is in the process of compiling a fixed asset listing.

- 97 - 2 **Recommendation** - We recommend that phone quotes be obtained and kept as part of the purchase file for all purchase of materials and supplies between \$7,500 and \$15,000 (effective August 1997) to be in compliance with public bid law.

**Management's Corrective Action** - The District will be more careful when purchasing equipment and make sure quotes are obtained and kept as part of the purchase file when required to be in compliance with public bid law.

#### **Section II Internal Control and Compliance Material to Federal Awards**

Terrebonne Parish Recreation District No. 8 did not receive federal awards during the year ended December 31, 1997.

#### **Section III Management Letter**

- 97-1 **Recommendation** - The District should refrain from its practice of waiving fees for the use of the building for private functions.

**Management's Corrective Action** - The Board will discontinue waiving fees for private functions in 1998.

**COMMUNICATIONS LETTER**



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## COMMUNICATIONS WITH BOARD OF COMMISSIONERS

To the Board of Commissioners,  
Terrebonne Parish Recreation District No. 8,  
Donner and Gibson, Louisiana.

We have audited the general-purpose financial statements of Terrebonne Parish Recreation District No. 8 (the District) for the year ended December 31, 1997, and have issued our report thereon dated February 19, 1998. Professional standards require that we provide you with the following information related to our audit.

### **1) OUR RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS**

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the general-purpose financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud or other illegal acts may exist and not be detected by us.

As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

### **2) SIGNIFICANT ACCOUNTING POLICIES**

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the general-purpose financial statements. No new accounting policies were adopted and the application of existing policies

2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

was not changed during 1997. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

3) ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the general-purpose financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the general-purpose financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements relate to the collectibility of accounts receivable and valuation of accrued expenditures. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole. Management has provided us with representations concerning estimates.

4) SIGNIFICANT AUDIT ADJUSTMENTS

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared and provided to management.

This information is intended solely for the use of the Board of Commissioners and management of the District and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

*Bougeois Bennett, LLC.*

Certified Public Accountants.

**MANAGEMENT LETTER**





**Bourgeois Bennett**

February 19, 1998

To the Board of Control,  
Terrebonne Parish Recreation District No. 8,  
Donner and Gibson, Louisiana.

In connection with our audit of the general-purpose financial statements of the Terrebonne Parish Recreation District No. 8, as of and for the year ended December 31, 1997, the following item was noted which we would like to bring to your attention.

In performing the audit, it was noted that the District waived a rental fee for a wedding reception by a private individual. It is the District's policy to charge a fee for the use of the gym for private functions, with the exception of non-profit organizations. While immaterial to the general-purpose financial statements, this transaction is a violation of the District's policy as well as state law. Article 7 Section 24 of the 1974 Louisiana Constitution prohibits things of value from being granted to anyone.

We recommend that the District refrain from this practice in the future and that non-profit organizations should show documented proof of their non-profit status.

We would like to thank Ms. LeCompte for the help extended to us during our audit. We shall be glad to answer any questions you may have.

Sincerely yours,

For the firm.