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CAMERON PARISH RECREATION
DISTRICT NO. 7

FINANCIAL STATEMENTS

DECEMBER 31, 1999

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 JUN 28 2000

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ELLIOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

P. O. Box 1287

Leesville, Louisiana 71496-1287

(318) 239-2535
(318) 238-5135
Fax 239-2295

W. Micheal Elliott, CPA

UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS-GOVERNMENTAL ENTITY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Cameron Parish Recreation
District No. 7:

I have audited the accompanying general-purpose financial statements of the Cameron Parish Recreation District No. 7, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Cameron Parish Recreation District No. 7's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Cameron Parish Recreation District No. 7 as of and for the year ended December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated May 15, 2000, on my consideration of the Cameron Parish Recreation District No. 7's internal control over financial reporting and my tests of its compliance with laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements of the District taken as a whole. The accompanying schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly state, in all material respects, in relation to the basic financial statements taken as a whole.

Elliott & Assoc. "APAC"

Leesville, Louisiana

May 15, 2000

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Leesville, Louisiana 71496-1287

(337) 239-2535

(337) 238-5135

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

Board of Commissioners
Cameron Parish Recreation District No. 7

I have audited the financial statements of the Cameron Parish Recreation District No. 7 as of and for the year ended December 31, 1999, and have issued my report thereon dated May 15, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Cameron Parish Recreation District No. 7's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Cameron Parish Recreation District No. 7's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provided assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information and use of management, others within the organization, the Board of Commissioners, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Elliott & Assoc. "APAC"
Leesville, Louisiana
May 15, 2000

Cameron Parish Recreation District No. 7
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Fiscal Year Ended December 31, 1999

I have audited the financial statements of Cameron Recreation District No. 7 as of and for the year ended December 31, 1999, and have issued my report thereon dated May 15, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

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

Internal Control

Material Weaknesses () Yes (X) No
Reportable Conditions () Yes (X) No

Compliance

Compliance Material to Financial
Statements () Yes (X) No

b. Federal Awards

Internal Control

Material Weaknesses () Yes () No (X) N/A
Reportable Conditions () Yes () No (X) N/A

Type of Opinion On Compliance For Major Programs

Unqualified () Qualified ()
Disclaimer () Adverse ()
N/A (X)

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?

() Yes () No (X) N/A

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

CAMERON PARISH RECREATION DISTRICT NO. 7
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP
 December 31, 1999

	Governmental <u>Fund Type-</u> Special Revenue <u>Fund</u>	Account <u>Group-</u> General <u>Fixed Assets</u>	Total (Memorandum <u>Only</u>)
ASSETS			
Cash and cash equivalents (Note 2)	\$ 6,859	\$ ----	\$ 6,859
Receivables (Note 2)	37,362	----	37,362
Fixed assets (Note 3)	<u>---</u>	<u>14,617</u>	<u>14,617</u>
Total assets	<u>\$ 44,221</u>	<u>\$ 14,617</u>	<u>\$ 58,838</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 8,261	\$ ----	\$ 8,261
Retirement deductions payable	<u>1,139</u>	<u>----</u>	<u>1,139</u>
Total liabilities	<u>9,400</u>	<u>----</u>	<u>9,400</u>
Fund equity:			
Investment in general fixed assets (Note 3)	---	14,617	14,617
Fund balance - Unreserved-undesignated	<u>34,821</u>	<u>----</u>	<u>34,821</u>
Total fund equity	<u>34,821</u>	<u>14,617</u>	<u>49,438</u>
Total liabilities and fund equity	<u>\$ 44,221</u>	<u>\$ 14,617</u>	<u>\$ 58,838</u>

The accompanying notes are an integral part of this statement.

CAMERON PARISH RECREATION DISTRICT NO. 7
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 SPECIAL REVENUE FUND - GOVERNMENTAL FUND TYPE
 For the Year Ended December 31, 1999

Revenues:	
Taxes (Note 3)	\$ 53,871
Intergovernmental	---
Charges for services	<u>25,633</u>
Total revenues	<u>79,504</u>
Expenditures:	
Current:	
Personnel expenditures	22,111
Operating expenditures	29,071
Materials and supplies	9,289
Legal and professional	2,405
Other costs	8,177
Capital outlay (Note 3)	<u>---</u>
Total expenditures	<u>71,053</u>
Excess (deficiency) of revenues over expenditures	8,451
Fund balance, beginning	<u>26,370</u>
Fund balance, ending	<u>\$ 34,821</u>

The accompanying notes are an integral part of this statement.

CAMERON PARISH RECREATION DISTRICT NO. 7
 STATEMENT OF REVENUES, EXPENDITURES,
 (BUDGETARY BASIS) AND ACTUAL - GENERAL FUND TYPE
 For the Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes (Note 3)	\$ 52,000	\$ 53,871	\$ 1,871
Intergovernmental	---	---	---
Charges for services	<u>25,000</u>	<u>25,633</u>	<u>633</u>
Total revenues	<u>77,000</u>	<u>79,504</u>	<u>2,504</u>
Expenditures:			
Current:			
Personnel expenditures	22,700	22,111	589
Operating expenditures	30,000	29,071	929
Materials and supplies	10,000	9,289	711
Legal and professional	2,500	2,405	95
Other costs	8,400	8,177	223
Capital outlay (Note 3)	---	---	---
Total expenditures	<u>73,600</u>	<u>71,053</u>	<u>2,547</u>
Excess (deficiency) of revenues over expenditures	3,400	8,451	5,051
Fund balance, beginning	<u>26,370</u>	<u>26,370</u>	---
Fund balance, ending	<u>\$ 29,770</u>	<u>\$ 34,821</u>	<u>\$ 5,051</u>

The accompanying notes are an integral part of this statement.

CAMERON PARISH RECREATION DISTRICT NO. 7

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cameron Parish Police Jury is a political subdivision of the State of Louisiana. Cameron Parish Police Jury is the reporting entity for Cameron Parish as defined by NCGA Statement 3, (Defining the Governmental Reporting Entity).

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transaction of state and local governments. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local governments.

Recreation District No. 7 of the Parish of Cameron, Louisiana was created by the Cameron Parish Police Jury on March 7, 1989 under the authority of Louisiana Revised Statute 33:4562. The District is governed by a board of commissioners appointed by the Cameron Parish Police Jury. The board's commissioners are not compensated nor are they paid a per diem for serving on the board. The District maintains and operates recreational facilities located in Creole, Louisiana which are owned by the Cameron Parish Police Jury. The District is the primary beneficiary of a 3.0 mill property tax assessed on each dollar valuation of property subject to taxation within the boundaries of the District. The tax was renewed in 1999 to be collected for a period of ten years beginning with the year 1999 for the purpose of maintaining and operating recreational facilities within and for the District.

A. FINANCIAL REPORTING ENTITY

The financial reporting entity consists of the primary government of the parish, organizations for which the primary government is financially accountable, and any other organization that is so closely related with the primary government that exclusion of its financial statements from that of the primary government would cause the reporting entity's financial statements to be incomplete or misleading. Generally accepted accounting principles applicable to governmental organizations include certain criteria for determining the primary government and its component units. The basic criteria for including a potential component unit's financial statements within the financial reporting entity's

CAMERON PARISH RECREATION DISTRICT NO. 7

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

financial statements is financial accountability of the primary government for the component unit. The criterion used to determine financial accountability includes;

- A. Appointing a voting majority of an organization's governing body and the ability of the primary government to impose its will on that organization or the potential for the organization to provide financial benefits to or impose financial burdens on the primary government.
- B. Organizations that are fiscally dependent on the primary government without regard to the appointment of a voting majority to the unit's governing board.
- C. Organizations that are so closely related to the primary government that exclusion of the organizations financial statements from the reporting entity would cause the reporting entity's financial statements to be misleading.

The Cameron Parish Police Jury appoints all board members of the District and can impose its will on the board. Accordingly, under the criterion above, the District is determined to be a component unit of the Cameron Parish Police Jury which is the primary government of the financial reporting entity.

The accompanying financial statements include only those funds and accounts maintained by and directly under the control of the District. They do not include any funds or accounts of the Police Jury or any other governmental organization. The total columns on the combined statements are presented only to facilitate financial analysis and do not present consolidated information.

B. FUND ACCOUNTING

The Cameron Parish Recreation District No. 7 is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained that comprises its assets, liabilities, fund equity, revenues, and expenditures. The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

CAMERON PARISH RECREATION DISTRICT NO. 7

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

C. FIXED ASSETS AND LONG-TERM LIABILITIES

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are stated at historical cost. Donated fixed assets are stated at their estimated fair market value on the date donated. This account group is not a "fund". It is concerned only with the measurement of financial position not with the measurement of results of operations. There are no long-term obligations at December 31, 1999.

D. BASIS OF ACCOUNTING

Accounting within the general fund is based on the measurement of current financial resources and utilizes the modified accrual method of accounting. Accordingly, only current assets and current liabilities are recorded on the balance sheet with the difference represented as the fund's equity or accumulated deficit. Ad valorem taxes, representing the District's primary resource for funding its activities, are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and become due and payable on the date tax rolls are filed with the recorder of mortgages. Louisiana revised statute 47:1993 requires the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. Ad valorem taxes are normally collected in December of the current year and January and February of the subsequent year. All other revenues are recorded when received. Expenditures are recorded when the related liability is incurred.

CAMERON PARISH RECREATION DISTRICT NO. 7
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

E. BUDGETARY PRACTICES

The District utilizes the following budgetary practice:

Annually the District adopts a budget for the general fund type as a management device for control of revenues and expenses. The budget is amended at various times during the year as the need arises.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. VACATION AND SICK LEAVE

The District does not have any full time employees; therefore, the District does not have a policy on vacation and sick leave.

H. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operation, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

CAMERON PARISH RECREATION DISTRICT NO. 7

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2--CASH AND CASH EQUIVALENTS

At December 31, 1999, the district has cash and cash equivalents (book balances) totaling \$6,859 as follows:

Demand deposits	\$ 6,859
Interest-bearing demand deposits	---
Time deposits	---
Other	---
Total	<u>\$ 6,859</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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1999, the district has \$6,859 in deposits (collected bank balances). These deposits are secured from risk by \$6,859 of federal deposit insurance.

NOTE 3--RECEIVABLES

Receivables at December 31, 1999 consist of ad valorem taxes receivable. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The Cameron Parish Sheriff bills and collects property taxes using the assessed values determined by the tax assessor of Cameron Parish.

For the year ended December 31, 1999 taxes of 3.0 mills were levied on property with assessed valuation totaling \$12,019,013 and were dedicated entirely for the specified purposes of the District.

Total taxes levied were \$36,058.

CAMERON PARISH RECREATION DISTRICT NO. 7
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 4--CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in fixed assets for the year ended December 31, 1999:

	<u>Equipment</u>	<u>Land & Improvements</u>	<u>Total</u>
Balance, 12/31/98	\$ 2,167	\$ 12,450	\$ 14,617
Additions	---	---	---
Deletions	---	---	---
Balance, 12/31/99	<u>\$ 2,167</u>	<u>\$ 12,450</u>	<u>\$ 14,617</u>

NOTE 5--PENSION PLAN

The District does not participate in any pension plans or social security.

NOTE 6--RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

	<u>Limits Of Coverage</u>
Commercial general liability	\$2,000,000

The District covers all other losses, claim settlements, and judgments from operating resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The District is not involved in any type of litigation nor does it have any asserted claims against it.

SUPPLEMENTARY INFORMATION

CAMERON PARISH RECREATION DISTRICT NO. 7

COMPENSATION OF BOARD MEMBERS

For the year ended December 31, 1999

During the year ended December 31, 1999, the Recreation District board members did not receive any compensation.

Cameron Parish Recreation District No. 7
SCHEDULE OF PRIOR YEAR FINDINGS

For the Fiscal Year Ended December 31, 1999

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

There were no prior year findings relating to internal control and compliance material to the financial statements.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FED-
ERAL AWARDS**

There were no prior year findings relating to internal control and compliance material to federal awards.

SECTION III MANAGEMENT LETTER

There was no management letter with prior year audit report.

See independent auditor's report.

Cameron Parish Recreation District No. 7
MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Fiscal Year Ended December 31, 1999

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENT**

N/A

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FED-
ERAL AWARDS**

N/A

SECTION III MANAGEMENT LETTER

N/A