



Claire McCaskill

Missouri State Auditor

October 2006

Robinwood West Community
Improvement District

Year Ended December 31, 2005



Office Of
Missouri State Auditor
Claire McCaskill

October 2006

The following findings were included in our audit report on the Robinwood West Community Improvement District.

The district does not have a long range plan to pay off its loan or to fund future maintenance of its capital assets. The cash balance of the district at December 31, 2005, was approximately \$78,000. Revenues have averaged approximately \$141,000 over the last three years, with operating costs averaging \$89,500 and loan interest and principal payments of approximately \$32,000 annually. However, in October 2008, \$352,000 will be owed on the district's loan, which will exceed the annual revenues and available cash balance of the district.

The district obtained three bank loans totaling approximately \$447,000 between 2001 and 2003 to fund capital improvements. The loan agreements contained no provisions for the district to cancel the loan due to lack of appropriations. The district appears to have entered into a long-term debt arrangement without a vote authorizing the debt, which may be in violation of the Missouri Constitution.

Numerous problems existed within the district's accounting records. Supporting documentation for some disbursements could not be located or was filed incorrectly and accounting records are not prepared using a consistent method. An immediate record of receipt is not made for monies received, and better controls and records are needed for rental security deposits.

Although the district has some purchasing and approval policies, it is not clear what disbursements need to be approved by the board and when. Various disbursements had no documentation of board approval including \$4,314 to board members for expenses incurred. In addition, one board member's wife and son did work for the district and were paid \$438. Adequate documentation is not always received for reimbursed expenses, and checks were issued without the required two signatures. Bid documentation was not always solicited or retained, and reasons for selecting higher bidders were not always documented. Additionally, the district does not have a formal policy on credit card usage. Also, the district did not always enter into contracts for services received or retain signed contracts for district records.

Also included in the report are recommendations related to board minutes, meetings, resolutions and bylaws, budgets, financial reporting, snack bar operations, and capital assets.

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YELLOW SHEET

ROBINWOOD WEST COMMUNITY IMPROVEMENT DISTRICT

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STATE AUDITOR'S REPORT



CLAIRE C. McCASKILL
Missouri State Auditor

To the Board of Directors
Robinwood West Community Improvement District

The State Auditor was petitioned under Section 29.230, RSMo, to audit the Robinwood West Community Improvement District. The scope of our audit of the district included, but was not necessarily limited to, the year ended December 31, 2005. The objectives of this audit were to:

1. Perform procedures to evaluate the petitioners' concerns.
2. Review internal controls over significant management and financial functions.
3. Review compliance with certain legal provisions.

To accomplish these objectives, we reviewed minutes of meetings, written policies, financial records, and other pertinent documents; interviewed various personnel of the district, as well as certain external parties; and tested selected transactions. Our methodology included, but was not necessarily limited to, the following:

1. We obtained an understanding of petitioner concerns and performed various procedures to determine their validity and significance.
2. We obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.
3. We obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. 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.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the district's management and was not subjected to the procedures applied in the audit of the district.

The accompanying Management Advisory Report presents our findings arising from our audit of the Robinwood West Community Improvement District.

A handwritten signature in black ink that reads "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill
State Auditor

June 16, 2006 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits: Thomas J. Kremer, CPA
Audit Manager: Alice M. Fast, CPA
In-Charge Auditor: Keri Wright

MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

ROBINWOOD WEST COMMUNITY IMPROVEMENT DISTRICT
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

1.	Financial Condition
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The district does not have a long range plan to pay off its loan (see MAR No. 2) or to fund future maintenance of its capital assets. In October 2008, the district's bank loan will mature with a payoff balance of \$352,000. In addition, the district will have future maintenance costs related to its capital assets including the swimming pool, parking lot, community center, and playground.

The cash balance of all district accounts at December 31, 2005, was approximately \$78,000. Major revenue sources for the district including real estate taxes, facility rentals, snack bar operations, and non-membership fees have averaged approximately \$141,000 annually over the last three years. The district's operating costs including the pool, building, and general operation costs averaged approximately \$89,500 annually over the same period. Loan interest and principal payments were approximately \$32,000 annually. In addition, some capital improvement costs were paid from general revenue funds because the costs exceeded the loan proceeds (See MAR No. 5). While the district's cash balance has increased slightly over this time period, the majority of receipts are only covering the operating costs and loan payments for the district. In addition, disbursements have been increasing at an average of seven percent each year while receipts have been increasing at only a six percent per year average.

To pay off the loan balance and fund future maintenance costs, the district needs to increase its cash balance by increasing receipts, reducing disbursements, or a combination of both. We noted the following areas for consideration:

- A. In four of the last five years, the district took voluntary reductions in its tax rates, reducing the district's property tax receipts by approximately \$51,450. Two of these years made up the majority of these reductions. In 2000 and 2001, the district took voluntary reductions of approximately 23 cents and 14 cents, respectively, for every \$100 of assessed valuation.

Section 67.1531, RSMo, states that the district may levy by resolution a tax upon real property or on any business located within the boundaries of the district; provided however, no such resolution shall be final nor shall it take effect until the qualified voters approve, by mail-in ballot, the tax which the resolution seeks to impose. In 1999, district residents approved a maximum tax rate of 95 cents per \$100 of assessed valuation. For 2005 and 2006, the calculated tax ceiling was 77 cents per \$100 of assessed valuation.

- B. The district is operating its facility rentals at a loss. During 2005, the facility rentals program had the following receipts and disbursements:

Rental Receipts	\$5,182
Operating Disbursements:	
Rental Coordinator.....	3,424
Janitorial Services	2,455
Supplies.....	<u>191</u>
Total Disbursements	<u>6,070</u>
Net Loss	<u>(\$ 888)</u>

- C. The district needs to review its operation of the snack bar. During 2005, the snack bar had the following receipts and disbursements:

Snack Bar Sales.....	\$5,936
Operating Disbursements:	
Goods Purchased.....	3,176
Payroll.....	<u>2,556</u>
Total Disbursements	<u>5,732</u>
Net Income.....	<u>\$ 204</u>

While the snack bar appears to be operating at a slight profit, pool guest fees were not tracked separately. With estimated guest fees considered, the snack bar appeared to have an operating loss of approximately \$465.

Other areas of receipts and disbursements should be reviewed by the Board to ensure the continuing operations of the district. The Board should develop a long range plan which will allow the district to reduce its disbursements and/or increase its receipts to operate and fund any large future expenses of the district. In addition, the board should include a plan for restructuring the loan that would allow the district to pay off the loan over an extended period of time in the future. Currently, the district does not have the funds to pay off the loan, nor does it appear the district will have the funds when the loan matures in 2008.

WE RECOMMEND the Board of Directors review overall operations and develop a long range plan to pay off its loan and fund future maintenance costs of its capital assets.

AUDITEE'S RESPONSE

The Board of Directors agrees with the State Auditor that we will review the overall operations and develop a long-range plan to pay off our loan and fund future maintenance costs of our capital assets.

The district has incurred a large debt balance to fund capital improvements to the district's building, parking lot, swimming pool, and playground without a public vote by the district residents to authorize the indebtedness. As a result, there is a question as to the legality of the district's debt.

The district obtained three bank loans between 2001 and 2003 with total loan proceeds of approximately \$447,000.

- In March 2001, the district obtained a \$300,000 construction loan, of which approximately \$260,000 was used. This loan had a 3 year term at an interest rate of 6.1 percent. To reduce the payment amounts, principal and interest was amortized over a 15 year period. In addition, the first nine monthly payments on this loan were strictly interest payments.
- In March 2002, the district obtained a \$350,000 loan that paid off the original loan balance and provided the district with an additional \$98,000 in loan proceeds. This was a 3 year loan at a 5 percent interest rate. To reduce payment amounts, interest and principal was amortized over a 15 year period.
- In October 2003, the district obtained a \$425,000 loan that paid off the previous loan and provided the district with an additional \$89,000 in loan proceeds. This is a 5 year balloon loan at a 4.5 percent interest rate. To reduce payments, principal and interest is amortized over a 20 year period. In addition, this loan has a prepayment penalty of up to 2 percent of the outstanding principal balance, depending on the time period the loan is prepaid. As a result, the loan cannot be refinanced any earlier than the fifth year of the loan without being penalized.

The loan agreements contained no provisions for the district to cancel the loan due to a lack of appropriations or for any other reason. Without such options, the district appears to have entered into a long-term debt arrangement. In addition, as a result of the various loan terms, very little of the principal balance has been paid, extending the years until the loan is paid in full. As of December 31, 2005, the district has paid approximately \$55,160 in principal and \$79,440 in interest payments on all loans, excluding any balances paid off as a result of obtaining another loan.

Article VI, Section 26, of the Missouri Constitution states that no political subdivision of the state shall become indebted in an amount exceeding the income and revenue for any one year without a popular vote. Any indebtedness exceeding one year requires a four-sevenths vote during a general election.

While information filed with the original petition to become a community improvement district listed expected capital improvements of \$415,000 to be paid for through a bank loan, the district did not obtain a vote of the district residents authorizing the debt. In

addition, there was no indication that the district sought legal advice on obtaining the bank loans. The original loan of \$300,000 was approved by the board through a district resolution in 2001; however, no resolutions were passed approving the subsequent bank loans. In November 2005, the district included a proposition on the election ballot to allow for the restructuring of the current debt by borrowing up to \$400,000 for a term of not more than 18 years; however, this ballot issue did not pass. As a result of the vote, it appears the residents have restricted the board in their ability to refinance the current bank loan.

As of December 31, 2005, the current bank loan had a balance of approximately \$395,000 and is set to come due or to be refinanced in October 2008. Annual principal and interest payments on the current bank loan total approximately \$32,000. While the annual amount is within the generated annual revenues of the district, the \$352,000 balance due in 2008, when the loan matures, will exceed the annual revenues and available cash balance of the district (See MAR No. 1). However, should the district default on this loan, the district's credit, property, and assets could be at risk.

The board should consider bringing the issue back to a vote of the district members to allow restructuring of the debt. Restructuring should include a provision to cancel the loan due to a lack of appropriation and set payments that are within the generated annual revenues of the district.

The district's Board of Directors has been seeking an attorney's advice on the legality of the district's debt and the future actions they should take. As of June 2006, no decision has been made by the board.

WE RECOMMEND the Board of Directors continue to seek legal advice regarding the actions the Board should take concerning this debt. The Board should consider bringing the issue back to a vote of the district members to allow restructuring of the debt. In addition, the Board should ensure that any decisions made are done through district resolution and made public upon approval.

AUDITEE'S RESPONSE

The Board of Directors agrees with the State Auditor that we continue working with our legal team regarding the actions we should take concerning our debt. We will consider bringing the issue back to a vote of the district members to allow restructuring of the debt. In addition, we will ensure that any decisions made are done through district resolution and made public upon approval.

3. Minutes, Board Meetings, Resolutions, and Bylaws
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Minutes for board meetings are not always accurate, signed, or approved in a timely manner. In addition, board meeting minutes do not always contain sufficient detail of meeting activities, closed meeting minutes and committee meeting minutes are not

always maintained or kept in a central location, and agendas are not always posted in accordance with district bylaws. Also, the district needs to improve its policies and procedures over record keeping, documenting information requested by the public, and passing resolutions.

- A. Meeting minutes were not always approved in a timely manner by the Board of Directors or signed by both the secretary and president. Board meeting minutes are prepared by the secretary and reviewed for approval at the next board meeting. However, approved board meeting minutes from January through August of 2005 were not signed by any board members. In addition, as of June 2006, board minutes for December 2005 through March 2006 had not been approved by the board. In one instance, both signatures on the minutes were that of the secretary attesting to the accuracy and completion of the minutes and then attesting to the accuracy of the vote approving the minutes.

Section 610.020, RSMo, requires minutes be taken and retained for meetings. In addition, by not approving minutes on a timely basis, there is less assurance the matters discussed at the board meetings are accurately reflected in the approved minutes. Approving minutes months after the board meetings does not provide a timely and effective record of the activities of the board to the public. The minutes should be approved by the board on a timely basis and signed by the secretary and president immediately upon approval to provide attestation that the minutes are a correct record of the matters discussed and actions taken during the board meeting.

- B. Meeting minutes were not always accurate and did not always contain sufficient detail of matters discussed and actions taken. Board meeting minutes were mostly presented in outline form and did not include adequate detail as to what was being discussed or voted on. For example, meeting minutes did not include documentation of bids received and the reason one bid was selected over another. In addition, instances were noted where the minutes were not accurate or the accuracy of the minutes were attested by a board member that was absent from the meeting. For example, the April 3, 2006 board meeting minutes showed the board secretary as being absent; however, he was included in the approved meeting minutes as being a presenter on certain topics of discussion at that meeting. Furthermore, the secretary signed these meeting minutes attesting to their accuracy, even though he did not attend the actual meeting.

Section 610.020, RSMo, states that minutes shall include the date, time, place, members present, members absent, and a record of votes taken. Complete and accurate minutes provide an official record of board actions and decisions.

- C. Closed meetings were not always documented in accordance with state law. Minutes were not maintained for two of the three closed meetings held during our audit period. In addition, there was no evidence that a roll call vote was taken

during open meetings to close any of the meetings and the purpose of holding a closed meeting was not always stated.

Section 610.020, RSMo, requires minutes for closed meetings to be taken and retained by the public governmental body, including but not limited to, a record of any votes taken at such meeting. The minutes shall include the date, time, place, members present, members absent and a record of any votes taken. Section 610.021, RSMo, allows the board to close meetings to the extent the meetings relate to certain specified subjects, including litigation, real estate transactions, and certain personnel issues, and requires the votes taken and final decisions to be made public. Section 610.022, RSMo, requires the board to vote in open session to close a meeting and to announce publicly the reasons for going into closed session.

- D. Committee meeting minutes are not always maintained in district files for district records. Some committee members had to be contacted to locate a copy of their committee meeting minutes for the district's record. According to Section 610.020, RSMo, minutes are required to be taken and retained for all meetings.
- E. Meeting agendas are not always posted in accordance with state law and/or district bylaws or kept in a central location. In addition, the district does not have a policy on who is responsible for the preparation of the agendas.
 - 1. Board meeting agendas were not always posted within district guidelines.
 - 2. Committee meeting agendas were not always maintained in district files and were not always posted within district and/or state guidelines.
 - 3. A notice of a public hearing for establishing the annual tax rate was not posted in accordance with state law during 2005. In addition, we were unable to determine whether this requirement was met during any preceding years.
 - 4. The district does not have a policy in place that indicates who is responsible for preparing agendas, posting agendas, and how to handle changes to agendas after they have been posted. As a result, the district has had a number of problems with agendas being changed and/or posted by more than one person. Implementing a policy could help the district resolve some conflicts regarding agendas.

Section 610.020, RSMo, requires public entities to give notice of the time, date, and place of each meeting, and its tentative agenda, to advise the public of the matters to be considered. The notice shall be given at least 24 hours prior to the meeting. District bylaws require that an agenda must be posted within 72 hours of the scheduled meeting.

Section 67.110, RSMo, states that each political subdivision in the state, shall hold at least one public hearing on the proposed rates of taxes at which citizens may be heard prior to their approval. A notice stating the hour, date, and place of the hearing shall be published in at least one newspaper or shall be posted in at least three public places within the political subdivision. Such notice shall be published or posted at least seven days prior to the date of the hearing.

- F. The district does not have adequate controls to ensure information requests from the public are handled in compliance with the Sunshine Law. While the district's bylaws designate the board secretary as the records custodian, the district voted on a resolution in January 2006 to establish a records policy and a records custodian that is separate from the board. Documentation of this resolution showed differences in the vote count and one vote was marked as "questionable" on the signed copy of the resolution. As a result, it is unclear whether or not this resolution actually passed. Regardless of its passage, the resolution did not include policies on maintaining a request log or the documentation requirements for board emails, and a complete fee schedule was not set. In addition, fees are not charged consistently for fulfilling documentation requests and the policy does not state when exceptions are allowed. Since 2005, only one individual has been charged for copies made resulting from a documentation request while a number of other requests have been filled at no charge. Furthermore, two people are required to unlock the district filing cabinets in order to access records. This type of access procedure should also be included in the records policy.

Section 610.023, RSMo, provides each request for access to public records shall be acted upon as soon as possible, but in no event later than the end of the third business day following the date the request was received by the custodian of records of a public governmental body. To ensure the district is complying with this statute, the district should document adequate information in a request log to determine if requests are completed timely and that all requests are adequately filled. In addition, the board should pass a resolution setting the custodian's requirements, documentation request procedures, and setting the price for obtaining documentation, including a schedule for document search.

- G. Resolutions were not adopted in accordance with state regulations. While a number of decisions have been made by the board over the years, only two resolutions were passed from 2002 to 2005. In addition, the district did not approve bylaws until 2005, nearly five years after the district began operating.

Section 67.1451(8), RSMo, indicates that the board is authorized to act on behalf of the district and that all official acts of the board shall be made by written resolution approved by the board. In addition, bylaws are necessary to provide the governing body with guidance in carrying out district business.

WE RECOMMEND the Board of Directors:

- A. Ensure meeting minutes are approved in a timely manner and signed by both the secretary and president in order to attest to their accuracy and completeness.
- B. Ensure that meeting minutes are complete, accurate, and include adequate detail and all required information.
- C. Ensure that all closed meetings are conducted and documented in accordance with state law.
- D. Ensure that committee meeting minutes are prepared and retained for district record.
- E. Ensure that all meeting agendas are posted within state and district guidelines. In addition, the Board of Directors should establish a policy for creating and posting agendas. This should include who is responsible for creating and posting agendas and how the district will handle any changes to the agenda after it has been posted.
- F. Establish a records policy to ensure compliance with the Sunshine law. This policy should include the need for a records custodian, a central record of documentation requests, procedures for handling requests, procedures for documenting board email correspondence, and a fee schedule for documentation retrieval, including research costs.
- G. Ensure resolutions are passed for all decisions made by the Board, as required by law.

AUDITEE'S RESPONSE

- A. *The Board of Directors agrees with the State Auditor that we will ensure meeting minutes are approved in a timely manner and signed by both the secretary and president in order to attest to their accuracy and completeness. This recommendation has been implemented.*
- B. *The Board of Directors agrees with the State Auditor that we will ensure meeting minutes are complete, accurate, and will include adequate detail and all required information. This recommendation has been implemented.*
- C. *The Board of Directors agrees with the State Auditor that we will ensure all closed meetings are conducted and documented in accordance with state law. This recommendation has been implemented.*

- D. *The Board of Directors agrees with the State Auditor that we will ensure committee meeting minutes are prepared and retained for district record. Currently these activities are under implementation.*
- E. *The Board of Directors agrees with the State Auditor that all meeting agendas are posted within state and district guidelines. The Board believes we have followed these guidelines in the past. In addition, the Board of Directors will establish a policy for creating and posting agendas. This will include who is responsible for creating and posting agendas and how the district will handle any changes to the agenda after it has been posted. The new policy will be finalized within 6 months.*
- F. *The Board of Directors agrees with the State Auditor that we will establish a records policy to ensure compliance with the Sunshine Law. This policy will include the need for a records custodian, a central record for documenting requests, procedures for handling requests, procedures for documenting board email correspondence, and a fee schedule for documentation retrieval, including research costs. We have had a records custodian since 2004. The activities mentioned are under implementation. Our complete records policy will be implemented by April 2007.*
- G. *The Board of Directors agrees with the State Auditor that we will ensure resolutions are passed for all decisions made by the Board, as required by the law. This has been our policy since December 2005.*

4.	Accounting Records, Controls, and Policies
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Accounting records and controls, and banking policies are in need of improvement. Records are not always complete and accurate, filed with the district, or prepared using a consistent accounting method. In addition, an immediate record of receipts is not prepared, receipts are not deposited on a timely basis, and disbursements are not promptly recorded to the accounting system. Also, the district did not solicit bids for banking services or enter into an agreement with its depository bank.

- A. Accounting records are not always complete or filed with the district as official records. In addition, some records were filed incorrectly and difficult to locate. Prior to 2005, records were maintained in boxes at various board members' homes. In 2005, filing cabinets were obtained that are supposed to hold all of the district's records in the office at the district's community center building. A number of instances were noted where records were not found, were filed incorrectly, or were not maintained.
 - Supporting documentation for some disbursements could not be located or was filed incorrectly. In addition, because some bids and contracts could not be located, vendors were contacted to obtain copies for the district.

- Completed bank reconciliations and records of deposit were not always retained for district record.
- Monthly financial reports and budgets submitted to the board for review and approval were not maintained for the district's record.

Maintaining a complete set of records in a central location would allow the district to ensure that proper accounting procedures are being followed for both district receipts and disbursements. In addition, records would be more readily available for public review, upon request.

- B. Accounting records are not prepared using a consistent method of accounting. Receipts and disbursements appear to be recorded on a cash basis, which recognizes amounts as monies are received or disbursed; however, the district is also recording payables and receivables, which recognizes revenues and expenditures using the accrual method of accounting. The use of more than one accounting method to record transactions of the district can be confusing and give the appearance of maintaining multiple sets of books. In addition, such accounting practices could have contributed to the inaccuracy in the financial reporting to state offices (See MAR No. 6) and ultimately caused the district to hire a professional accountant to clean up the district's records.
- C. An immediate record of receipt is not made for monies received at the original collection point, individual receipts are not posted to the accounting system, and the composition of receipts is not reconciled to the composition of deposits. In recording receipts to the accounting system, the treasurer records deposit totals when deposits are made, individual receipts are not entered into the system. Without an immediate record of receipt or posting individual receipts to the accounting system, there is no assurance that monies received were actually deposited or if deposits were made on a timely basis. During peak revenue months, deposits were made into the main checking account on an average of once per week and deposits into the snack bar account were made on average of 2.5 times per month. The average deposits into the main checking account and snack bar account were approximately \$840 and \$562, respectively.

To reduce the risk of loss or misuse of district funds, an immediate record of receipts should be made when monies are received and deposits should be made intact daily or upon accumulation of \$100. In addition, to ensure receipts are accounted for properly, the composition of receipts should be reconciled to the composition of deposits.

- D. Security deposits received for renting the district's facilities are not deposited and a record of receipt and disbursement of these monies is not maintained. In addition, there is no evidence that the board has approved the current rental fee schedule and agreement. A \$200 deposit is required when renting the district's facilities. When received, the check is attached to the rental agreement and filed.

If there is no damage to the facilities as a result of the event, the security deposit will be returned to the individual or shredded, based on the agreement between the rental coordinator and the renter. To ensure receipts are accounted for properly, security deposits should be deposited into the district's bank account and a record should be maintained to track the receipt and disbursement of each security deposit. In addition, to ensure fee schedules are fair and correct, they should be reviewed and approved by the board.

- E. An immediate record of disbursements is not created, causing the numerical sequence of checks to be more difficult to account for properly. According to the board treasurer, checks are not entered into the accounting system until both required signatures have been included on the checks. As a result, check numbers do not appear in sequential order in the accounting records. For example, check number 11065 was posted on June 9, 2005, while check number 11053 was not posted until June 14, 2005. Numerous other instances were also noted in the accounting records.

To ensure all disbursements are accounted for properly and to identify errors in a timely manner, all disbursements should be recorded in the accounting records as they occur. Without accurate financial information, the Board of Directors cannot make informed decisions about the district's operations.

- F. The district has not solicited bids for its banking services nor entered into a written agreement with its depository bank. During 2005, the district held a checking account and a money market account with one local bank and another money market account with a separate bank. In May 2006, the district moved all accounts to one local bank. Although the Board President indicated the district obtained interest rate information from a number of local banks before determining its depository bank, no documentation was retained and official bids were not received. In addition, the district did not enter into a written agreement with its depository bank. To ensure the quality of banking services and ensure interest earnings received are maximized, the district should procure its banking services through a competitive bid process. In addition, the district should enter into a written agreement with its depository bank.

Bank service agreement provisions should include, but not be limited to, any bank fees for check printing, checking account services, and interest rates for invested funds. In addition, all such agreements should require that deposits in excess of Federal Depository Insurance Corporation (FDIC) limits be secured by bank assets pledged to the city. As of December 2005, the district had approximately \$124,536 in accounts held by its depository bank with no assurance that these funds were secured.

WE RECOMMEND the Board of Directors:

- A. Establish procedures to ensure all documentation of district business is complete, accurate, and maintained for district record.
- B. Establish a standard accounting method to track all district transactions.
- C. Establish procedures to record all receipts immediately upon receipt and to ensure their timely deposit. In addition, the Board should ensure the composition of receipt records is reconciled to the composition of deposits.
- D. Establish procedures for depositing, recording, and tracking security deposits received for renting the district's facilities. In addition, the rental fee schedule and agreement should be approved by the board and documentation of this approval should be retained.
- E. Establish procedures to ensure all disbursements are posted promptly to the accounting system as they occur.
- F. Seek competitive bids for banking services on a periodic basis. In addition, the Board should enter into a written agreement with the depository bank.

AUDITEE'S RESPONSE

- A. *The Board of Directors agrees with the State Auditor that we will finalize procedures by June 2007 to ensure all documentation of district business is complete, accurate and maintained for district record. Currently these activities are under implementation.*
- B. *The Board of Directors agrees with the State Auditor that we will establish a standard accounting method to track all district transactions. We are considering the cash basis method and will implement the new method by December 2006.*
- C. *The Board of Directors agrees with the State Auditor that we will establish procedures to record all receipts immediately upon receipt and ensure all receipts are deposited in a timely manner. In addition, the Board will ensure the composition of receipt records is reconciled to the composition of deposits. Since May 2006, all mail receipts and bills have been recorded. We are in the process of ensuring that all receipt records are reconciled to deposit records in a timely manner. Effective immediately, deposits will be made no less than once per week or when monies total \$300 or more.*
- D. *The Board of Directors agrees with the State Auditor that we will establish procedures for depositing, recording and tracking security deposits received for renting the district's facilities by December 2006. In addition, the Board will approve the 2007 rental fee schedule and agreement by November 2006.*

- E. *The Board of Directors agrees with the State Auditor that we will establish procedures by November 2006 to ensure all disbursements are posted promptly to the accounting system as they occur.*
- F. *The Board of Directors disagrees with the State Auditor that we should seek competitive bids for banking services on a periodic basis. In addition, the Board disagrees that we should enter into a written agreement with the depository bank. We recognize that we have less than \$135,000 total revenue, and we will make a decision on banking services based on interest rates, services and fees. We will investigate and make this a part of our financial procedures on a routine basis.*

5.	Budgets
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The district's budgets did not include all necessary information required by law and were not retained as an official record of the district. In addition, budget to actual amounts for some disbursements were not tracked and reported to the board on a monthly basis. Also, capital improvements were not tracked in a separate fund in relation to the district's loan proceeds.

- A. The district's budgets for 2005 and 2006 did not include the beginning and projected ending fund balances. By not including the fund balance, there is no assurance the budget was balanced. The 2005 budget actually showed disbursements exceeding receipts but had no balances to show compliance with state law. In addition, the budgets lacked some required information, including: budget message, summary, and comparative data for receipts and disbursements from preceding years. Also, a formal annual budget was not maintained in the district's files for permanent record.

Section 67.010, RSMo, indicates each political subdivision must prepare an annual budget that includes at least the following information: a budget message, estimated revenues and appropriated expenditures with comparative data from the two preceding years, amount required for payment of interest, amortization, and redemption charges of debt, and general budget summary. A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific cost expectations for each area.

- B. All categories included in the 2005 approved budget were not included on the monthly budget to actual reports submitted to the members of the Board of Directors. On the approved budget, \$14,000 was budgeted for payment to the Robinwood West Board of Trustees and \$6,000 was budgeted for work to the entrance island; however, the related disbursements and budgeted amounts were not tracked on the budget to actual reports provided to the board each month.

The board cannot adequately monitor the financial position of the district without periodic reviews of complete budget to actual reports. A complete budget to

actual report would help ensure budgets were not overspent and funds were available for disbursement.

- C. Capital improvement funds were not tracked separately from the general operations of the district. The board obtained large bank loans beginning in 2001 that were used for capital improvements to the district's common grounds, pool, and clubhouse. Without tracking such receipts and disbursements in a separate fund, it is difficult to determine whether the funds were spent appropriately and if the funds were overspent. Since 2000, disbursements have been made in relation to the capital improvements as follows:

Bank loan proceeds	\$447,700
Disbursements	
Pool Renovation	237,012
Building Renovation	136,201
Parking Lot.....	46,502
Playground	49,900
Swim Club Debt *.....	<u>15,956</u>
Total disbursements	<u>485,571</u>
Disbursements over Loan Proceeds	<u>(\$37,871)</u>

*This was debt carried over from the Swim Club operations and paid off with bank loan proceeds.

The excess disbursements were paid from general operating monies. Tracking capital improvements in a separate fund would have been a valuable management tool for the district in monitoring capital improvement monies.

WE RECOMMEND the Board of Directors:

- A. Ensure district budgets include all elements required by law. This should include the beginning and ending cash balance. In addition, the Board should ensure that a copy of each annual budget is kept with the official district records.
- B. Ensure budget to actual reports include all approved budgeted line items.
- C. Establish procedures for tracking and recording loan proceeds and the related capital improvements separately from the general operations of the district.

AUDITEE'S RESPONSE

- A. *The Board of Directors agrees with the State Auditor that we will ensure district budgets include all elements required by law. This will include the beginning and ending cash balance. In addition, the Board will ensure that a copy of each annual budget is kept with the official district records. Currently this is under implementation.*

- B. *The Board of Directors agrees with the State Auditor that we will ensure the budget-to-actual reports include all approved budgeted line items. This recommendation has been implemented.*
- C. *The Board of Directors agrees with the State Auditor that we will establish procedures for tracking and recording loan proceeds and the related capital improvements separately from the general operations of the district. This recommendation has been implemented.*

6. Financial Reporting

The district did not submit accurate year end financial statements to the required state offices in a timely manner and year end financial statements have not been submitted to the county. In addition, the district board members were still reimbursed for expenses during the time such reports were delinquent to the state offices.

The district did not submit its 2004 annual financial reports to the State Auditor's Office (SAO) or to the Department of Economic Development (DED) in a timely manner. The 2004 financial statements were not received by the SAO until March 2006 and DED received its reports in April 2006. The year ended 2005 financial reports were submitted to these offices at the same time. The financial reports submitted to the DED understated both receipts and disbursements for both 2004 and 2005. In addition, the district has not submitted financial reports to St. Louis County in at least the past two years.

Section 105.145, RSMo, requires all political subdivisions with receipts of over \$10,000 to submit an annual report to the State Auditor. During the year, no member of the governing body of a political subdivision shall receive any compensation or payment of expenses during the time the financial statement has become delinquent until the delinquent report is received by the SAO. Board members were reimbursed for expenses totaling \$2,762 during the time period the 2004 report was delinquent.

In addition, Section 67.1471(4), RSMo, indicates that within one hundred twenty days after the end of each fiscal year, the district shall submit a report to the county and the Missouri Department of Economic Development (DED) stating the services provided, revenues collected, and expenditures made by the district during such fiscal year, and copies of written resolutions approved by the board during the year.

WE RECOMMEND the Board of Directors submit required financial reports to the state and local agencies in an accurate and timely manner. In addition, the Board should establish clear policies regarding the reimbursement of expenses to board members when applicable state reports have not been filed.

AUDITEE'S RESPONSE

The Board of Directors agrees with the State Auditor that we will submit required financial reports to the state and local agencies in an accurate and timely manner. This was implemented in 2006. In addition, the Board will establish a clear policy regarding the reimbursement of expenses to board members when applicable state reports have not been filed.

7.

Disbursements

The district does not have a detailed purchasing policy that covers general purchasing procedures and approvals or credit card usage. Adequate documentation is not always received for reimbursed expenses, directors are reimbursed without board approval, and related party transactions have occurred. In addition, bid documentation is not always solicited or retained, and reasons for selecting higher bidders are not documented. Finally, contracts are not always obtained for services provided and issued checks did not always include two signatures as required by district bylaws.

A. While the district has some purchasing and approval policies in place, it is not always clear what disbursements need to be approved by the board and when. In addition, the board does not have procedures in place to ensure approvals are being made as required by district policy.

1. The district's bylaws indicate capital expenditures greater than \$500 must be approved by the board; however, it is unclear when general operating purchases need to be approved. Some board members believe that the same policy applies to general disbursements while others believe that the amount is higher. We noted various general operating disbursements exceeding \$500 with no documentation of being approved by the board:
 - 2005 liability insurance, with a total cost of \$12,892.
 - Food purchased for a district social event, totaling \$825.
 - Lounge chairs purchased for the district's pool, totaling \$1,150.
 - A single purchase for supplies and a new printer, totaling \$832.
2. During 2005, directors were reimbursed approximately \$4,314 for expenses incurred, without prior approval of the board. District bylaws indicate that while board members are entitled to reimbursement for reasonable expenses incurred during the performance of their duties, such payment is to be made upon the approval of the board.
3. The wife and son of a board member performed general maintenance work around the community center and cleaned the district's snack bar.

Disbursements to these family members totaled approximately \$438. District bylaws indicate that employee or contract awardees shall not be an immediate family member of a director. In addition, no director of the district is to participate in any transaction in which he has a material interest, direct or indirect.

4. In January 2005, a board member sought the legal advice of his personal attorney regarding district business without board approval and this service was billed to and paid by the district in the amount of \$50. This attorney was not the attorney on contract with the board.

A purchasing policy which defines levels of purchase authorization or approval requirements for various purchases and disbursements decreases the possibility of inappropriate or unauthorized purchases occurring. In addition, procedures must be developed to ensure such policies are being followed.

- B. The district does not have a formal policy on credit card usage. The district has multiple credit cards from two vendors used by various board members and committee members for purchases of office and other supplies. Total disbursements to these credit card companies during the year ended December 31, 2005, totaled \$4,940. A complete and detailed written credit card policy is necessary to provide guidance to users and to help ensure district credit cards are used for district business only.
- C. Adequate documentation is not always received for reimbursed expenses. Various reimbursement requests were only supported by handwritten receipts or credit card receipts that did not include the itemized details of the purchase. Without detailed supporting documentation including the purpose of the charge, it cannot be determined if the disbursements were reasonable and necessary uses of public funds.
- D. Bid documentation was not always solicited or retained, and reasons for selecting higher bidders were not always documented.
 - The district has used the same insurance company for a number of years without soliciting bids. The total amount paid for 2005 insurance was \$12,892.
 - The district solicited and obtained bids for the 2005 mowing services for the district's common grounds. While meeting minutes indicated that sealed bids were received, bid documentation was not retained for district record. As a result, it is not possible to determine if the lowest and best bid was selected. In addition, the district had to obtain a copy of the contract from the vendor, since a copy was not retained for district record. The total amount paid for mowing services during 2005 was \$9,660.

The district's bidding procedures outlined in the bylaws indicate that capital expenditures exceeding \$2,000 must use a bid contract procedure; however, bid procedures were not approved until February 2006. The board approved a "temporary" bid procedure that documents the process the board must use in soliciting and approving bids. This policy provides a framework for the economical management of district resources and helps ensure the district receives fair value by contracting with the lowest and best bidders. Competitive bidding helps ensure all parties are given an opportunity to participate in the district's business. All documentation of such procedures should be retained for district record.

- E. The district did not always enter into contracts for services received or retain signed contracts for district records.
- The district hired an independent contractor for short-term accounting services during 2005. The total paid for these services was \$2,000.
 - The district hired two individuals as independent contractors (see part F) to perform work for the district; however, the district did not enter into contracts for these services. One individual has been performing janitorial work for the district since 1999 and the other individual has been coordinating facility rentals since 2005.
 - The district entered into verbal agreements with two local utility companies regarding mowing services for a portion of the district's common grounds. The district does not have written contracts outlining these agreements.

Section 432.010, RSMo, requires contracts of political subdivisions to be in writing. A written contract, signed by the parties involved, should specify the services to be rendered and the manner and amount of compensation to be paid. Written contracts are necessary to ensure all parties are aware of their duties and responsibilities and to provide protection to both parties.

- F. The district hired an individual to perform janitorial services for the district and another individual to coordinate the rental of the district's facilities. These individuals were considered independent contractors by the district and were issued a Form 1099 rather than having taxes withheld and reported on W-2 forms. The district did not enter into written contracts with these individuals (see part E); however, monthly invoices are received by the district. During 2005, the district paid a total of \$7,352 to these individuals.

The IRS Code contains specific instructions regarding the treatment of an employee versus an independent contractor. It is not clear whether these individuals are providing services as district employees or independent contractors. The failure to correctly identify and handle such arrangements may

result in noncompliance with the Fair Labor Standards Act (FLSA) and not properly withholding and paying various taxes.

- G. Checks were issued without the required two signatures. Six instances were noted during 2005 where only the treasurer's signature was included on an issued check. The district's bylaws indicate that all financial transactions must be countersigned by two officers.

To ensure that district checks are proper, the district should ensure two signatures are included on all issued checks, as required by district bylaws.

WE RECOMMEND the Board of Directors:

- A. Establish a detailed purchasing policy that includes general operating purchases of the district. The purchasing policy should document authorization required prior to purchases being made. In addition, the Board should establish procedures to ensure all district purchasing and approval policies are being followed.
- B. Adopt formal policies and procedures for credit card usage.
- C. Require adequate supporting documentation for all disbursements. This includes any reimbursement requests.
- D. Ensure that competitive bids are solicited, obtained, and retained for district record. If the lowest and best bid is not selected by the board, reasons for this decisions should be documented and retained for district record.
- E. Enter into written agreements for all services.
- F. Review the janitor and rental coordinator positions and determine whether they should be treated as employees or independent contractors.
- G. Establish procedures to ensure all issued checks include the required two signatures.

AUDITEE'S RESPONSE

- A. *The Board of Directors agrees with the State Auditor that we will establish a detailed purchasing policy that includes general operating purchases of the district. The purchasing policy will document authorization required prior to purchases being made. In addition, we will establish procedures to ensure all district purchasing and approval policies are being followed. We will establish this new policy in 2007.*
- B. *The Board of Directors agrees with the State Auditor that we will adopt by 2007 formal policies and procedures for credit card usage.*

- C. *The Board of Directors agrees with the State Auditor that we will require adequate supporting documentation for all disbursements. This includes any reimbursement requests. This recommendation has been implemented.*
- D. *The Board of Directors agrees with the State Auditor that we will ensure that competitive bids are solicited, obtained and retained for district record. If the lowest and best bid is not selected by the Board, reasons for these decisions will be documented and retained for district record. The Board believes that competitive bids have been solicited and obtained, but there may have been a lack of documentation.*
- E. *The Board of Directors agrees with the State Auditor that we will enter into written agreements for all services by December 2006.*
- F. *The Board of Directors agrees with the State Auditor that we will review within 6 months the janitor and rental coordinator positions and determine whether they should be treated as employees or independent contractors.*
- G. *The Board of Directors agrees with the State Auditor regarding requiring two signatures on all issued checks. This procedure is already in place.*

8.	Creation of the RWCID
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The district did not enter into a written agreement with or formally accept all entities that were dissolved and combined to create the Robinwood West Community Improvement District (RWCID).

Prior to the creation of the RWCID, three separate entities existed: the Robinwood West Improvement Association (RWIA), the Robinwood West Swim Club (RWSC), and the Robinwood West Board of Trustees (trustees). In 1993, the RWIA entered into an agreement with the trustees to take over their responsibility of maintaining a portion of the common grounds and all funds were then transferred to the RWIA. In 1999, this agreement was dissolved when the RWCID was created and the assets and liabilities of all three entities were transferred to the district. The RWIA and the trustees transferred any available cash balances to the district. In addition, the RWSC transferred all property, equipment, supplies, and outstanding liabilities to the district. While the board passed a resolution accepting both the assets and liabilities of the RWSC, no contracts, agreements or resolutions were found accepting the funds of either the RWIA or the trustees. During 2005, the trustees reassumed their duties of maintaining their portion of the common grounds; however, no agreement has been formed outlining the agreed upon responsibilities of both the trustees and the district in maintaining the common grounds. Written agreements are important because they provide the framework necessary to detail out any services or agreements made between the two parties.

WE RECOMMEND the Board of Directors ensure future written agreements are entered into for all approved business with outside organizations.

AUDITEE'S RESPONSE

The Board of Directors agrees with the State Auditor that we will ensure written agreements are entered into for all approved future business arrangements with outside organizations such as the Robinwood West Trustees.

9. Snack Bar Operations

There was no independent oversight of the district's snack bar operations during 2005. In addition, necessary daily cash records were not always maintained for the district's snack bar operations, guest fees were not tracked, and periodic inventory counts were not performed. The district runs a snack bar during each summer pool season. In 2005, the district hired six individuals to work the snack bar and in 2006, snack bar operations were turned over to the district's pool management company to operate. During 2005, the snack bar receipts totaled approximately \$5,900; however, the snack bar appeared to have operated at a loss (See MAR No. 1).

Including an independent oversight of the snack bar operations will help ensure that all monies received are being accounted for and deposited. In addition, to adequately account for snack bar merchandise, a detailed inventory ledger should be maintained. Periodic physical inventory counts should be performed and reconciled to inventory records and sales receipts. Loss, misuse, or theft of snack bar inventory and receipts may go undetected without adequate procedures in place.

WE RECOMMEND the Board of Directors establish procedures to ensure adequate oversight of the snack bar operations. In addition, the Board should ensure that necessary cash records are maintained, guest fees are recorded, and an inventory count is periodically performed.

AUDITEE'S RESPONSE

The Board of Directors agrees with the State Auditor regarding establishing procedures to ensure adequate oversight of the snack bar operations. In addition, the Board will ensure that necessary cash records are maintained, guest fees are recorded, and an inventory count is periodically performed. These procedures were in place for Summer 2006. Our written procedures will be finalized by April 2007.

10. Fixed Assets

The district has not adequately prepared and maintained permanent, detailed property records for fixed assets. The district does not have any formal policies and procedures for tracking general fixed assets. While the district completed a general fixed asset listing in April 2006, the listing did not contain pertinent information. As a result, it is

difficult to determine if all additions to fixed assets during 2005 have been included in the listing. In addition, the district has not performed physical inventories and does not tag or otherwise identify the fixed assets as property of the district.

Property records for general fixed assets are necessary to ensure accountability for all items purchased and owned and for determining the proper amount of insurance coverage. General fixed asset records should include, at a minimum, serial number, description (i.e. make and model), identification number, cost, acquisition date, and location of the asset. A listing of all disposals and additions should also be maintained for recording purposes. The district should properly record all fixed asset transactions, and ensure the accuracy of the recorded fixed assets. Periodically, the district should take physical counts of its assets and compare to the detailed records.

WE RECOMMEND the Board of Directors establish written policies and procedures related to the handling and accounting for general fixed assets. General fixed asset records should include all pertinent information for each asset, including a description, serial number (if applicable), cost, acquisition date, and location. Additionally, the district should properly tag, number, or otherwise identify all district property and conduct periodic physical inventories.

AUDITEE'S REPOSE

The Board of Directors agrees with the State Auditor that we will finalize by March 2007 written policies and procedures related to the handling and accounting for general fixed assets. General fixed asset records will include all pertinent information for each asset including a description, serial number (if applicable), cost, acquisition date and location. Additionally, the district will properly tag, number or otherwise identify all district property and conduct periodic physical inventories. Currently these activities are under implementation.

HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

ROBINWOOD WEST COMMUNITY IMPROVEMENT DISTRICT
HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

The Robinwood West Community Improvement District is located in St. Louis County. The purpose of the district is to promote, improve and enhance shared community facilities including a pool, clubhouse, and other common areas. The district was established under the Community Improvement District Act, Sections 67.1401 through 67.1571, RSMo. In May 1999, a majority of both the individual property owners and the real property owners by assessed value submitted a petition to St. Louis County to be established as a Community Improvement District. St. Louis County Ordinance No. 19,500, adopted June 10, 1999, formally established the district. Once approved by St. Louis County, the district took over the assets and liabilities of the Robinwood West Improvement Association, the Robinwood West Swim Club, and the Robinwood West Board of Trustees, which included the following large assets: a swimming pool, clubhouse, and parking lot. The district had 794 registered voters in the 2004 election.

The district government consists of a president and four board members. As of November 2005, all members are elected to a 3-year term. The board members during the year ended December 31, 2005, are identified below. The board members are not compensated for their positions.

Board of Directors *	Dates of Service During the Year Ended December 31, 2005
Barbara Ellis (1)	December 2005
Gerry Amies (2)	January – December 2005
Tom Bradley, Vice President	January – December 2005
Bob Catlett, Treasurer	January – December 2005
Tom Coerver (3)	October – December 2005
Jane (Oliver) Pharis (4)	January – July 2005
Joe Collins (5)	January – November 2005

- (1) Barbara Ellis was elected to the board in November and became board president in December 2005.
- (2) Gerry Amies's term ended as board president in December 2005 but he remained on the board as a director.
- (3) Tom Coerver was appointed to the board in October 2005 to fill the vacancy and also became board secretary.
- (4) Jane (Oliver) Pharis was board secretary until she resigned from her position in July 2005.
- (5) Joe Collins was a board member until his term expired in December 2005.

*During May 2006, Tom Bradley, Tom Coerver, and Gerry Amies submitted their resignations to the board. As of September 2006, the board appointed Jane (Oliver) Pharis, John Sparks, and Rhonda Dudenhoffer to the board of directors.

In addition to the officials identified above, the district employed six part-time employees during the 2005 summer pool season.

The assessed valuation and tax rate for 2005 was as follows:

ASSESSED VALUATION	<u>2005</u>
Real estate	\$ <u>13,974,620</u>
TAX RATE PER \$100 ASSESSED VALUATION	
	<u>2005</u>
General	\$ <u>0.7500</u>

A summary of the district's financial activity since its first full year of operation is presented on the following page.

	For Year Ended December 31,					
	2005	2004	2003	2002	2001	2,000
RECEIPTS						
Real estate taxes	\$ 109,864	121,182	95,038	79,920	79,650	68,581
Bank loan	0	0	89,088	98,168	260,445	0
Non-resident membership fees	16,000	17,525	16,325	14,900	10,005	6,975
Facility rentals	5,182	5,929	6,321	4,165	5,885	4,645
Snack bar sales	5,936	6,995	7,229	7,592	6,486	6,024
Pool guest fees	0	906	803	326	504	806
Advertising	1,477	1,322	2,262	1,352	395	898
Interest	539	694	628	1,238	1,243	2,334
Other	0	100	855	8,663	4,000	760
Total Receipts	138,998	154,653	218,549	216,324	368,613	91,023
DISBURSEMENTS						
Building Operations						
Utilities	7,326	7,648	7,889	5,978	6,496	5,366
Janitorial	2,896	2,539	1,365	1,425	1,540	1,522
Building maintenance	3,827	890	1,346	392	308	872
Building equipment	511	1,315	170	224	64	218
Building supplies	191	111	136	370	47	357
Total Building Operations	14,751	12,503	10,906	8,389	8,455	8,335
District Operations						
Printing and postage	2,566	2,771	2,868	2,763	3,011	3,784
Office supplies	2,357	345	494	264	244	308
Bank loan payment	32,269	32,269	31,254	30,473	8,332	0
Swim Club loan payment	0	0	0	0	15,956	1,500
Insurance	12,892	12,253	11,251	10,657	6,866	6,730
Special events	1,838	1,268	1,486	1,745	1,409	1,239
Payroll	7,011	7,109	6,944	6,524	6,018	5,408
Services	2,127	4,038	2,065	805	453	660
Office equipment	0	859	0	0	0	0
Payment to trustees	9,906	0	0	0	0	0
Editor compensation	0	0	0	219	0	0
Other	1,984	505	0	0	0	0
Total District Operations	72,950	61,417	56,362	53,450	42,289	19,629
Parks and Islands						
Mowing	9,660	11,250	6,300	7,800	7,475	7,975
Landscaping	824	1,227	39	236	136	0
Subdivision lights	0	0	397	395	395	393
Other	0	108	400	0	25	1,076
Total Parks and Islands	10,484	12,585	7,136	8,431	8,031	9,444
Pool Operations						
Pool management	26,281	28,619	27,535	25,983	26,854	23,193
Pool maintenance	1,646	3,788	829	751	363	4,606
Snack bar goods	3,176	4,474	4,404	5,121	4,893	3,699
Pool equipment	1,432	385	1,913	2,873	1,444	5,450
Pool supplies	253	181	249	1,070	77	0
Total Pool Operations	32,788	37,447	34,930	35,798	33,631	36,948
Capital Improvements						
Engineering services	0	0	0	0	0	27,287
Pool renovation	0	0	0	0	236,886	0
Building renovation	0	0	20,702	74,391	14,219	0
Monuments/playground/parking	0	5,650	110,328	0	0	0
Total Capital Improvements	0	5,650	131,030	74,391	251,105	27,287
Total Disbursements	130,973	129,602	240,364	180,459	343,511	101,643
RECEIPTS OVER (UNDER) DISBURSEMENTS	8,025	25,051	(21,815)	35,865	25,102	-10,620
CASH BALANCE, JANUARY 1	70,058	45,007	66,822	30,957	5,855	16,475
CASH BALANCE, DECEMBER 31	\$ 78,083	70,058	45,007	66,822	30,957	5,855