

**RECEIVED**

JUL 17 1999

**OFFICIAL  
FILE COPY**

**DO NOT SEND OUT**

(Xerox necessary  
copies from this  
copy and PLACE  
BACK in FILE)

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH  
Tioga, Louisiana**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1998**

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 6-23-99

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

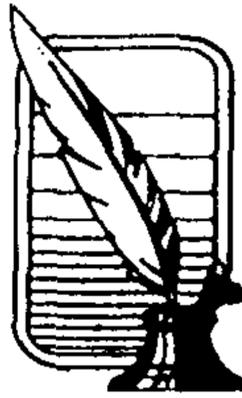
**GENERAL PURPOSE FINANCIAL STATEMENTS**

**For the Year Ended December 31, 1998**

**TABLE OF CONTENTS**

|   | <b>STATEMENT</b> | <b>PAGE NO.</b> |
|---|------------------|-----------------|
| Independent Auditors' Report  |                  | I               |
| <b>GENERAL PURPOSE FINANCIAL STATEMENTS</b>   |                  |                 |
| Combined Balance Sheet - All Fund Types and Account Groups  | A                | 3               |
| Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types with Comparative Totals for Year Ended December 31, 1997                   | B                | 5               |
| Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual-General (Maintenance Fund)  | C                | 6               |
| Notes to General Purpose Financial Statements   |                  | 7               |
|   | <b>EXHIBIT</b>   | <b>PAGE NO.</b> |
| Other reports required by <u>Government Auditing Standards</u>  |                  | 16              |
| Report on compliance and on internal control Over financial reporting based on an audit Of financial statements performed in Accordance with <u>Government Auditing Standards</u> | I                | 17              |
| Summary schedule of prior audit findings for The year ended December 31, 1997   | II               | 19              |
| Corrective action plan for current year audit Finding for the year ended December 31, 1998  | III              | 20              |
| Schedule of Findings and Questioned Costs   | IV               | 21              |

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS



MEMBER  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

### INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Ward 10 Recreation District of Rapides Parish  
Tioga, Louisiana

We have audited the accompanying general purpose financial statements of Ward 10 Recreation District of Rapides Parish as of December 31, 1998, and for the year then ended. These general purpose financial statements are the responsibility of the District's Board of Commissioners. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The Ward 10 Recreation District of Rapides Parish has included such disclosures in Note 9. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Ward 10 Recreation District of Rapides Parish's disclosures with respect to the year 2000 issue made in Note 9. Further, we do not provide assurance that the Ward 10 Recreation District of Rapides Parish's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Ward 10 Recreation District of Rapides Parish does business will be year 2000 ready.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly in all material respects, the financial position of the Ward 10 Recreation District of Rapides Parish, as of December 31, 1998, 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 a report dated April 27, 1999, on our consideration of Ward 10 Recreation District of Rapides Parish's internal control structure and on its compliance with laws and regulations.

A handwritten signature in cursive script, appearing to read "August Ball of Deloitte".

Certified Public Accountants  
April 27, 1999

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**December 31, 1998**  
**With Comparative Totals for December 31, 1997**

|   | General<br>(Maintenance)<br><u>Fund</u> | Debt<br>Service<br><u>Fund</u> | Capital<br>Projects<br><u>Fund</u> |
|---|---|--------------------------------|------------------------------------|
| <b>ASSETS</b>   |   |                                |                                    |
| Cash in bank  | \$ 84,397                               | \$ 20,027                      | \$ 33,697                          |
| Revenue receivable:   |   |                                |                                    |
| Ad valorem tax  | 183,583                                 |                                |                                    |
| State revenue sharing   | 14,083                                  |                                |                                    |
| Due from other funds  | 21,775                                  |                                |                                    |
| Deposits  | 35                                      |                                |                                    |
| Property and equipment  |   |                                |                                    |
| <b>Other debits:</b>  |   |                                |                                    |
| Amount available in debt service fund                                   |   |                                |                                    |
| Amount to be provided for retirement of<br>Certificates of Indebtedness | <u>          </u>                       | <u>          </u>              | <u>          </u>                  |
| Total assets and other debits   | <u>\$303,873</u>                        | <u>\$ 20,027</u>               | <u>\$ 33,697</u>                   |
| <b>LIABILITIES, EQUITY AND OTHER CREDITS</b>                            |   |                                |                                    |
| <b>Liabilities:</b>   |   |                                |                                    |
| Accounts salaries and other payables                                    | \$ 3,486                                |                                |                                    |
| Due to other funds  |   | \$ 16,544                      | \$ 5,231                           |
| Certificates of Indebtedness, Series 1996 and 1997                      | <u>          </u>                       | <u>          </u>              | <u>          </u>                  |
| Total liabilities   | <u>3,486</u>                            | <u>16,544</u>                  | <u>5,231</u>                       |
| <b>Equity and other credits:</b>  |   |                                |                                    |
| Investment in general fixed assets                                      |   |                                |                                    |
| Fund balances -   |   |                                |                                    |
| Reserved for debt service   |   | 3,483                          |                                    |
| Unreserved - undesignated   | <u>300,387</u>                          | <u>          </u>              | <u>28,466</u>                      |
| Total fund equity   | <u>300,387</u>                          | <u>3,483</u>                   | <u>28,466</u>                      |
| Total liability and fund equity   | <u>\$303,873</u>                        | <u>\$ 20,027</u>               | <u>\$ 33,697</u>                   |

The accompanying notes are an integral part of these financial statements.

## STATEMENT A

| General<br>Long-Term<br>Debt | General<br>Fixed<br>Assets  | Totals<br>(Memorandum Only) |                    |
|------------------------------|-----------------------------|-----------------------------|--------------------|
|                              |                             | 1998                        | 1997               |
|                              |                             | \$ 138,121                  | \$ 139,760         |
|                              |                             | 183,583                     | 183,174            |
|                              |                             | 14,083                      | 14,092             |
|                              |                             | 21,775                      | 16,920             |
|                              |                             | 35                          | 35                 |
|                              | \$1,564,232                 | 1,564,232                   | 1,528,576          |
| \$ 3,483                     |                             | 3,483                       | 2,870              |
| <u>621,517</u>               | <u>                    </u> | <u>621,517</u>              | <u>687,130</u>     |
| <u>\$625,000</u>             | <u>\$1,564,232</u>          | <u>\$2,546,829</u>          | <u>\$2,572,557</u> |
|                              |                             | \$ 3,486                    | \$ 1,484           |
|                              |                             | 21,775                      | 16,920             |
| <u>\$625,000</u>             | <u>                    </u> | <u>625,000</u>              | <u>690,000</u>     |
| <u>625,000</u>               | <u>-0-</u>                  | <u>650,261</u>              | <u>708,404</u>     |
|                              | \$1,564,232                 | 1,564,232                   | 1,528,576          |
|                              |                             | 3,483                       | 2,870              |
|                              |                             | <u>328,853</u>              | <u>332,707</u>     |
| <u>-0-</u>                   | <u>1,564,232</u>            | <u>1,896,568</u>            | <u>1,864,153</u>   |
| <u>\$625,000</u>             | <u>\$1,564,232</u>          | <u>\$ 2,546,829</u>         | <u>\$2,572,557</u> |

## WARD 10 RECREATION DISTRICT OF RAPIDES PARISH

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year ended December 31, 1998

With Comparative Totals for Year Ended December 31, 1997

|   | General<br>(Maintenance)<br>Fund | Debt<br>Service<br>Fund | Capital<br>Projects<br>Fund | Totals<br>(Memorandum Only) |                  |
|---|----------------------------------|-------------------------|-----------------------------|-----------------------------|------------------|
|   |                                  |                         |                             | 1998                        | 1997             |
| Revenues:   |                                  |                         |                             |                             |                  |
| Ad valorem tax  | \$ 198,128                       |                         |                             | \$ 198,128                  | \$193,951        |
| State revenue sharing   | 12,060                           |                         |                             | 12,060                      | 18,014           |
| Interest  | 5,321                            | \$ 614                  | \$ 871                      | 6,806                       | 12,967           |
| Sign rentals  | 75                               |                         |                             | 75                          | 350              |
| Pavilion rental   | 495                              |                         |                             | 495                         | 330              |
| Field use fees  | 3,400                            |                         |                             | 3,400                       | 3,925            |
| Other rents   | 5,400                            |                         |                             | 5,400                       | 3,150            |
| Miscellaneous   |                                  |                         |                             |                             | 63               |
| Total revenues  | <u>224,879</u>                   | <u>614</u>              | <u>871</u>                  | <u>226,364</u>              | <u>232,750</u>   |
| Expenditures:   |                                  |                         |                             |                             |                  |
| Current:  |                                  |                         |                             |                             |                  |
| Salaries & wages  | 38,190                           |                         |                             | 38,190                      | 31,732           |
| Per diem paid commissioners   | 700                              |                         |                             | 700                         | 790              |
| Auto & truck expense  | 1,075                            |                         |                             | 1,075                       | 1,418            |
| Bank charges  |                                  |                         |                             |                             | 14               |
| Insurance   | 11,220                           |                         |                             | 11,220                      | 13,739           |
| Utilities   | 16,028                           |                         |                             | 16,028                      | 14,315           |
| Professional services   | 3,000                            |                         |                             | 3,000                       | 2,700            |
| Maintenance & operation of:   |                                  |                         |                             |                             |                  |
| Machinery & equipment   | 3,406                            |                         |                             | 3,406                       | 3,132            |
| Recreational facilities   | 20,756                           |                         |                             | 20,756                      | 31,175           |
| Office supplies & expense   | 306                              |                         |                             | 306                         | 640              |
| Payroll taxes   | 3,934                            |                         |                             | 3,934                       | 3,269            |
| Advertising   | 245                              |                         |                             | 245                         | 842              |
| Taxes & license   |                                  |                         |                             |                             | 38               |
| Miscellaneous   | 13,180                           |                         |                             | 13,180                      | 20,379           |
| Capital outlay  | 35,656                           |                         |                             | 35,656                      | 646,790          |
| Debt service:   |                                  |                         |                             |                             |                  |
| Principal   |                                  | 65,000                  |                             | 65,000                      | 35,000           |
| Interest and fiscal charges   |                                  | 33,559                  |                             | 33,559                      | 30,230           |
| Total expenditures  | <u>147,696</u>                   | <u>98,559</u>           |                             | <u>246,255</u>              | <u>836,203</u>   |
| Excess (deficiency) of revenues<br>over (under) expenditures  | <u>77,183</u>                    | <u>(97,945)</u>         | <u>871</u>                  | <u>(19,891)</u>             | <u>(603,453)</u> |
| Other financing sources (uses):   |                                  |                         |                             |                             |                  |
| Operating transfers in  |                                  | 98,558                  |                             | 98,558                      | 60,533           |
| Operating transfers out   | (98,558)                         |                         |                             | (98,558)                    | (60,533)         |
| Sale of assets  | 16,650                           |                         |                             | 16,650                      | 225,000          |
| Total other financing sources (uses)  | <u>(81,908)</u>                  | <u>98,558</u>           |                             | <u>16,650</u>               | <u>225,000</u>   |
| Excess of revenues and other financing<br>sources over (under) expenditures<br>and other financing uses | (4,725)                          | 613                     | 871                         | (3,241)                     | (378,453)        |
| Fund balance, beginning   | 305,112                          | 2,870                   | 27,595                      | 335,577                     | 714,030          |
| Fund balance, ending  | <u>\$ 300,387</u>                | <u>\$ 3,483</u>         | <u>\$ 28,466</u>            | <u>\$ 332,336</u>           | <u>\$335,577</u> |

The accompanying notes are an integral part of these financial statements.

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL (MAINTENANCE) FUND**  
**Year ended December 31, 1998**

|   | <u>Budget</u>     | <u>Actual</u>     | <u>Variance</u><br><u>Favorable</u><br><u>(Unfavorable)</u> |
|---|-------------------|-------------------|---|
| Revenues:   |                   |                   |   |
| Ad valorem tax  | \$ 193,666        | \$ 198,128        | \$ 4,462  |
| State revenue sharing   | 12,070            | 12,060            | (10)  |
| Interest  | 2,800             | 5,321             | 2,521   |
| Advertising sign income   | 75                | 75                | 0   |
| Pavilion rental   | 495               | 495               | 0   |
| Field use fees  | 3,150             | 3,400             | 250   |
| Rent income   | 5,400             | 5,400             | 0   |
| Miscellaneous   | <u>3,945</u>      | <u>          </u> | <u>(3,945)</u>  |
| Total revenues  | <u>221,601</u>    | <u>224,879</u>    | <u>3,278</u>  |
| Expenditures:   |                   |                   |   |
| Current:  |                   |                   |   |
| Salaries & wages  | 38,252            | 38,190            | 62  |
| Per diem paid commissioners   | 730               | 700               | 30  |
| Auto & truck expense  | 600               | 1,075             | (475)   |
| Bank charges  | 0                 | 0                 | 0   |
| Insurance   | 11,220            | 11,220            | 0   |
| Utilities   | 14,800            | 16,028            | (1,228)   |
| Maintenance & operation of:   |                   |                   |   |
| Machinery & equipment   | 4,200             | 3,406             | 794   |
| Recreational facilities   | 18,000            | 20,756            | (2,756)   |
| Office supplies & expense   | 330               | 306               | 24  |
| Payroll taxes   | 5,400             | 3,934             | 1,466   |
| Professional services   | 3,000             | 3,000             | 0   |
| Advertising   | 250               | 245               | 5   |
| Miscellaneous   | 5,902             | 13,180            | (7,278)   |
| Capital outlay:   | <u>37,660</u>     | <u>35,656</u>     | <u>2,004</u>  |
| Total expenditures  | <u>140,344</u>    | <u>147,696</u>    | <u>(7,352)</u>  |
| Excess (deficiency) of revenues<br>over expenditures  | <u>81,257</u>     | <u>77,183</u>     | <u>(4,074)</u>  |
| Other financing sources (uses):   |                   |                   |   |
| Operating transfers in  |                   |                   |   |
| Operating transfers out   | (98,558)          | (98,558)          | 0   |
| Sale of assets  | <u>16,650</u>     | <u>16,650</u>     | <u>0</u>  |
| Total other financing sources (uses)  | <u>(81,908)</u>   | <u>(81,908)</u>   | <u>0</u>  |
| Excess (deficiency) of revenues and other financing sources<br>over (under) expenditures and other financing uses | (651)             | (4,725)           | (4,074)   |
| Fund balance, beginning   | <u>305,112</u>    | <u>305,112</u>    | <u>0</u>  |
| Fund balance, ending  | <u>\$ 304,461</u> | <u>\$ 300,387</u> | <u>\$ (4,074)</u>   |

The accompanying notes are an integral part of these financial statements.

## WARD 10 RECREATION DISTRICT OF RAPIDES PARISH

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 1998

#### INTRODUCTION

Ward 10 Recreation District of Rapides Parish was created by the Rapides Parish Police Jury on December 12, 1972. The District is a political subdivision governed by the laws of the State of Louisiana and is a component unit of Rapides Parish.

The accounting and reporting policies of the District conform to the generally accepted accounting principles (GAAP) as applicable to governmental units except as noted elsewhere in this report. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### **A. Reporting Entity**

This report includes all funds and account groups which are controlled by or dependent on the District. Control by or dependence on the District was determined on the basis of budget adoption, taxing authority, authority to issue debt, election of appointment of governing body, and other general oversight responsibility.

##### **B. Fund Accounting**

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds used in the financial statements of this report are as follows:

## WARD 10 RECREATION DISTRICT OF RAPIDES PARISH

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 1998

(Continued)

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Governmental Funds - These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

##### General (Maintenance) Fund

The General (Maintenance) Fund is the general operating fund of the District. It is used to account for all financial resources except those accounted for in the Debt Service Fund and Capital Projects Fund.

##### Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

##### Capital Projects Fund

The Capital Projects Fund is used to account for the accumulation of resources for, and the payment of, costs incurred during the construction of additional recreation facilities.

#### 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 fund type operations are accounted for on a spending of "financial flow" measurement focus and only current assets and current liabilities are generally included on the balance sheet.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available. Available includes those property tax receivables expected to be collected within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is that principal and interest on long-term debt is recognized when due.

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**D. Budgets**

Operating budgets of proposed expenditures and revenues were adopted for the general (maintenance) fund. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. All budgets are adopted consistent with generally accepted accounting principles (GAAP).

Budgets are adopted on a line item basis. Budgetary amendments involving the transfer of funds from one fund to another, or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of commissioners. The overall level of control is on a fund basis. All budgetary appropriations lapse at the end of each fiscal year.

**E. Encumbrances**

*Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed in any fund by the District.*

**F. Compensated Absences**

*Employees of the District earn two weeks of vacation time per year and are required to take it the following year. No vacation time may be carried forward to the succeeding year.*

*Sick pay benefits are non-vesting accumulating benefits. These amounts have not been estimated in these financial statements.*

**G. Long-Term Obligations**

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**II. Comparative Data**

Comparative total data for the prior years have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**I. Total Columns on combined Statements - Overview**

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position 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.

**J. Fixed Assets**

General fixed assets have been acquired for general recreational purposes. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. Donated fixed assets are recorded as general fixed assets at estimated fair market value at the time received.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including sidewalks, drainage systems, and electrical systems have been capitalized and are accounted for in the General Fixed Assets Account Group. No depreciation has been provided on general fixed assets.

**K. Cash and Cash Equivalents**

In the governmental funds, cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits and time deposits. In accordance with generally accepted accounting principles, cash equivalents include short term investments which are readily converted to cash and time deposits with original maturities of three months or less from the date of acquisition.

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 2 - AD VALOREM TAXES**

On April 29, 1995, an election was held to authorize a five (5) mills ad valorem tax on each dollar of assessed valuation, on all property subject to such taxation within Rapides Parish for ten years, beginning with the year 1996 for the purpose of constructing, maintaining and operating recreation facilities for the benefit of the Ward 10 area of Rapides Parish.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

For the year ended December 31, 1998, taxes were levied on property in Rapides Parish and were dedicated to Ward 10 Recreation District of Rapides Parish as follows:

|                       |           | Taxes Levied<br><u>At 12/31/98</u> | 1998 Taxes<br>Received Prior<br><u>To 12/31/98</u> | Taxes Receivable<br><u>At 12/31/98</u> |
|-----------------------|-----------|------------------------------------|--|--|
| General (Maintenance) |           |                                    |  |  |
| Fund                  | 5.0 mills | <u>\$197,619</u>                   | <u>\$14,036</u>                                    | <u>\$183,583</u>                       |
|                       | Total     | <u>\$197,619</u>                   | <u>\$14,036</u>                                    | <u>\$183,583</u>                       |

**NOTE 3 - LONG-TERM DEBT**

The Ward 10 Recreation District of Rapides Parish had the following certificates of indebtedness outstanding at December 31, 1998:

The District issued Certificates of Indebtedness, Series 1996 to Security First National Bank of Alexandria, Louisiana in the amount of \$500,000 on July 1, 1996. Payments of principal are due March 1 of each year and payments of interest are due March 1 and September 1 of each year. Principal and interest payments begin March 1, 1997 and end March 1, 2006. The interest rate on the Certificate of Indebtedness is 4.79%.

\$420,000

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 3 - LONG-TERM DEBT (continued)**

Certificate of indebtedness, series 1997 was issued to Evangeline Bank of Alexandria, Louisiana in the amount of \$225,000 on June 4, 1997. Payments of principal are due March 1 of each year and payments on interest are due March 1 and September 1 of each year. Principal and interest payments begin September 1, 1997 and March 1, 2006. The interest rate on the certificate of indebtedness is 5.75%.

|                      |                  |
|----------------------|------------------|
|                      | <u>\$205,000</u> |
| Total long term debt | <u>\$625,000</u> |

All principal and interest requirements are funded in accordance with Louisiana Law by the annual ad valorem tax levy on taxable property within the parish. At December 31, 1998, the Ward 10 Recreation District of Rapides Parish has accumulated \$3,483 in the debt service fund for the future debt requirements: The certificates of indebtedness are due as follows:

| Year ending December 31, | <u>Principal<br/>Payments</u> | <u>Interest<br/>Payments</u> | <u>Total</u>     |
|--------------------------|-------------------------------|------------------------------|------------------|
| 1999                     | 65,000                        | 30,253                       | 95,253           |
| 2000                     | 65,000                        | 26,949                       | 91,949           |
| 2001                     | 75,000                        | 23,379                       | 98,379           |
| 2002                     | 75,000                        | 19,546                       | 94,546           |
| 2003                     | 80,000                        | 15,594                       | 95,594           |
| 2004-2006                | <u>265,000</u>                | <u>20,572</u>                | <u>285,572</u>   |
| Total                    | <u>\$625,000</u>              | <u>\$136,293</u>             | <u>\$761,293</u> |

The changes in long-term liabilities during the year ending December 31, 1998, are as follows:

| General<br>Long-Term Debt<br><u>Account Group</u> | <u>Balance<br/>12/31/97</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance<br/>12/31/98</u> |
|---|-----------------------------|------------------|-------------------|-----------------------------|
| Certificates of<br>Indebtedness                   | <u>\$690,000</u>            | _____            | <u>(65,000)</u>   | <u>\$625,000</u>            |
| Totals  | <u>\$690,000</u>            | _____            | <u>(65,000)</u>   | <u>\$625,000</u>            |

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 4 - FIXED ASSETS**

A summary of changes in General Fixed Assets follows:

|                     | Balance<br><u>12/31/97</u> | <u>Additions</u> | <u>Deletions</u> | Balance<br><u>12/31/98</u> |
|---------------------|----------------------------|------------------|------------------|----------------------------|
| Land & Improvements | \$1,244,300                | \$ 14,113        |                  | \$1,258,413                |
| Buildings           | 165,853                    |                  |                  | 165,853                    |
| Equipment           | <u>118,423</u>             | <u>21,543</u>    |                  | <u>139,966</u>             |
| Totals              | <u>\$1,528,576</u>         | <u>\$ 35,656</u> | <u>-0-</u>       | <u>\$1,564,232</u>         |

**NOTE 5 - COMMISSIONER'S PER DIEM**

Commissioners receive a per diem of \$10 for each meeting they attend with a maximum of 12 paid meetings per year as provided by revised Statutes 33:4572. Per diem payments for 1998 totaled \$700.

**NOTE 6 - CASH AND CASH EQUIVALENTS**

At December 31, 1998, the Ward 10 Recreation District of Rapides Parish has cash and cash equivalents (book balances) totaling \$138,121 as follows:

|   |                   |
|---|-------------------|
| Demand Deposits (Including Interest-Bearing<br>demand deposits) | \$ 67,989         |
| Money market account  | <u>70,132</u>     |
| Total   | <u>\$ 138,121</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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 better the amount on deposit with the fiscal agent.

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 6 - CASH AND CASH EQUIVALENTS - continued**

The carrying amount of the recreation district's deposits with financial institutions is \$140,703. The bank balances are categorized according to credit risk as follows:

|  |                   |
|--|-------------------|
| Amount insured by federal deposit insurance (Category 1)           | \$ 70,571         |
| Money market account guaranteed by federal government (Category 1) | <u>70,132</u>     |
| Total bank balance   | <u>\$ 140,703</u> |

**NOTE 7 - DUE TO/FROM OTHER FUNDS**

This balance consists of miscellaneous funds that are due to the general fund from the other funds.

**NOTE 8 - EXPENDITURES - ACTUAL AND BUDGET**

The following fund had actual expenditures over budgeted expenditures for the following year ended December 31, 1998:

| <u>Fund</u>  | <u>Budget</u> | <u>Actual</u> | <u>Unfavorable<br/>Variance</u> |
|--------------|---------------|---------------|---------------------------------|
| General fund | 140,344       | 147,696       | (7,352)                         |

**NOTE 9 - YEAR 2000 ISSUE**

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Ward 10 Recreation District of Rapides Parish's operations as early as fiscal year 1999.

The Ward 10 Recreation District of Rapides Parish has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting the District's operations. Based on this inventory, the District is in the remediation stage in that computer hardware and software believed to be year 2000 compliant. Testing and validation of the systems will need to be completed after the

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 1998**

(Continued)

**NOTE 9 - YEAR 2000 ISSUE - continued**

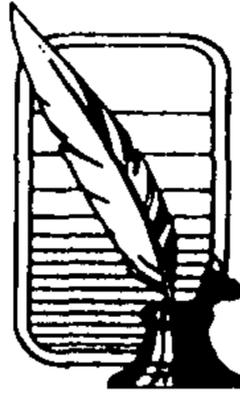
hardware and software are installed. Because of the unprecedented nature of the year 2000 issue, it's effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Ward 10 Recreation District of Rapides Parish will be year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH  
TIOGA, LOUISIANA**

**OTHER REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

The following pages contain the report on internal control structure and compliance with laws and regulations required by Government Auditing Standards issued by the Comptroller General of the United States. The paragraph on internal control structure is based solely on the audit of the general purpose financial statements and includes where appropriate, any reportable conditions and/or material weaknesses. The paragraph on compliance with laws and regulations is, likewise, based solely on the audit of the general purpose financial statements and presents, where applicable, compliance matters that would be material to the general purpose financial statements.

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS



MEMBER  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## **DAUZAT, BEALL & DEBEVEC, CPAs**

A PROFESSIONAL CORPORATION

EXHIBIT I

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

Board of Commissioners  
Ward 10 Recreation District of Rapides Parish  
Tioga, Louisiana

We have audited the financial statements of Ward 10 Recreation District of Rapides Parish as of and for the year ended December 31, 1998, and have issued our report thereon dated April 27, 1999. 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

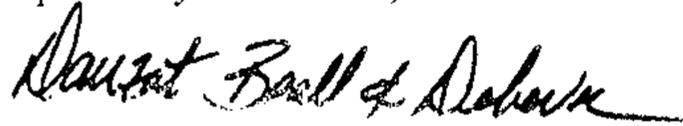
As part of obtaining reasonable assurance about whether Ward 10 Recreation District of Rapides Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ward 10 Recreation District of Rapides Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Ward 10 Recreation District of Rapides Parish. However, this report is a matter of public record and its distribution is not limited.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Dausat Beall & Debevec".

Dausat, Beall & Debevec, CPA's, APC  
Alexandria, Louisiana  
April 27, 1999

WARD 10 RECREATION DISTRICT OF RAPIDES PARISH  
Tioga, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 1997

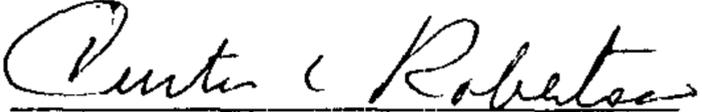
| <u>Ref No.</u>              | <u>Fiscal Year Finding Initially Occurred</u> | <u>Description of Finding</u> | <u>Planned Corrective Action Taken (Yes, No, Partially)</u> | <u>Action/ Partial Corrective Action Taken</u> | <u>Additional Explanation</u> |
|-----------------------------|---|-------------------------------|---|--|-------------------------------|
| <u>N/A</u>                  | <u>                    </u>                   | <u>None</u>                   | <u>N/A</u>  | <u>N/A</u>                                     | <u>                    </u>   |
| <u>                    </u> | <u>                    </u>                   | <u>                    </u>   | <u>                    </u>                                 | <u>                    </u>                    | <u>                    </u>   |
| <u>                    </u> | <u>                    </u>                   | <u>                    </u>   | <u>                    </u>                                 | <u>                    </u>                    | <u>                    </u>   |
| <u>                    </u> | <u>                    </u>                   | <u>                    </u>   | <u>                    </u>                                 | <u>                    </u>                    | <u>                    </u>   |
| <u>                    </u> | <u>                    </u>                   | <u>                    </u>   | <u>                    </u>                                 | <u>                    </u>                    | <u>                    </u>   |
| <u>                    </u> | <u>                    </u>                   | <u>                    </u>   | <u>                    </u>                                 | <u>                    </u>                    | <u>                    </u>   |
| <u>                    </u> | <u>                    </u>                   | <u>                    </u>   | <u>                    </u>                                 | <u>                    </u>                    | <u>                    </u>   |

  
President

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH  
Tioga, Louisiana**

**Corrective Action Plan for Current Year Audit  
Findings For the Year Ended December 31, 1998**

| <u>Ref No.</u> | <u>Description of Finding</u> | <u>Correction Action Planned</u> | <u>Person(s)</u> | <u>Completion Date</u> |
|----------------|-------------------------------|----------------------------------|------------------|------------------------|
| _____          | None                          | None                             | _____            | _____                  |
| _____          | _____                         | _____                            | _____            | _____                  |
| _____          | _____                         | _____                            | _____            | _____                  |
| _____          | _____                         | _____                            | _____            | _____                  |

  
\_\_\_\_\_  
President

**WARD 10 RECREATION DISTRICT OF RAPIDES PARISH**  
**Tioga, Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 1998**

We have audited the financial statements of the Ward 10 Recreation District of Rapides Parish as of December 31, 1998 and have issued our report thereon dated April 27, 1999. 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. Our audit of the financial statements as of and for the year ended December 31, 1998 resulted in an unqualified opinion.

**Section I-Summary of Auditors' Reports**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses  Yes  No

Reportable Conditions  Yes  No

Compliance

Non Compliance Material to Financial Statements  Yes  No

**Section II-Financial Statement Findings**

None