

RAPIDES PARISH COLISEUM AUTHORITY  
 RAPIDES PARISH POLICE JURY  
 Alexandria, Louisiana  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Cash Flows  
 For the Year Ended December 31, 1996  
 (With Comparative Totals For the Year Ended December 31, 1995)

	December 31,	
	1996	1995
Cash flows from operating activities:		
Cash from operating revenues	\$437,388	\$503,771
Cash for operating expenses	418,226	486,871
Net cash provided (used) by operating activities	19,162	16,900
Cash flows from investing activities - interest earnings	3,724	4,139
Cash flows for capital and related financing activities - furnishings and equipment	(20,306)	NONE
Net increase (decrease) in cash and equivalents	2,580	21,039
Cash and equivalents at beginning of year	66,919	45,880
Cash and equivalents at end of year	<u>\$69,499</u>	<u>\$66,919</u>
Reconciliation of operating income to net cash provided by operating activities - operating income (loss)	(\$11,375)	\$18,354
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	6,893	3,676
Change in assets and liabilities:		
(Increase)/decrease in accounts receivable	3,173	(5,211)
(Increase)/decrease in inventory	(689)	1,211
(Increase)/decrease in other assets	960	640
Increase/(decrease) in accounts payables	(2,426)	2,981
Increase/(decrease) in advance deposits payable	22,798	(6,569)
Increase/(decrease) in compensated absences payable	(172)	1,818
Total adjustments	<u>30,537</u>	<u>(1,454)</u>
Net cash provided (used) by operating activities	<u>\$19,162</u>	<u>\$16,900</u>

The accompanying notes are an integral part of this statement.

**RAPIDES PARISH COLISEUM AUTHORITY**  
**RAPIDES PARISH POLICE JURY**  
 Alexandria, Louisiana  
 Notes to the Financial Statements (Continued)

**F. FIXED ASSETS AND LONG-TERM LIABILITIES**

Fixed assets of the coliseum, acquired prior to January 1, 1992, are owned by the Rapides Parish Police Jury and are accounted for in their general fixed asset account group. The police jury, by agreement, has granted the Authority the right to use these assets in the operation of the coliseum facilities. Fixed assets, consisting of furnishings and equipment with an acquisition cost of at least \$500 and an estimated useful life of more than three years, purchased by the Authority subsequent to the date of the agreement, are reported on the balance sheet of the enterprise fund of the Authority. Depreciation of these fixed assets is charged as an expense against operations. Fixed assets are stated at cost and depreciated on the straight-line method over the estimated useful life of from 3 to 7 years. Long-term liabilities are recognized within the enterprise fund.

**G. COMPENSATED ABSENCES**

Full-time employees of the Authority, after four full pay periods, earn from .8 to 2.4 hours of annual leave (vacation), depending on their length of service, for each 40 hours of regular duty hours. When employees become eligible for vacation leave, they earn sick leave of one hour for each 40 hours of regular time worked and are paid at the rate of 85 per cent of regular pay when sick leave is granted. Maximum accumulation of vacation and sick leave is 120 hours each. Upon termination, an employee may be retained on the payroll in a vacation leave status until all accrued vacation leave has been used.

Accumulated and vested annual (vacation) leave is recorded as an expense and a liability as the benefits accrue to employees. In accordance with the GASB Codification C60, no liability is recorded for nonvesting accumulating rights to receive sick leave benefits.

**2. CASH**

At December 31, 1996, the Authority has cash (book balances) as follows:

Petty cash	\$900
Demand deposits (interest bearing)	<u>68,599</u>
Total	<u><u>\$69,499</u></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. Cash and cash equivalents (bank balances) totaling \$68,937 at December 31, 1996, are fully secured by federal deposit insurance (GASB Category 1).

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RAPIDES PARISH COLISEUM AUTHORITY  
RAPIDES PARISH POLICE JURY  
Alexandria, Louisiana

Financial Statements  
With Independent Auditor's Reports  
As of and for the Year Ended December 31, 1996  
(With Comparative Totals for December 31, 1995)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 ~~MAY 28 1997~~

**Herbie W. Way**  
Certified Public Accountant

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**HERBIE W. WAY**  
**CERTIFIED PUBLIC ACCOUNTANT**

55 Terra Avenue  
Alexandria, LA 71303  
318/442-7568  
Fax: 318/442-9495

**INDEPENDENT AUDITOR'S REPORT**

**BOARD OF COMMISSIONERS**  
**RAPIDES PARISH COLISEUM AUTHORITY**  
**RAPIDES PARISH POLICE JURY**  
Alexandria, Louisiana

I have audited the accompanying financial statements of the Rapides Parish Coliseum Authority, a component unit of the Rapides Parish Police Jury, as of and for the years ended December 31, 1996 and 1995, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the facility. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rapides Parish Coliseum Authority, a component unit of the Rapides Parish Police Jury at December 31, 1996 and 1995, and the results of operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated April 3, 1997, on my consideration of the Rapides Parish Coliseum's internal control structure and a report dated April 3, 1997, on its compliance with laws and regulations.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
April 3, 1997

Receipt Acknowledged  
Legislative Auditor

By \_\_\_\_\_

RAPIDES PARISH COLISEUM AUTHORITY  
 RAPIDES PARISH POLICE JURY  
 Alexandria, Louisiana  
 ALL FUND TYPES AND ACCOUNT GROUPS

Balance Sheet, December 31, 1996  
 (With Comparative Totals at December 31, 1995)

	December 31,	
	1996	1995
<u>ASSETS</u>		
Current assets:		
Cash	\$69,499	\$66,919
Accounts receivable	2,038	5,211
Inventory	1,954	1,265
Other		960
Total current assets	<u>73,491</u>	<u>74,355</u>
Fixed assets:		
Furniture and equipment	38,522	18,216
Less accumulated depreciation	<u>(18,170)</u>	<u>(11,277)</u>
Net fixed assets	<u>20,352</u>	<u>6,939</u>
 TOTAL ASSETS	 <u>\$93,843</u>	 <u>\$81,294</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Current liabilities:		
Accounts payable	\$5,259	\$7,685
Advance deposits	29,061	6,263
Compensated absences payable	5,465	5,637
Total current liabilities	<u>39,785</u>	<u>19,585</u>
Fund Equity - retained earnings - undesignated	<u>54,058</u>	<u>61,709</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$93,843</u>	 <u>\$81,294</u>

The accompanying notes are an integral part of this statement.

RAPIDES PARISH COLISEUM COMMISSION  
 RAPIDES PARISH POLICE JURY  
 Alexandria, Louisiana  
 PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Revenues, Expenses, and Changes in Retained Earnings  
 For the Year Ended December 31, 1996  
 (With Comparative Totals for the Year Ended December 31, 1995)

	December 31,	
	1996	1995
<u>OPERATING REVENUES</u>		
Rent of facilities	\$267,207	\$287,206
Concession sales	131,153	170,550
Charges for services	32,456	47,043
Miscellaneous	3,128	2,332
Total revenues	<u>433,944</u>	<u>507,131</u>
<u>OPERATING EXPENSES</u>		
Culture and recreation - spectator recreation facilities:		
Current:		
Personal services and related benefits	234,562	243,124
Operating services	154,044	191,586
Material and supplies	49,766	49,156
Travel and other charges	23	1,235
Depreciation	6,925	3,676
Total operating expenses	<u>445,319</u>	<u>488,777</u>
<u>OPERATING INCOME</u>	(11,375)	18,354
<u>NONOPERATING REVENUES</u>		
Interest earnings	<u>3,724</u>	<u>4,139</u>
<u>NET INCOME</u>	(7,651)	22,493
<u>RETAINED EARNINGS AT BEGINNING OF YEAR</u>	<u>61,709</u>	<u>39,216</u>
<u>RETAINED EARNINGS AT END OF YEAR</u>	<u>\$54,058</u>	<u>\$61,709</u>

The accompanying notes are an integral part of this statement.

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**HERBIE W. WAY**  
**CERTIFIED PUBLIC ACCOUNTANT**

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**Independent Auditor's Report on Compliance  
With Laws and Regulations Based Solely on an Audit  
of the Financial Statements**

**BOARD OF COMMISSIONERS  
RAPIDES PARISH COLISEUM AUTHORITY  
RAPIDES PARISH POLICE JURY  
Alexandria, Louisiana**

I have audited the financial statements of the Rapides Parish Coliseum Authority as of and for the year ended December 31, 1996, and have issued my report thereon dated April 3, 1997.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the Rapides Parish Coliseum Authority is the responsibility of the Rapides Parish Coliseum Authority's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Rapides Parish Coliseum Authority's compliance with certain provisions of laws and regulations. However, my objective was not to provide an opinion on overall compliance with such provisions.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Rapides Parish Coliseum Authority. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
April 3, 1997

**RAPIDES PARISH COLISEUM AUTHORITY**  
**RAPIDES PARISH POLICE JURY**  
Internal Control Report (Continued)

In planning and performing my audit of the financial statements, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of the relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that could be material 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 structure and its operations that I consider to be material weaknesses as defined above.

This report is intended for the information of the Rapides Parish Coliseum Authority. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
April 3, 1997



**HERBIE W. WAY**  
**CERTIFIED PUBLIC ACCOUNTANT**

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**Independent Auditor's Report on Internal Control Structure  
Based Solely on an Audit of the Financial Statements**

**BOARD OF COMMISSIONERS  
RAPIDES PARISH COLISEUM AUTHORITY  
RAPIDES PARISH POLICE JURY**  
Alexandria, Louisiana

I have audited the financial statements of the Rapides Parish Coliseum Authority as of and for the year ended December 31, 1996, and have issued my report thereon dated April 3, 1997.

I conducted my audit in accordance with generally accepted auditing standards and *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 financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of the Rapides Parish Coliseum Authority, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of Rapides Parish Coliseum Authority is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

**Independent Auditor's Reports Required  
by *Government Auditing Standards***

The following independent auditor's reports on internal control and compliance are presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**RAPIDES PARISH COLISEUM AUTHORITY**  
**RAPIDES PARISH POLICE JURY**  
Alexandria, Louisiana  
Notes to the Financial Statements (Continued)

**3. FIXED ASSETS**

A summary of fixed assets (furniture and equipment) at December 31, 1996, follows:

Furniture and equipment, at cost	\$38,522
Less - accumulated depreciation	<u>(18,170)</u>
Furniture and equipment, net book value	<u>\$20,352</u>

**4. PENSION PLAN**

Employees of the Authority participate in the Federal Social Security System (System). In addition to the employee contribution withheld at the applicable tax rate for social security and medicare tax, the Authority is required to remit an equal amount to the Social Security System. The Authority does not guarantee the benefits granted by the System.

**5. RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Authority has obtained commercial insurance for risks relating to injuries of employees, and the operation of motor vehicles. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The Authority requires the promoters of events held at the coliseum facility to provide commercial general liability insurance with the Authority being named as the additional insured through an insurance certificate. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Since the Authority only has use of the coliseum complex, insurance related to fire and extended coverage of the complex is the responsibility of the Rapides Parish Police Jury. The police jury has obtained commercial insurance to reduce its risk of potential loss due to damage to or destruction of the complex. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

RAPIDES PARISH COLISEUM AUTHORITY  
RAPIDES PARISH POLICE JURY  
Alexandria, Louisiana

Financial Statements  
With Independent Auditor's Reports  
As of and for the Year Ended December 31, 1996  
(With Comparative Totals for December 31, 1995)

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		1
<b>Financial Statements - Proprietary Fund Type - Enterprise Fund:</b>		
Balance Sheet - All Fund Types and Account Groups	A	2
Statement of Revenues, Expenses, and Changes in Retained Earnings	B	3
Statement of Cash Flows	C	4
Notes to the Financial Statements		5
<b>Other Reports Required by <i>Government Auditing Standards</i>:</b>		
Report on Internal Control Structure Based Solely on an Audit of the Financial Statements		10
Report on Compliance With Laws and Regulations Based Solely on an Audit of the Financial Statements		12

**RAPIDES PARISH COLISEUM AUTHORITY**  
**RAPIDES PARISH POLICE JURY**  
Alexandria, Louisiana  
Notes to the Financial Statements (Continued)

Because the police jury has the ability to impose its will on the Rapides Parish Coliseum Authority and/or there exists the potential for the Rapides Parish Coliseum Authority to provide specific financial benefits to or impose specific financial burdens on the police jury the Rapides Parish Coliseum Authority was determined to be a component unit of the Rapides Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Authority and do not present information on the police jury, the general government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

**B. FUND ACCOUNTING**

The Authority is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost of providing services on continuing basis be financed or recovered primarily through user charges.

**C. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

**D. CASH**

Cash includes amounts in petty cash and demand deposit accounts. Under state law, the Authority may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with fiscal agent banks organized under the laws of the State of Louisiana and national banks having their principal offices in Louisiana.

**E. INVENTORY**

Inventory is comprised of food and non-food items held for resale in the concession stands at the coliseum facility. The inventory is valued at cost using the first-in first-out (FIFO) cost flow assumption. Inventory items are recorded as expenses when consumed.