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**RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
CONCORDIA PARISH POLICE JURY
Monterey, Louisiana**

**General Purpose Financial Statements
and Accountant's Compilation Report**

**December 31, 2003
and for the Year Then Ended**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4.28.04

JERI SUE TOSSPON
Certified Public Accountant

05/20/12 12:12:12

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CONCORDIA PARISH POLICE JURY
Monterey, Louisiana

General Purpose Financial Statements
and Accountant's Compilation Report

December 31, 2003
and for the Year Then Ended

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
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SECTION I
AFFIDAVIT

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
Monterey, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS

AFFIDAVIT

Personally came and appeared before the undersigned authority, Betty Bairnsfather, who is duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Recreation District #2 of the Parish of Concordia as of December 31, 2003, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

Betty Bairnsfather
Signature

Sworn to and subscribed before me, this 26th day of March, 2004.

Mary Beth Drake
Notary Public

Officer: Treasurer
Address: Post Office Box 314
Monterey, Louisiana 71354
Telephone: (318) 386-2214

SECTION II

GENERAL PURPOSE FINANCIAL STATEMENTS

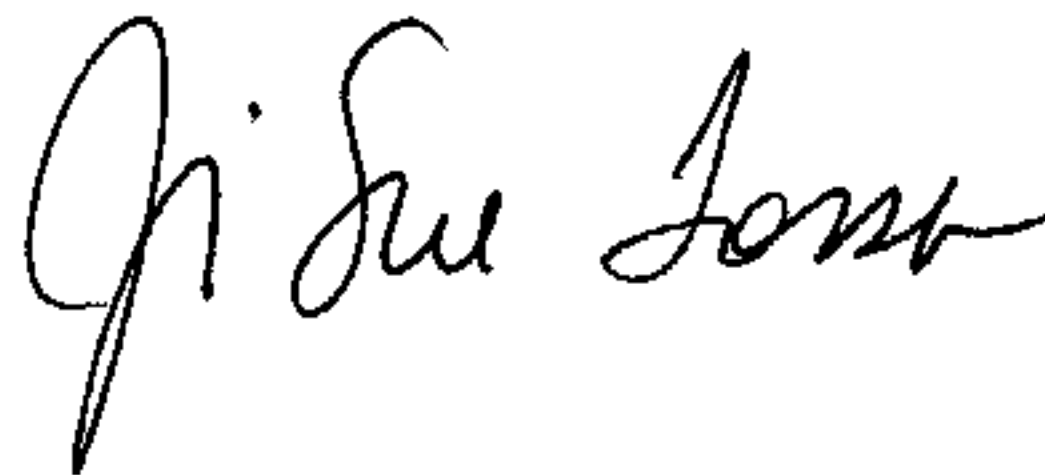
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ACCOUNTANT'S COMPILATION REPORT

BOARD OF COMMISSIONERS
RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA

The accompanying balance sheet of the Recreation District #2 of the Parish of Concordia for December 31, 2003, and the related statements of income, changes in retained earnings, and cash flows for the period then ended have been compiled by me, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements, accordingly, do not express an opinion or any other form of assurance on them.



March 24, 2004

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
BALANCE SHEET
 (ALL FUND TYPES AND ACCOUNT GROUPS)
 DECEMBER 31, 2003

	Governmental Fund General Fund	Account Group - General Fixed Assets	Total (Memorandum Only)
<u>ASSETS</u>			
Cash (Note 3)	\$ 39,764		\$ 39,764
Certificates of deposits (Note 3)	13,597		13,597
Receivables:			
Ad valorem taxes	33,721		33,721
State revenue sharing	1,222		1,222
Accrued interest	640		640
Buildings and equipment (Note 4)		\$ 136,954	136,954
 Total Assets	 \$ 88,944	 \$ 136,954	 \$ 225,898
 <u>LIABILITIES AND FUND EQUITY</u>			
Liabilities - accounts payable	\$ 324		\$ 324
Fund equity -			
Investment in general fixed assets		\$ 136,954	\$ 136,954
Fund balance, unreserved and undesignated	88,620		88,620
Total Fund Equity	\$ 88,620	\$ 136,954	\$ 225,574
 Total Liabilities and Fund Equity	 \$ 88,944	 \$ 136,954	 \$ 225,898

See accompanying notes and accountant's compilation report.

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
(GOVERNMENTAL FUND - GENERAL FUND)
ONE YEAR ENDED DECEMBER 31, 2003

REVENUES

Ad valorem taxes	\$	38,458
State revenue sharing		1,833
Federal revenue in lieu of taxes		3,390
Interest earned		659
Concessions, fees and services		8,896
 Total Revenue	 \$	 <u>53,236</u>

EXPENDITURES

Recreation services		
Personal services and related benefits	\$	17,739
Operating services		16,312
Materials and supplies		6,892
Insurance		3,283
Capital outlay		<u>4,107</u>
 Total Expenditures	 \$	 <u>48,333</u>

EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$	4,903
FUND BALANCE, JANUARY 1		83,717
FUND BALANCE, DECEMBER 31	\$	<u>88,620</u>

See accompanying notes and accountant's compilation report.

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
(GOVERNMENTAL FUND - GENERAL FUND)
BUDGET AND ACTUAL
ONE YEAR ENDED DECEMBER 31, 2003

	Budget	Actual	Variance Favorable (Unfavorable)
<u>RECEIPTS</u>			
Ad valorem taxes	\$ 33,000	\$ 37,862	\$ 4,862
State revenue sharing	2,000	1,901	(99)
Federal revenue in lieu of taxes		3,390	
Interest earned	400	659	259
Concessions, fees and services	5,000	8,896	3,896
 Total Receipts	 \$ 40,400	 \$ 52,708	 \$ 8,918
<u>DISBURSEMENTS</u>			
Recreation services			
Personal services and related benefits	\$ 16,800	\$ 17,740	\$ (940)
Operating services	13,800	16,139	(2,339)
Materials and supplies	1,700	6,892	(5,192)
Insurance	2,800	3,281	(481)
Capital outlay	2,500	4,107	(1,607)
 Total Disbursements	 \$ 37,600	 \$ 48,159	 \$ (10,559)
 EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	 \$ 2,800	 \$ 4,549	 \$ 1,749
 CASH AND CERTIFICATES OF DEPOSIT BALANCE, JANUARY 1	 48,813	 48,813	 0
 CASH AND CERTIFICATES OF DEPOSIT BALANCE, DECEMBER 31	 \$ 51,613	 \$ 53,362	 \$ 1,749

See accompanying notes and accountant's compilation report.

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2003

NOTE 1 - INTRODUCTION

Recreation District #2 of the Parish of Concordia (Recreation District #2) was created by an ordinance of the Concordia Parish Police Jury on November 27, 1957, in accordance with Louisiana Revised Statute 33:4564. The Recreation District #2 is governed by a board of five commissioners who are qualified voters and residents of the district. The commissioners are jointly referred to as the board of commissioners and appointed by the members of the Concordia Parish Police Jury. The commissioners serve terms of five years, which expire on a rotating basis. The Recreation District was created for the purpose of owning and operating playgrounds and other facilities in the district and to initiate activities that promote recreation for the general health and well-being of youth. Louisiana law provides that the commissioners may receive a per diem of \$10.00 for each meeting they attend, but shall not be paid for more than twelve (12) meetings in each year. The commissioners have elected not to receive any compensation. In addition, the district employs no full-time employees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation - The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity - As the governing authority of the parish, for reporting purposes, the Concordia Parish Police Jury is the financial reporting entity for Concordia 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 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 Statement No. 14 established criteria for determining which component units should be considered part of the *Concordia Parish Police Jury for financial reporting purposes*. The basic criterion 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. This 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 a voting majority of the Recreation District's board and said board is fiscally dependent on the police jury, the district was determined to be a component unit of the Concordia Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the 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 governmental reporting entity.

C. Fund Accounting - The Recreation District uses a fund and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The General Fund of the Recreation District is classified as a governmental fund. The General Fund accounts for the District's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets.

D. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures.

Revenues - Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Interest income on time deposits is recorded when the interest is earned and could be withdrawn.

Substantially all other revenues are recognized when received.

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

E. Budgets - Louisiana law exempts all special districts created before December 31, 1974, from the requirements of the Local Government Budget Act. The Recreation District #2 of the Parish of Concordia was created on November 27, 1957, and, accordingly, is exempt from the budgetary requirements, although management has determined that the adoption of an annual budget is desired for control purposes. The Recreation District's budget is prepared on a cash basis of accounting. Unexpended appropriations lapse at year end, and the Recreation District does not employ encumbrance accounting.

F. Cash and Cash Equivalents - Cash includes amounts in interest bearing demand deposits and cash equivalents include amounts in time deposits. Time deposits are stated at cost. Under state law, the District may deposit funds in

demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

G. Fixed Assets - Fixed assets are recorded as expenditures at the time purchased or constructed and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost or estimated historical cost, using the current cost for like items, if historical cost is not available.

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

NOTE 3 - CASH AND CERTIFICATES OF DEPOSIT

At December 31, 2003, the District has cash and certificates of deposits (book balances), totaling \$53,362, as follows:

Interest-bearing demand deposits	\$39,764
Time deposits	<u>13,598</u>
Total	<u>\$53,362</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2003, the District has \$53,362 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance.

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 2003, follows:

	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, January 1, 2003	\$64,500	\$69,135	\$133,635
Additions	<u>-0-</u>	<u>3,319</u>	<u>3,319</u>
Balance, December 31, 2003	<u>\$64,500</u>	<u>\$72,454</u>	<u>\$136,954</u>

At December 31, 2003, approximately 36 percent of the general fixed assets are recorded at historical cost and 64 percent are recorded at estimated historical cost.

The Recreation District is located on land owned by the Concordia Parish School Board. On February 3, 1987, the school board and the district renewed an existing agreement which provides for use of the land by the Recreation District. This agreement will expire February 2, 2007.

NOTE 5 - RECONCILIATION OF REVENUES AND EXPENDITURES WITH RECEIPTS AND DISBURSEMENTS

The budget comparison presented in the accompanying financial statements includes the original adopted budget. The following is a reconciliation of the excess of revenues over expenditures on the statement on page 5 to the statement on page 6:

Excess (deficiency) of revenues over expenditures (Page 5)	\$ 4,904
Adjustments for:	
Current year accruals (net)	(34,619)
Prior year accruals (net)	<u>34,264</u>
Excess (deficiency) of receipts over disbursements (Page 6)	<u>\$ 4,549</u>

NOTE 6 - LEVIED TAXES

The District is authorized to and has levied a 6.22 mill ad valorem tax for 2003 for the operation and maintenance of the District.

NOTE 7 - LITIGATION

The District is not involved in any litigation at December 31, 2003.

NOTE 8 - EMPLOYEE BENEFITS

The District has no full-time employees and does not participate in any retirement plan. It does not offer any other employee benefits.

SECTION III

REPORT ON AGREED UPON PROCEDURES

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED UPON PROCEDURES**

To the Board of Directors

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Recreation District #2 of the Parish of Concordia and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the communication District's compliance with certain laws and regulations during the period ended December 31, 2003 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and will determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public Bid law).

No applicable expenditures in excess of \$15,000 were made.

Code of Ethics for Public Officials and Public Employees

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

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

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

Management provided me with the required list.

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

None of the employees included on the list of employees provided by management (agreed upon procedure (3)) appeared on the list provided by management in agreed upon procedure (2).

Budgeting

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

Management provided us with a copy of the original budget. There was one amendment to the budget during the year.

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

I traced the adoption of the original budget to the minutes of a meeting held on December 19, 2002, which indicated that the budget had been adopted by Board of Directors in a unanimous vote. One amendment was made to the budget during the year on December 16, 2003.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues varied from the budgeted amounts by 22% but expenditures were in excess of budgeted amounts by 28%. The net budget varied only 6.2%.

Management's Response: After discussion with Secretary/Treasurer, Betty Bairnsfather, she now understands the need for the revenues and expenditures to be in compliance with the budget by 5% or less. Management will ensure that this is complied with in the future.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount of payee;

I examined supporting documentation for each of the six selected

disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine whether payments were properly coded to the correct fund and general ledger account; and

All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

All of the payments were properly approved by the Secretary/Treasurer of the District.

Meetings

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

Recreation District #2 of the Parish of Concordia is required to post a notice of each meeting and the accompanying agenda on the door of the district's office. Management has asserted in the attached *Compliance Questionnaire* that this is being done.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

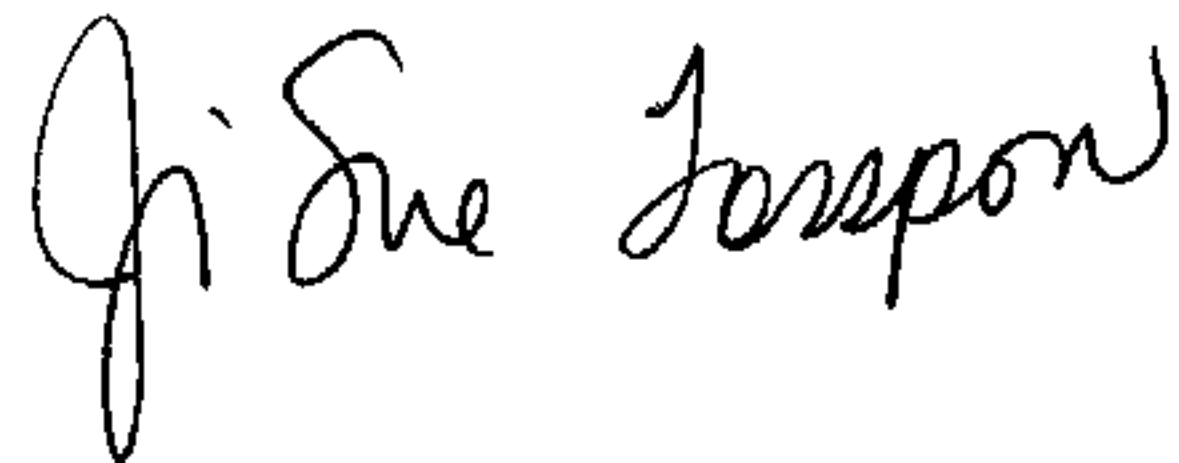
Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance or gifts.

A reading of the minutes of the district for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Recreation District #2 of the Parish of Concordia and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Ji Sue Josephson". The signature is written in a cursive style with a large initial "J".

March 24, 2004

