JACKSON PARISH
RECREATION DISTRICT

ANNUAL FINANCIAL REPORT
DECEMBER 31, 2025

Jackson Parish Recreation District
Jonesboro, Louisiana

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Jackson Parish Recreation District

P. O. Box 315
Jonesboro, LA 71251

MANAGEMENT'S DISCUSSION AND ANALYSIS
for the Year Ended December 31, 2025

The Management's Discussion and Analysis of the Jackson Parish Recreation District provides an overview and overall review of the District's financial activities for the year ended December 31, 2025. The intent of the MD&A is to look at the District's financial performance as a whole. It should, therefore be read in conjunction with this report.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending. Certain comparative information is presented to provide an over-view of the District's operations.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the District's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the District's net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

- The Statement of Activities presents information showing how the District's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

- The services provided by the District are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's governmental fund is the General Fund (primary operating fund). These statements provide a short-term view of the District's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	2025	2024
ASSETS:		
Current Assets-		
Cash & Cash Equivalents	$ 518,835	$ 873,891
Inventory	2,502	2,502
Prepaid Expenses	25,405	23,426
Revenue Receivable	1,156,595	1,089,370
Total Current Assets	$1,703,337	$1,989,189
Noncurrent Assets-		
Capital Assets (Net)	$4,903,816	$4,957,603
Right-of-Use Assets (Net)	115,630	23,981
Net Pension Asset	40,379	0
Total Noncurrent Assets	$5,059,825	$4,981,584
Total Assets	$6,763,162	$6,970,773
DEFERRED OUTFLOWS OF RESOURCES:	$ 61,101	$ 128,879
LIABILITIES:		
Current Liabilities-		
Accounts Payable	$ 17,442	$ 21,928
Payroll Payables	21,325	18,888
Current Portion of Capital Leases	38,487	12,314
Current Portion of Bond Indebtedness	300,000	289,000
Total Current Liabilities	$ 377,254	$ 342,130
Long-Term Liabilities-		
Long-Term Portion of Capital Leases	$ 77,950	$ 12,688
Long-Term Portion of Bond Indebtedness	631,000	931,000
Net Pension Liability	0	44,378
Compensated Absences	20,550	39,188
Total Long-Term Liabilities	$ 729,500	$1,027,254
Total Liabilities	$1,106,754	$1,369,384
DEFERRED INFLOWS OF RESOURCES:	$ 35,053	$ 20,353
NET POSITION:		
Net Investment in Capital Assets	$3,972,009	$3,736,582
Unrestricted	1,710,447	1,973,333
Total Net Position	$5,682,456	$5,709,915

Summary of Statement of Activities

	2025	2024
REVENUES:		
Charges for Services	$ 477,174	$ 423,330
Capital Grants	0	83,333
General Revenues-		
Taxes	989,952	1,050,772
Interest	4,829	4,360
Non-employer Pension Revenue	4,193	4,609
Insurance Recovery	6,118	6,327
Miscellaneous	13,023	12,902
Total Revenues	$1,495,289	$1,585,633
EXPENDITURES:		
Recreation	1,522,748	1,439,710
Change in Net Position	$ (27,459)	$ 145,923

- The District's assets exceeded its liabilities by $5,682,456 (Net Position) for the year. For the prior year, assets exceeded liabilities by $5,709,915.

- Unrestricted Net Position of $1,710,447 represents the portion available to meet the District's obligation to both citizens and creditors. This is a decrease of $262,886 from the prior year.

- During 2025, the District spent $371,328 on acquiring and constructing capital assets, including a pavilion, and grounds equipment.

General Fund Budgetary Highlights

The District continues to receive sufficient revenue to provide recreational services to the citizens of the parish. Actual revenues and expenditures were within the allowed variance.

Economic Factors and Next Year's Budget

The District has prepared its 2026 budget for the General Fund, taking into consideration the revenues and expenditures from the prior year and any projected services and costs that may occur in 2026.

Contacting the District

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the District at P. O. Box 315, Jonesboro, LA 71251.

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation
Roger M. Cunningham, CPA - LLC
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INDEPENDENT AUDITORS' REPORT

To the Members of the
Jackson Parish Recreation District
Jonesboro, LA 71251

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Jackson Parish Recreation District (Recreation District), a component unit of the Jackson Parish Police Jury, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Recreation District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Recreation District as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Recreation District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Recreation District's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Recreation District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Recreation District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, and Schedule of Employer Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Recreation District's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2026 on our consideration of the Recreation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Recreation District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Recreation District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 29, 2026 on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

June 29, 2026

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Jackson Parish Recreation District
Statement of Net Position
December 31, 2025

	Governmental Activities
ASSETS:	
Current Assets-	
Cash & Cash Equivalents	$ 518,835
Inventory	2,502
Prepaid Expenses	25,405
Revenue Receivable	1,156,595
Total Current Assets	$1,703,337
Noncurrent Assets-	
Capital Assets (Net)	$4,903,816
Right-of-Use Assets (Net)	115,630
Net Pension Asset	40,379
Total Noncurrent Assets	$5,059,825
Total Assets	$6,763,162
DEFERRED OUTFLOWS OF RESOURCES:	$ 61,101
LIABILITIES:	
Current Liabilities-	
Accounts Payable	$ 17,442
Payroll Payables	21,325
Current Portion of Capital Leases	38,487
Current Portion of Bond Indebtedness	300,000
Total Current Liabilities	$ 377,254
Noncurrent Liabilities-	
Long-Term Portion of Capital Leases	$ 77,950
Long-Term Portion of Bond Indebtedness	631,000
Compensated Absences	20,550
Total Noncurrent Liabilities	$ 729,500
Total Liabilities	$1,106,754
DEFERRED INFLOWS OF RESOURCES:	$ 35,053
NET POSITION:	
Net Investment in Capital Assets	$3,972,009
Unrestricted	1,710,447
Total Net Position	$5,682,456

See independent auditors' report and notes to financial statements.

Jackson Parish Recreation District
Statement of Activities
For the Year Ended December 31, 2025

Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Culture & Recreation-					
Personnel	$ 472,295	$ 0	$0	$0	$ (472,295)
Programs	306,239	424,169	0	0	117,930
Concessions	46,898	53,005	0	0	6,107
Operations	662,111	0	0	0	(662,111)
Interest	35,205	0	0	0	(35,205)
Total Governmental Activities	$1,522,748	$477,174	$0	$0	$(1,045,574)

General Revenues:	
Property Taxes	$ 989,952
Interest	4,829
Non-employer Pension Revenue	4,193
Insurance Recovery	6,118
Sale of Fixed Assets	9,595
Miscellaneous	3,428
Total General Revenues	$ 1,018,115
Change in Net Position	$ (27,459)
Net Position January 1, 2025	5,709,915
Net Position December 31, 2025	$ 5,682,456

FUND FINANCIAL STATEMENTS

Jackson Parish Recreation District
Balance Sheet-Governmental Fund
December 31, 2025

	General Fund
ASSETS:	
Cash & Cash Equivalents	$ 518,835
Inventory	2,502
Prepaid Expenses	25,405
Revenue Receivables	1,156,595
Total Assets	$1,703,337
LIABILITIES:	
Accounts Payable	$ 17,442
Payroll Liabilities	21,325
Total Liabilities	$ 38,767
FUND BALANCE:	
Nonspendable- Prepaid Expenses	$ 25,405
Unassigned	1,639,165
Total Fund Balance	$1,664,570
Total Liabilities & Fund Balance	$1,703,337

See independent auditors' report and notes to financial statements.

Jackson Parish Recreation District
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
December 31, 2025

Total Fund Balance for the Governmental Fund at December 31, 2025	$ 1,664,570
Amounts reported for governmental activities in the Statement of Net Position are different because:	
The following used in Governmental Activities are not financial resources. Therefore, they are not reported in the Governmental Fund Balance Sheet-	
Capital Assets	9,169,763
Less, Accumulated Depreciation	(4,265,947)
Right-of-Use Assets	170,527
Less, Accumulated Amortization	(54,897)
Deferred Outflows of Resources	61,101
Net Pension Asset	40,379
The following are not due and payable in the current period. Therefore, they are not reported in the Governmental Fund Balance Sheet-	
Capital Lease Liabilities	(116,437)
Accrued Compensated Absences	(20,550)
Bond Indebtedness	(931,000)
Deferred Inflows of Resources	(35,053)
Total Net Position of Governmental Activities at December 31, 2025	$ 5,682,456

See independent auditors' report and notes to financial statements.

Jackson Parish Recreation District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2025

	General Fund
Revenues:	
Ad Valorem Taxes	$ 989,952
Charges for Services-	
Baseball & Softball	42,182
Basketball	11,657
Golf Course	368,448
Concessions	53,005
Other Programs	1,882
Miscellaneous-	
Interest	4,829
Other	3,428
Total Revenues	$1,475,383
Expenditures:	
Current-	
Culture & Recreation-	
Baseball & Softball	$ 59,899
Basketball	32,590
Concessions	46,898
Golf Course	200,980
Other Programs	12,770
Operating	328,644
Salaries & Related Expenditures	489,019
Capital Outlay	371,328
Debt Service	343,344
Total Expenditures	$1,885,472
Excess of Revenues over Expenditures	$ (410,089)
Other Financing Sources:	
Lease Proceeds	$ 110,574
Insurance Recovery	6,118
Sale of Fixed Assets	9,595
Total Other Financing Sources	$ 126,287
Excess of Revenues over Expenditures and Other Sources	$ (283,802)
Fund Balance-Beginning of Year	1,948,372
Fund Balance-End of Year	$1,664,570

See independent auditors' report and notes to financial statements.

Jackson Parish Recreation District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities
for the Year Ended December 31, 2025

Net Change in Fund Balance- Governmental Fund	$(283,802)
Amounts reported for Governmental Activities in the Statement of Activities are different because: Governmental Funds report Capital Outlays as expenditures, however, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation and amortization expense. The current year amounts for these items were-	
Capital Outlays (net of dispositions)	371,328
Depreciation Expense	(314,541)
Amortization Expense	(18,925)
Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These timing differences are summarized below:	
Non-employer Pension Revenue	4,193
Accrued Compensated Absences	18,638
Pension Expense	(1,915)
Lease Proceeds	(110,574)
Capital Lease Payments	19,139
Bond Payments	289,000
Change in Net Position of Governmental Activities	$ (27,459)

See independent auditors' report and notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

Introduction:

The Jackson Parish Recreation District (the Recreation District) created March 21, 2001, as provided by Louisiana Revised Statute 33:4562, is located in Jackson Parish in northeast Louisiana. The Recreation District is governed by seven board members, appointed by the Jackson Parish Police Jury to act as the governing authority. The terms of the board members are five years and vacancies are filled by the Jackson Parish Police Jury.

The Recreation District was established to provide recreational programs and facilities for the residents of the parish funded by ad valorem taxes and program revenues.

1. Summary of Significant Accounting Policies:

A. REPORTING ENTITY-

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Jackson Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria includes:

1. Appointing a voting majority of an organization's governing body and

    a. The ability of the Police Jury to impose its will on that organization and/or

    b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Police Jury appoints the organization's governing body, and the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury, the Recreation District was determined to be a component unit of the Jackson Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Recreation District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

B. BASIS OF PRESENTATION-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Recreation District's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. FUND ACCOUNTING-

The accounts of the Recreation District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Recreation District has one fund, which is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

The fund of the Recreation District is described below:

Governmental Fund-

General Fund - used to account for all financial resources, except those required to be accounted for in another fund.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Recreation District as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Recreation District considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred.

The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. CASH AND INTEREST-BEARING DEPOSITS-

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts and certificates of deposit of the Recreation District.

F. CAPITAL ASSETS-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Recreation District maintains a threshold level of $5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of useful lives by type of asset is as follows:

Buildings and land improvements	15-40 years
Equipment and vehicles	3-10 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

G. PENSIONS-

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees' Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

H. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows or financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

I. EQUITY CLASSIFICATIONS-

In the government-wide statements, equity is classified as Net Position and displayed in three components:

a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position - consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

c. Unrestricted net position - all other resources that do not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;

b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of $1,639,165 and nonspendable fund balance of $25,405. If applicable, the Recreation District would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

J. ESTIMATES-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

K. BUDGET-

Prior to the beginning of each fiscal year, the Recreation District adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

2. Cash and Cash Equivalents:

The cash and cash equivalents of the Recreation District are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Recreation District will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Recreation District that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Recreation District’s name.

For reporting purposes, cash and cash equivalents includes demand deposits and time deposits. On December 31, 2025, the Recreation District had cash and cash equivalents (collected bank balances) totaling $546,937 which was secured by FDIC insurance.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

3. Inventories:

Concession supplies are expensed when purchased. The amount on hand is not material to the financial statements. Inventory at the golf course pro shop is recorded at cost.

4. Ad Valorem Taxes:

The Recreation District levies taxes on real and business personal property located within the boundaries of Jackson Parish. Property taxes are levied by the Recreation District on property values assessed by the Assessor and approved by the State of Louisiana Tax Commission.

The Jackson Parish Sheriff's office bills and collects property taxes for the Recreation District. Collections are remitted to the Recreation District monthly. The Recreation District recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	November 15
Total taxes due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax sale	May 16

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2024. Total assessed value was $220,489,610 in 2025. Louisiana state law exempts the first $75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of $25,162,174 of the assessed value in 2025. For the year ended December 31, 2025, taxes of 5.07 mils were levied on the property.

5. Receivables:

The following is a summary of receivables at December 31, 2025:

Class of Receivable	General Fund
Taxes-Ad Valorem	$1,155,321
Other	1,274
Total	$1,156,595

Substantially all receivables are considered to be fully collectible; therefore, no allowance for uncollectible accounts is used.

6. Capital Leases:

The Recreation District entered into a lease agreement with Huntington National Bank for mowers for the golf course. The lease was obtained in January 2022 for 20 gas golf carts for a five year lease term. The interest rate for this lease is 3.00%. Interest expense is $1,491 for the year ended December 31, 2025.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

The Recreation District entered into a lease agreement with Ford Motor Credit for a Ford F-250. The lease was obtained in November 2025 for a four year lease term. The interest rate for this lease is 6.99%. Interest expense is $311 for the year ended December 31, 2025.

The Recreation District entered into a lease agreement with Wells Fargo for John Deere mowers. The lease was obtained in September 2025 for a four year lease term. The interest rate for this lease is 3.00%. Interest expense is $401 for the year ended December 31, 2025.

Right-of-use assets and amortization activity as of and for the year ended December 31, 2025, are as follows:

Governmental Activities	Balance 01-01-25	Additions	Deletions	Balance 12-31-25
Right-of-use Assets:				
Outdoor Equipment	$83,047	$110,574	$23,094	$170,527
Less, Accumulated Amortization:				
Outdoor Equipment	59,066	18,925	23,094	54,897
Net Right-of-Use Assets	$23,981	$ 91,649	$ 0	$115,630

Amortization expense of $18,925 was charged to the culture and recreation function.

The changes in capital lease liabilities for December 31, 2025 are as follows:

Beginning Capital Lease Liabilities	$ 25,002
Additions	110,574
Deletions	(19,139)
Ending Capital Lease Liabilities	$116,437

The annual debt service requirements to maturity for these leases are as follows:

Year Ending December 31	Principal	Interest	Total
2026	$ 38,487	$ 4,837	$ 43,324
2027	27,100	3,329	30,429
2028	28,477	1,951	30,428
2029	22,373	518	22,891
Total	$116,437	$10,635	$127,072

7. Tax Abatement:

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending December 31, 2025, approximately $135,840 ad valorem tax revenues were abated from the Recreation District by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

8. Post-Employment Benefits:

The Recreation District does not provide any post-employment benefits; therefore, no disclosure for GASB 45 is required.

9. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2025, are as follows:

Governmental Activities	Balance 01-01-25	Additions	Deletions	Balance 12-31-25
Capital Assets Not Depreciated:				
Land	$ 907,395	$ 0	$ 0	$ 907,395
Construction in Progress	1,361,177	10,000	1,230,708	140,469
Total Capital Assets Not Depreciated	$2,268,572	$ 10,000	$1,230,708	$1,047,864
Capital Assets Depreciated:				
Athletic Equipment	$ 171,645	$ 0	$ 0	$ 171,645
Vehicles	60,747	0	34,782	25,965
Buildings	2,467,879	0	0	2,467,879
Grounds Equipment	275,679	154,240	0	429,919
Kitchen Equipment	26,021	0	0	26,021
Land Improvements	3,325,560	1,318,245	0	4,643,805
Office Equipment	19,764	0	0	19,764
Outdoor Equipment	363,691	8,977	35,767	336,901
Total Capital Assets Depreciated	$6,710,986	$1,481,462	$ 70,549	$8,121,899
Total Capital Assets	$8,979,558	$1,491,462	$1,301,257	$9,169,763
Less, Accumulated Depreciation:				
Athletic Equipment	$ 157,649	$ 4,199	$ 0	$ 161,848
Vehicles	60,746	0	34,782	25,964
Buildings	1,036,657	97,058	0	1,133,715
Grounds Equipment	191,336	31,020	0	222,356
Kitchen Equipment	24,571	1,162	0	25,733
Land Improvements	2,196,117	167,222	0	2,363,339
Office Equipment	19,761	0	0	19,761
Outdoor Equipment	335,118	13,880	35,767	313,231
Total Depreciation	$4,021,955	$ 314,541	$ 70,549	$4,265,947
Net Capital Assets	$4,957,603	$1,176,921	$1,230,708	$4,903,816

Depreciation expense of $314,541 was charged to the culture and recreation function.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

10. Compensated Absences:

All full-time employees earn annual leave at rates varying from twelve to twenty-one days each year depending upon length of service. Employees of the Recreation District shall not accrue more than twenty-one days of annual leave. Upon termination, no employees shall be paid for accrued annual leave. In addition, all full-time employees earn twelve to twenty-one days of sick leave each year depending on length of service. Sick leave can accumulate without limitation. Upon separation of employment, employees will be paid for a maximum of twenty-five days of unused sick leave at the employee's current rate of pay. Upon retirement, employees may elect to receive pay for up to twenty-five days of unused sick leave at the employee's current rate of pay.

The following is a summary of the accrual of compensated absences for the year ended December 31, 2025:

Beginning Balance	Additions	Deletions	Ending Balance
$39,188	$0	($18,638)	$20,550

11. Pension Plan:

Plan Description

The Recreation District contributes to Parochial Employees' Retirement System of Louisiana (System) which is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The System is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically, and other general laws of the State of Louisiana. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at www.persla.org.

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- At any age — after 30 or more years of creditable service
- At age 55 — after 25 years of creditable service
- At age 60 — after 10 years of creditable service
- At age 65 — after 7 years of creditable service

For employees hired after January 1, 2007:

- At age 55 — after 30 years of creditable service
- At age 62 — after 10 years of creditable service
- At age 67 — after 7 years of creditable service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

For any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in DROP in which they enroll for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or 3% multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

Cost-of-Living Increases

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (LA R.S. 11:1937) . Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2024, the actuarially determined contribution rate was 7.34% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2024 was 11.50%.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A in proportion to the member's compensation. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The non-employer revenue is $4,193.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

The Recreation District's contractually required composite contribution rate for the year ended December 31, 2025 was 11.00% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the District were $33,509 for the year ended December 31, 2025.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2025 and December 31, 2024, the Recreation District reported an asset/(liability) of $40,379 and $(44,378), respectively, for its proportionate share of the Net Pension Asset (Liability). The Net Pension Asset (Liability) was measured as of December 31, 2024, and the total pension liability used to calculate the Net Pension Asset (Liability) was determined by an actuarial valuation as of that date. The Recreation District's proportion of the Net Pension Asset (Liability) was based on a projection of the Recreation District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2024, the District's proportion was 0.04015%, which was a decrease of 0.00643% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the District recognized pension expense of $34,132 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of $1,292.

At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$24,641	$ 3,510
Changes in assumption	0	4,443
Net difference between projected and actual earnings on pension plan investments	0	26,589
Changes in employer's proportion of beginning net pension liability	2,951	382
Differences between employer contributions and proportionate share of employer contributions	0	129
Subsequent Period Contributions	33,509	0
Total	$61,101	$35,053

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31:	
2026	$ 15,674
2027	36,858
2028	(39,955)
2029	(20,038)
Total	$ (7,461)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2024 is as follows:

Valuation Date	December 31, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years.
Investment Rate of Return	6.40%, net of investment expense, including inflation.
Inflation Rate	2.30% per annum.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants. Experience study performed on plan data for the period January 1, 2018 through December 31, 2022.
Salary Increases	4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.50% for the year ended December 31, 2024. The best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	37%	1.08%
Equity	47%	2.82%
Alternatives	15%	0.76%
Real Assets	1%	0.07%
Total	100%	4.73%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.13%

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Recreation District's proportionate share of the Net Pension Liability using the discount rate of 6.40%, as well as what the Recreation District's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

	1.0% Decrease (5.40%)	Current Discount Rate (6.40%)	1.0% Increase (7.40%)
Employer's proportionate share of net pension liability	$206,067	$(40,379)	$(247,242)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org.

Payables to the Pension Plan

These financial statements include a payable to the pension plan of $15,429, which is the legally required contribution due at December 31, 2025. This amount is recorded in accrued expenses.

12. <u>Litigation and Claims</u>:

Management has advised that there is no litigation pending against the Recreation District at December 31, 2025.

Jackson Parish Recreation District
Notes to Financial Statements
December 31, 2025

13. Compensation Paid Commission Members:

Board members receive $40 per diem for reimbursement of travel expenses for each meeting he or she attends. The following is a detail of compensation paid to individual board members for the year ended December 31, 2025:

Chris Womack	$ 440
Ricky Cash	440
Reggie Hall	160
Brandon Lamkin	320
Rodney Potts, Jr.	40
Robert Hunter	320
Total	$1,720

14. Long-Term Liabilities:

The Recreation District obtained Series 2023, Limited Tax Bonds issued on March 21, 2023 in the amount of $1,500,000 for the purpose of improving the buildings, equipment and property currently owned by the Recreation District and acquiring property, buildings and equipment for the improvement and operation of the Recreation District. Jonesboro State Bank issued $1,125,000 of the bonds with an interest rate of 3.95% and LPFA issued $375,000 of the bonds with an interest rate of 1.975%. These bonds mature on March 1, 2028. These bonds are payable from a pledge of the revenues to be derived by the levy and collection of the Ad Valorem millage to be levied through 2027. The Recreation District is required to set aside the annual debt service requirement as soon as the first Ad Valorem collections are received.

The annual debt service requirements to maturity are as follows:

Year	Principal	Interest	Total
2026	$300,000	$27,067	$327,067
2027	310,000	16,511	326,511
2028	321,000	5,570	326,570
Total	$931,000	$49,148	$980,148

The following is a summary of changes in long-term debt for the year ended December 31, 2025:

	Balance 12-31-24	Additions	Reductions	Balance 12-31-25
Series 2023	$1,220,000	$0	$289,000	$931,000

15. Subsequent Events:

Management has evaluated events through June 29, 2026, the date on which the financial statements were available to be issued. Management concluded that no subsequent events have occurred that require recognition or disclosure in the financial statements.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Jackson Parish Recreation District
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budget Original	Budget Final	Actual	Adjustments to Budgetary Basis	Budgetary Basis	Variance- Favorable (Unfavorable)
REVENUES:						
Ad Valorem	$ 1,050,000	$ 742,797	$ 989,952	$ -	$ 989,952	$ 247,155
Fees for Services & Programs	88,000	110,175	108,726	-	108,726	(1,449)
Golf Course	362,000	392,500	368,448	-	368,448	(24,052)
Interest	250	10,000	4,829	-	4,829	(5,171)
Miscellaneous	3,000	8,200	3,428	-	3,428	(4,772)
Total Revenues	$ 1,503,250	$ 1,263,672	$ 1,475,383	$ -	$ 1,475,383	$ 211,711
EXPENDITURES:						
Current-						
Culture & Recreation-						
Operating	$ 291,700	$ 351,900	$ 328,644	$ -	$ 328,644	$ 23,256
Recreation Programs	118,000	104,100	105,259	-	105,259	(1,159)
Golf Course	480,250	500,500	200,980	-	200,980	299,520
Concessions	30,000	42,000	46,898	-	46,898	(4,898)
Payroll & Related Benefits	274,000	270,634	489,019	-	489,019	(218,385)
Capital Outlay	145,000	280,000	371,328	(110,574)	260,754	19,246
Debt Service	-	233,110	343,344	-	343,344	(110,234)
Total Expenditures	$ 1,338,950	$ 1,782,244	$ 1,885,472	$ (110,574)	$ 1,774,898	$ 7,346
Excess (Deficiency) of Revenues over Expenditures	$ 164,300	$ (518,572)	$ (410,089)	$ 110,574	$ (299,515)	$ 219,057
OTHER FINANCING SOURCES (USES):						
Lease Proceeds	$ -	$ -	$ 110,574	$ (110,574)	$ -	$ -
Insurance Recovery	-	-	6,118		6,118	6,118
Sale of Assets	-	-	9,595		9,595	9,595
Total Other Financing Sources (Uses)	$ -	$ -	$ 126,287	$ (110,574)	$ 15,713	$ 15,713
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	$ 164,300	$ (518,572)	$ (283,802)	$ -	$ (283,802)	$ 234,770
Fund Balance- Beginning of Year	1,948,372	1,948,372	1,948,372	-	1,948,372	-
Fund Balance- End of Year	$ 2,112,672	$ 1,429,800	$ 1,664,570	$ -	$ 1,664,570	$ 234,770

See independent auditors' report and notes to financial statements.

Jackson Parish Recreation District
Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2025

Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
2015	.02960%	$ 8,092	$214,530	3.77%	99.15%
2016	.03742%	$ 98,495	$222,861	44.20%	92.23%
2017	.03758%	$ 77,394	$192,604	40.18%	94.15%
2018	.03139%	$ (23,301)	$200,468	-11.62%	101.98%
2019	.03265%	$ 144,926	$199,134	72.78%	88.86%
2020	.03140%	$ 1,478	$224,988	0.66%	99.89%
2021	.03394%	$ (59,513)	$246,892	-24.10%	104.00%
2022	.03680%	$(173,335)	$253,927	-68.26%	110.46%
2023	.03743%	$ 144,064	$337,599	42.67%	91.74%
2024	.04658%	$ 44,378	$310,584	14.29%	98.03%
2025	.04015%	$ (40,379)	$304,630	-13.26%	101.97%

See independent auditors' report and notes to financial statements.

Jackson Parish Recreation District
Schedule of Employer Contributions
For the Year Ended December 31, 2025

Year	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	$31,107	$31,107	$0	$214,530	14.50%
2016	$28,972	$28,972	$0	$222,861	13.00%
2017	$24,076	$24,076	$0	$192,604	12.50%
2018	$23,054	$23,054	$0	$200,468	11.50%
2019	$22,900	$22,900	$0	$199,134	11.50%
2020	$27,561	$27,561	$0	$224,988	12.25%
2021	$30,244	$30,244	$0	$246,892	12.25%
2022	$29,202	$29,202	$0	$253,927	11.50%
2023	$38,824	$38,824	$0	$337,599	11.50%
2024	$35,717	$35,717	$0	$310,584	11.50%
2025	$33,509	$33,509	$0	$304,630	11.00%

Changes of Assumptions:
There were no changes of benefit assumptions for the year ended December 31, 2025.

Jackson Parish Recreation District
Schedule of Compensation, Benefits and Other Payments to
Agency Head
For the Year Ended December 31, 2025

	Justin Dodson	Tommy Smith
	2/1/25 – 12/31/25	1/1/25 – 1/13/25
Salary	$62,192	$12,361
Benefit – Retirement	6,841	1,360
Benefits – Medicare	902	179
Reimbursements	182	0
Total	$70,299	$13,900

See independent auditor's report.

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Members of the
Jackson Parish Recreation District
Jonesboro, LA, 71251

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities and the major fund as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Jackson Parish Recreation District's (Recreation District) basic financial statements and have issued our report thereon dated June 29, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Recreation District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Recreation District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Recreation District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Recreation District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

June 29, 2026

Jackson Parish Recreation District
Schedule of Audit Findings
Year Ended December 31, 2025

I. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Jackson Parish Recreation District.

2. The audit did not disclose any material weaknesses in internal control.

3. The audit disclosed no instances of noncompliance required to be reported under *Government Auditing Standards.*

II. Findings in Accordance with *Governmental Auditing Standards*

None identified.

III. Prior Year Findings

<u>Compliance</u>-

2024-001 Local Government Budget Act

Condition - For the year ended December 31, 2024, actual expenditures were more than budgeted expenditures by more than the 5% variance allowed.

Status - At December 31, 2025, this condition is cleared.

2024-002 Late Submission of Report

Cause - The Recreation District's books and records were not available in a timely enough manner for the auditors to complete audit work before the filing deadline.

Status - At December 31, 2025, this condition is cleared.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

To the Jackson Parish Recreation District and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. The Jackson Parish Recreation District's (District) management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the operations:

   - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

   - ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

   - ***Disbursements***, including processing, reviewing, and approving.

   - ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or custodial fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, custodial fund forfeiture monies confirmation.)

- ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

- ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

- ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

- ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

- ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- ***Information Technology Disaster Recovery/Business Continuity,*** including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

- ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

  Procedure Results: Exceptions were noted as a result of these procedures. The written policies and procedures did not address debt service or information technology/disaster recovery/business continuity.

Board or Finance Committee

2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:

   - Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

   - Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

- Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.

Procedure Results – We noted no exceptions with regard to Board or Finance Committee.

Bank Reconciliations

3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all if less than 5). We randomly selected one month from the fiscal period, and obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:

- Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g. initialed and dated, electronically logged);

- Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date of the reconciliation was prepared (e.g. initialed and dated, electronically logged); and

- Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results – We noted exceptions with regard to Bank Reconciliations. There was no evidence reflecting research of reconciling items.

Collections (excluding electronic funds transfers)

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).

5. We obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site selected. We obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties were properly segregated at each collection location such that:

- Employees that are responsible for cash collections do not share cash drawers/registers.

- Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

- Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

- The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed that the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits were made on the same day). We obtained supporting documentation for each of the deposits selected and:

   - We observed that receipts ae sequentially pre-numbered.

   - We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

   - We traced the deposit slip total to the actual deposit per the bank statement.

   - We observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

   - We traced the actual deposit per the bank statement to the general ledger.

Procedure Results – We noted no exceptions with regard to Collections.

Non-Payroll Disbursements – General (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. We randomly selected the required amount of disbursement locations (up to five).

9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and we observed that job duties are properly segregated such that:

   - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

   - At least two employees are involved in processing and approving payments to vendors.

   - The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

   - Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

10. For each location selected under #8 above, we obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, and obtained supporting documentation for each transaction and:

    - We observed that the disbursement matched the related original itemized invoice and that documentation indicates that deliverables included on the invoice were received by the entity.

    - We observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. Using the entity's main operating account and the month selected in procedure #3 under Bank Reconciliations, we randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. If no electronic payments were made from the main operating account during the month selected, we selected an alternative month and/or account for testing that does include electronic disbursements.

Procedure Results – We noted no exceptions with regard to Non-Payroll Disbursements.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

12. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.

13. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), and obtained supporting documentation, and:

    - We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

    - We observed that finance charges and late fees were not assessed on the selected statements.

14. Using the monthly statements or combined statements selected under #13 above, <u>excluding fuel cards</u>, we randomly selected the required number of transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results – We noted no exceptions with regard to Credit Cards/Debit Cards/Fuel Cards/P-Cards.

Travel and Expense Reimbursement

15. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected five reimbursements, and obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

    - If reimbursed using a per diem, we observed that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
    - If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
    - We observed that each reimbursement was supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
    - We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

    Procedure Results – We noted no exceptions with regard to Travel and Expense Reimbursements.

Contracts

16. We obtained from management a listing of all agreements/contracts for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management's representation that the listing is complete. We randomly selected the required amount of contracts (up to five) from the listing, excluding our contract, and:

    - We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
    - We observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
    - If the contract was amended (e.g. change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).
    - We randomly selected one payment from the fiscal period for each of the selected contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

    Procedure Results – We noted no exceptions with regard to Contracts.

Payroll and Personnel

17. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected five employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

18. We randomly selected one pay period during the fiscal period. For the five employees/officials selected under #17 above, we obtained attendance and leave documentation for the pay period, and:

- We observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

- We observed that supervisors approved the attendance and leave of the selected employees/officials.

- We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

- We observed that the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

19. We obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. If applicable, we selected two employees or officials, and obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. If applicable, we agreed the hours to the employees or officials' cumulative leave records, and the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and the termination payment to entity policy.

20. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, workers' compensation premiums, etc.) have been paid, and associated forms have been filed, by required deadlines.

Procedure Results – We noted no exceptions with regard to Payroll and Personnel.

Ethics

21. Using the five randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics compliance documentation from management, and:

- We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

- We observed that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Procedure Results – We noted exceptions with regard to Ethics. Employees did not have documentation demonstrating the completion of one hour of ethics training.

Debt Service

22. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.

23. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedure Results – We noted no exceptions with regard to Debt Service.

Fraud Notice

24. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

25. We observed whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Procedure Results – We noted no exceptions with regard to the Fraud Notice.

Information Technology Disaster Recovery/Business Continuity

26. We performed the following procedures:

- We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on the physical medium (e.g., tapes, CDs), we observed that backups are encrypted before being transported.

- We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

- We obtained a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. We randomly selected the required number of computers (at least 5) and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

- We randomly selected the employees/officials from procedure #17 under "Payroll and Personnel" above, obtained cybersecurity training documentation from management, and observed that the documentation demonstrates that the selected employees/officials with access to the entity's information technology assets have completed cybersecurity training as required by R.S. 42:1267.

Procedure Results – We performed the procedure and discussed the results with management. Employees did not have documentation demonstrating the completion of one hour of cybersecurity training.

Prevention of Sexual Harassment

27. We randomly selected the employees/officials from procedure #17 under "Payroll and Personnel" above, obtained sexual harassment training documentation from management, and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

28. We observed that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

29. We obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that it includes the applicable requirements of R.S. 42:344:

    - Number and percentage of public servants in the agency who have completed the training requirements;
    - Number of sexual harassment complaints received by the agency;
    - Number of complaints which resulted in a finding that sexual harassment occurred;
    - Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
    - Amount of time it took to resolve each complaint.

Procedure Results – We noted no exceptions with regard to Sexual Harassment.

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

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

June 29, 2026

Jackson Parish Recreation District
Management's Response to Exceptions
December 31, 2025

MANAGEMENT'S RESPONSE TO EXCEPTIONS:

Item 1: Exception – ***The written policies and procedures did not address debt service or information technology/disaster recovery/business continuity.***

Response – We will develop written policies and procedures to address debt service and information technology/disaster recovery/business continuity.

Item 3: Exception – ***There was no documentation reflecting that reconciling items exceeding 12 months were researched.***

Response – We will document research of reconciling items exceeding 12 months.

Item 21: Exception – ***There was no documentation demonstrating the completion of ethics training.***

Response – All employees will complete ethics training.

Item 26: Exception – ***There was no documentation demonstrating the completion of cybersecurity training.***

Response – All applicable employees will complete cybersecurity training.