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BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)

Independent Accountant's Compilation Report

As of and for the Year Ended December 31, 2003

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 4.14.04

RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT • CERTIFIED GOVERNMENT FINANCIAL MANAGER

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
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December 31, 2003

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Affidavit and Revenue Certification

BOGALUSA PARKS AND RECREATION COMMISSION

Washington Parish
Bogalusa, Louisiana

**ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATION OF REVENUES \$50,000 OR LESS**

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less is required by Louisiana Revised Statute 24:513(l)(1)(c)(i).

Personally came and appeared before the undersigned authority, Alan Wilson, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of Bogalusa Parks and Recreation Commission 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.

In addition, Alan Wilson, who, duly sworn, deposes and says that Bogalusa Parks and Recreation Commission received \$50,000 or less in revenues and other sources for the year ended December 31, 2003, and accordingly, is not required to have an audit for the previously mentioned year.

Alan Wilson
Signature

Sworn to and subscribed before me this 29th day of MARCH 2004.

Harold M. Legendre
NOTARY PUBLIC

HAROLD M. LEGENDRE 6362

Officer Name Alan Wilson
Title Treasurer
Address 1232 W. 9th Street
Bogalusa, LA 70427
Telephone No. 985/732-4210
Fax No. N/A

RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT ◦ CERTIFIED GOVERNMENT FINANCIAL MANAGER

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Bogalusa Parks and Recreation Commission
Bogalusa, Louisiana

I have compiled the accompanying financial statements of the governmental activities and each major fund of the Bogalusa Parks and Recreation Commission, a component unit of the City of Bogalusa, Louisiana, as of and for the year ended December 31, 2003, which collectively comprise the Commission's basic financial statements as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued 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 financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them. However, I did become aware of a departure from accounting principles generally accepted in the United States of America that is described in the following paragraph.

Management has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.



Certified Public Accountant

Bogalusa, Louisiana
March 23, 2004

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Statement of Net Assets
December 31, 2003

ASSETS

Cash and cash equivalents	\$ 11,385
Total assets	<u>11,385</u>

LIABILITIES

Accounts payable	200
Total liabilities	<u>200</u>

NET ASSETS

Unrestricted	<u>11,185</u>
Total net assets	<u>\$ 11,185</u>

See accompanying notes and accountant's compilation report.

BOGALUSA PARKS AND RECREATION COMMISSION
 (A Component Unit of the City of Bogalusa, Louisiana)

Statement of Activities

For the Year Ended December 31, 2003

<u>Functions/Programs</u>	Program revenues			Capital	Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Grants and Contributions		Governmental Activities	Total
Governmental activities:						
Culture and recreation	\$ -	\$ -	\$ -		\$ (2,475)	\$ (2,475)
Total	2,475	-	-	-	(2,475)	(2,475)
General revenues:						
Rent				3,000		3,000
Interest				199		199
Total general revenues				3,199		3,199
Change in net assets				724		724
Net assets-beginning				10,461		10,461
Net assets-ending				11,185		\$ 11,185

See accompanying notes and accountant's compilation report.

FUND FINANCIAL STATEMENTS (FFS)

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Balance Sheet
Governmental Funds
December 31, 2003

ASSETS

Cash and investments	<u>\$ 11,385</u>
 Total assets	 <u><u>\$ 11,385</u></u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	<u>\$ 200</u>
Total liabilities	200

Fund balances:

Unreserved, reported in:

General fund	<u>11,185</u>
Total fund balances	<u>11,185</u>

Total liabilities and fund balances	<u><u>\$ 11,385</u></u>
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See accompanying notes and accountant's compilation report.

BOGALUSA PARKS AND RECREATION COMMISSION
 (A Component Unit of the City of Bogalusa, Louisiana)
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003

Revenues	
Rent	\$ 3,000
Interest	199
Total revenues	3,199
 Expenditures	
Current:	
Culture and recreation	2,475
Total expenditures	2,475
Excess (deficiency) of revenues over expenditures	724
Fund balances-beginning	10,461
Fund balances-ending	\$ 11,185

See accompanying notes and accountant's compilation report.

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-purpose Financial Statements
December 31, 2003

INTRODUCTION

The Parks and Recreation Commission (the Commission) was created by the City of Bogalusa on March 6, 1973, by ordinance number 824, amended by ordinance number 1194 and amended by ordinance number 1767. The Commission is a group of seventeen (17) persons who shall be appointed by the mayor of the City of Bogalusa, with the approval of the council. This commission acts in an advisory capacity to the mayor and City council in all matters pertaining to recreation and parks, including budget preparation, planning recreation programs, acting as official tourist development agency for the City, and accepting donations to enhance the parks and recreation program of the City or to develop the tourist industry in Bogalusa.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general-purpose financial statements of the Commission have been prepared in accordance with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the City of Bogalusa (the City), for reporting purposes, the City is the financial reporting entity for the Bogalusa Parks and Recreation Commission. The financial reporting entity consists of (a) the primary government (the City), (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.

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-Purpose Financial Statements (Continued)

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the City of Bogalusa for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the City 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 City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
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 Mayor appoints, with the approval of the City Council, the Commission's governing body and can impose its will, the Commission was determined to be a component unit of the City of Bogalusa, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the City, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. IMPLEMENTATION OF GASB STATEMENT NO. 34

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Effective for 2003 the Commission adopted GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments and applied those standards on a retroactive basis. As a result, an entirely new financial presentation has been implemented.

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-Purpose Financial Statements (Continued)

The government-wide financial statements are new and provide a perspective of the Commission as a whole. These statements use the full accrual basis method of accounting similar to private sector companies. There are two government wide statements as follows:

1. **Statement of Net Assets** - This statement for the first time combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not. Net assets are classified for accounting and reporting into the following three net asset categories:
 - **Invested in capital assets, net of related debt** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.
 - **Restricted net assets** result when constraints placed on net assets are either externally imposed by creditors, grantors, contributions, and the like, or imposed by law through constitutional provisions or enabling legislation.
 - **Unrestricted net assets** consist of net assets which do not meet the definition of the two preceding categories. Unrestricted net assets often are designated, to indicate that management does not consider them to be available for general operations. Unrestricted net assets often have constraints on resources which are imposed by management, but can be removed or modified.
2. **Statement of Activities** - This statement demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function

BOGALUSA PARKS AND RECREATION COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-Purpose Financial Statements (Continued)

and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenue.

The Commission only uses one fund:

1. General Fund -- the general operating fund of the Commission and accounts for all financial resources.

D. FIXED ASSETS

Fixed assets purchased (capital outlay) by the Commission are recorded as expenditures at the time purchased and the related assets are capitalized (reported) in the general fixed assets account group of the City of Bogalusa as City owned property.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Bogalusa Parks and Recreation Commission's budget was prepared on the modified accrual basis of accounting and was amended.

NOTE 3 - CASH

All deposits of the Commission were held by area financial institutions. At December 31, 2003, the book balance of the Commission's checking accounts was \$5,385 and the bank balance was \$5,385. All deposits were insured by the Federal Deposit Insurance Corporation.

**REQUIRED SUPPLEMENTAL
INFORMATION**

BOGALUSA PARKS AND RECREATION COMMISSION
 (A Component Unit of the City of Bogalusa, Louisiana)
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rent	3,500	3,000	3,000	-
Interest	500	250	199	(51)
Total revenues	<u>4,000</u>	<u>3,250</u>	<u>3,199</u>	<u>(51)</u>
Expenditures				
Culture and recreation	3,500	3,250	2,475	775
Total expenditures	<u>3,500</u>	<u>3,250</u>	<u>2,475</u>	<u>775</u>
Excess (deficiency) of revenues over expenditures	500	-	724	724
Fund balance-beginning	<u>13,850</u>	<u>10,460</u>	<u>10,461</u>	<u>1</u>
Fund balance-ending	<u>\$ 14,350</u>	<u>\$ 10,460</u>	<u>\$ 11,185</u>	<u>\$ 725</u>