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PARISH DISTRICT NO. 2
OF LIVINGSTON PARISH

LIVINGSTON PARISH COUNCIL
FORMERLY THE LIVINGSTON PARISH POLICE JURY

REPORT ON ACCOUNT OF
COMBINED UNIT FINANCIAL STATEMENTS

DECEMBER 31, 1960

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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 APR 17 1961

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May 12, 1998

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Recreational District No. 2 of
Livingston Parish
Livingston Parish Council
Watson, Louisiana

We have audited the accompanying component unit only financial statements of the Recreation District No. 2 of Livingston Parish, Louisiana, a component unit of the Livingston Parish Council, as of and for the year ended December 31, 1997. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 we plan and perform the audit 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Recreation District No. 2 of Livingston Parish, Louisiana as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 12, 1998, on our consideration of the Recreation District No. 2 of Livingston Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Recreation District No. 2 of
Livingston Parish

Our audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The individual fund and individual account group financial statements and the supplementary information and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements of the Recreation District No. 2 of Livingston Parish, Louisiana. Such information has been subjected to the auditing procedures applied in the examination of the component unit financial statements, and, in our opinion, is fairly stated in all material respects in relation to the component unit financial statements taken as a whole.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed a qualified opinion on the component unit only financial statements of the Recreation District No. 2 of Livingston Parish, Louisiana.

Respectfully submitted,

Thomas J. Bourgeois, C.P.A.

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

ACCOUNT GROUPS		TOTALS	
PERSONAL	GENERAL	MEMORANDUM (ONLY)	
FIXED ASSETS	LONG-TERM DEBT	1997	1996
\$ -	\$ -	\$ 8,052	\$ 31,548
-	-	88,113	81,494
417,325	-	417,325	343,958
-	-	-	10,588
<u>-</u>	<u>185,000</u>	<u>185,000</u>	<u>210,080</u>
<u>\$417,325</u>	<u>\$185,000</u>	<u>\$706,982</u>	<u>\$694,954</u>
\$ -	\$ -	\$ 5,431	\$ 14,846
-	-	-	3,272
-	-	-	10,588
<u>-</u>	<u>185,000</u>	<u>185,000</u>	<u>210,080</u>
<u>-</u>	<u>185,000</u>	<u>200,431</u>	<u>226,878</u>
417,325	-	417,325	361,358
<u>-</u>	<u>-</u>	<u>62,246</u>	<u>96,710</u>
<u>417,325</u>	<u>-</u>	<u>508,571</u>	<u>458,076</u>
<u>\$417,325</u>	<u>\$185,000</u>	<u>\$708,892</u>	<u>\$694,854</u>

Recreation District No. 2 of
Livingston Parish

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Year Ended December 31, 1997

	GOVERNMENTAL FUND TYPE			TOTALS (MEMORANDUM ONLY)	
	GENERAL	SEWER	CAPITAL	1997	1996
		PROJECTS			
Revenues:					
Ad Valorem Tax, Net	\$ 97,796	\$ -	\$ -	\$ 97,796	\$ 86,277
Live Oak Sports Association	817	-	-	817	1,388
Interest	1,717	202	-	1,919	2,123
concessions	5,088	-	-	5,088	5,161
Tournaments	1,888	-	-	1,888	2,883
Total Revenues	107,286	282	-	107,406	97,128
Expenditures:					
General Government:					
Payroll and Payroll Taxes	4,163	-	-	4,163	-
Bad Debt	919	-	-	919	-
Dues	-	-	-	-	160
Insurance	1,212	-	-	1,212	575
Legal and Accounting	8,634	-	-	8,634	2,487
Miscellaneous	985	-	-	985	97
Assessor's Pension Fund	3,582	-	-	3,582	3,138
Repairs and Maintenance supplies and Small Equipment	6,985	-	-	6,985	8,983
Telephone	2,378	-	-	2,378	3,854
Impress and Scorekeepers	-	-	-	-	123
Utilities	-	-	-	-	245
Capital Outlay	2,534	1,410	-	3,944	4,872
Debt Services:					
Principal Retirement	54,457	-	-	54,457	192,585
Interest and Fiscal Charges	15,098	-	-	15,098	28,609
Total Expenditures	113,368	1,410	-	114,778	251,581
Excess (Deficiency) of Revenues over Expenditures	(6,184)	(1,308)	-	(7,372)	(154,481)

(CONTINUED)

Recreation District No. 3 of
Livingston Parish

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES (CONTINUED)

For the Year Ended December 31, 1997

	GOVERNMENTAL FUND TYPE			TOTALS (INCORPORATION ONLY)	
	GENERAL	POST SERVICE	CAPITAL PROJECTS	1997	1996
Other Financing Sources (Less):					
Operating Transfers In	-	-	-	-	31,926
Operating Transfers (Out)	-	-	-	-	(31,926)
Total Other Financing Sources (Less)	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expendi- tures and Other Uses	69,164	(1,208)	-	67,956	(154,480)
Fund Balances at Beginning of Year	31,587	5,131	-	36,718	251,178
Fund Balances at End of Year	\$ 100,751	\$ 3,923	\$ -	\$ 104,674	\$ 96,718

The accompanying notes constitute an integral part of this statement.

Wrestling District No. 1 of
Livingston Parish

Exhibit C

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 1997

	<u>GENERAL FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIABLE- FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Ad Valorem Tax, Net	\$ 98,300	\$ 97,795	\$ 7,585
Live Oak Sports Association	840	817	(23)
Interest	1,700	1,717	17
Concessions	1,060	5,089	4,029
Tournaments	1,500	1,808	308
Total Revenues	99,700	107,204	7,584
Expenditures:			
General Government:			
Payroll and Payroll Taxes	6,160	6,163	(3)
Bad Debt	-	819	(819)
Insurance	1,500	1,312	188
Legal and Accounting	8,250	8,604	(354)
Miscellaneous	1,000	895	105
Assessor's Pension Fund	3,260	3,562	(302)
Repairs and Maintenance	4,800	6,905	(2,105)
Supplies and Small Equipment	2,380	2,376	4
Utilities	2,300	2,534	(234)
Capital Outlay	65,180	64,457	18,643
Debt Service:			
Principal Retirement	15,000	15,000	-
Interest and Fiscal Charges	10,630	10,631	(1)
Total Expenditures	122,280	119,968	2,312
Excess (Deficiency) of Revenues over Expenditures	(22,580)	16,144	16,396
Fund Balance at Beginning of Year	81,581	81,581	-
Fund Balance at End of Year	\$ 58,987	\$ 66,423	\$ 18,306

The accompanying notes constitute an integral part of this statement.

Recreation District No. 2 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1987

(1) Summary of Significant Accounting Policies -

The Recreation District No. 2 "the District" is a body corporate created by the Livingston Parish Council (formerly Livingston Parish Police Jury), as provided by Louisiana Revised Statutes. The District is governed by a board of five commissioners who are appointed by the Livingston Parish Council.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB), is the standard-setting body for governmental accounting and financial reporting. On June 30, 1987, the GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the District's Board of Commissioners. Control by or dependence on the board was determined on the basis of taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

In conformance with Governmental Accounting Standards Board, Statement 14, the District is a component unit of the Livingston Parish Council, the governing body of the parish. The accompanying financial statements present information only on the funds and account groups maintained by the Recreation District and do not present information on the Council and the general government services provided by that governmental unit.

B. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues,

Recreation District No. 2 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1987

(1) Summary of Significant Accounting Policies - (Continued) -

and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds of the District are grouped, in the financial statements in this report, into three generic fund types and one broad fund category as follows:

General Fund - 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.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal, interest, and related costs.

Capital Projects Fund - The Capital Projects Fund is used to account for the financial resources used to acquire, construct, or renovate capital assets of the District.

In addition to the two generic fund types, the District maintains two account groups. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

General Fixed Asset Account Group - The fixed assets used in the governmental fund type operations of the Recreation District are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, or estimated historical cost.

General Long-Term Debt Account Group - Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental fund type operations.

Recreation District No. 3 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

(1) Summary of Significant Accounting Policies - (continued) -

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Property taxes are recorded as revenues when levied even though a portion of the taxes may be collected in subsequent years.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

D. Budgetary Practices

The District utilizes the following budgetary practices:

The Administrative Secretary prepares the annual budget which is based on what is expected to be collected and/or levied during the fiscal year and is approved by the board. The adopted budget constitutes the authority of the Recreation District No. 3 to incur liabilities and authorize expenditures from the respective budgeted funds. Additional certain expenditures are approved monthly by the Board before payment.

All budget amounts presented in the financial statements have been adjusted for legally authorized revisions of the annual budget during the year.

E. Total Columns on Combined Statements

Total Columns on the Combined statements is captioned (Memorandum only) to indicate that it is presented only to facilitate financial analysis. Data in the columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Recreation District No. 2 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

(2) Property Taxes -

On November 8, 1994, an election was held whereby the voters of Recreation District No. 2 of Livingston Parish approved a 18 year 15.00 mill ad valorem tax assessed on all property subject to taxation within the District for the purpose of "maintaining, and operating the District's recreational facilities and for acquiring, constructing or renovating additional facilities". The assessment begins with the year 1995 and ends with the year 2014.

Property taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

The District's taxes are collected by the Livingston Parish Tax Collector and are remitted to the District monthly. The District pays the Assessor's Office a fee for this service.

Total taxes assessed and taxes receivable at December 31, 1997 are as follows:

Revenues:		
Assessed Valuation	\$	6,771,240
x Assessed Millage	x 15.00 Mills	
Ad Valorem Taxes Assessed		104,869
Less: Estimated Uncollectible (7.9%)		<u>(7,341)</u>
Net Current Year Ad Valorem Tax		97,528
Collection of Prior Year Ad Valorem Taxes in Excess of Estimated Uncollectible		<u>262</u>
Ad Valorem Tax Revenues	\$	<u>97,790</u>
Receivables:		
Net Current Year Ad Valorem Taxes	\$	97,528
Less: Amounts Collected Before December 31		<u>(19,813)</u>
Property Tax Receivable, Net of Allowance	\$	<u>77,715</u>

Recreation District No. 2 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

13) Changes in General Fixed Assets -

A summary of changes in general fixed assets is as follows:

	<u>LAND</u>	<u>BUILDINGS</u>	<u>PARKING AREA</u>	<u>FENCING, LIGHTING, BLEACHERS, AND EQUIPMENT</u>	<u>TOTAL</u>
Balance - January 1, 1997	\$ 94,471	\$ 97,332	\$ 119,250	\$ 54,324	\$ 365,377
Additions	-	4,972	14,347	26,348	45,667
Deletions	-	-	-	-	-
Balance - December 31, 1997	<u>\$ 94,471</u>	<u>\$ 102,304</u>	<u>\$ 133,597</u>	<u>\$ 80,672</u>	<u>\$ 411,044</u>

14) Changes in Long-Term Debt -

The following is a summary of long-term debt transactions of the District for the year ended December 31, 1997:

	<u>CERTIFICATE OF INDEBTEDNESS</u>
Balance - December 31, 1996	310,000
Increase in Debt Issued	-
Debt Retired During Year	<u>115,000</u>
Balance - December 31, 1997	<u>\$195,000</u>

Certificate of Indebtedness:

On October 19, 1996, the District issued certificates of indebtedness in the amount of \$325,000 for the purpose of constructing and improving the recreational facilities of the District. Interest is at a rate of 5.25% per annum.

Recreation District No. 2 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

The annual requirements to amortize all long-term debt outstanding at December 31, 1997 are as follows:

<u>YEAR</u>	<u>CERTIFICATE</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$ 28,000	\$ 9,713	\$ 28,713
1999	28,000	8,662	28,662
2000	28,000	7,613	27,613
2001	28,000	6,431	21,431
2002	28,000	5,119	28,119
2003	28,000	3,806	28,806
2004	28,000	2,363	32,363
2005	<u>28,000</u>	<u>788</u>	<u>30,788</u>
Totals	<u>\$185,000</u>	<u>\$ 44,495</u>	<u>\$238,495</u>

(8) Leases -

The District has no outstanding capital or operating leases at December 31, 1997.

(9) Cash and Cash Equivalents -

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit. Under state law the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the State of Louisiana, of the United States. Further, the District may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As confirmed by the fiscal agents, the District had cash and cash equivalents totaling \$7,152 with a carrying amount of \$8,652 at December 31, 1997. Cash and cash equivalents are stated at cost, which approximates market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. The following is a summary of cash and cash equivalents at December 31, 1997, with the related federal deposit insurance and pledged securities, if any:

Recreation District No. 2 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1997

	<u>DECEMBER 31, 1997</u>		
	<u>CONFIRMED</u>	<u>FOIC</u>	<u>BALANCE</u>
	<u>BASE BALANCES</u>	<u>INSURANCE</u>	<u>UNINSURED</u>
Cash In Banks	\$ 3,152	\$ 3,152	\$ -
Total	<u>\$ 3,152</u>	<u>\$ 3,152</u>	<u>\$ -</u>
17) Litigation -			
At December 31, 1997, there is no litigation pending against the District.			
18) Compensated Absences, Pension Plan, and Other Postemployment Benefits -			
At December 31, 1997, the District has no plan or provision for compensated absences, pension plan or other post employment benefits.			

FINANCIAL STATEMENTS OF INDIVIDUAL FIRMS
AND ACCOUNT GROUPS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Recreation District No. 2 of
Livingston Parish
GENERAL FUND

COMPARATIVE BALANCE SHEETS

December 31, 1997 and 1996

ASSETS		
	<u>1997</u>	<u>1996</u>
Cash and Cash Equivalents	\$ 2,729	\$ 23,787
Property Tax Receivables	<u>88,116</u>	<u>61,838</u>
Total Assets	<u>\$ 90,844</u>	<u>\$ 105,283</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	\$ 5,421	\$ 3,116
Due to Construction Fund	<u> </u>	<u>10,560</u>
Total Liabilities	5,421	13,676
Fund Balance:		
Unreserved - Undesignated	<u>85,423</u>	<u>91,587</u>
Total Fund Balance	<u>85,423</u>	<u>91,587</u>
Total Liabilities and Fund Balance	<u>\$ 90,844</u>	<u>\$ 105,283</u>

See auditor's report.

Recreation District No. 2 of
Livingston Parish
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

For the Years Ended December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Ad Valorem Tax, Net	\$ 97,795	\$ 86,277
Live Oak Sports Association	897	1,388
Interest	1,717	759
Concessions	5,869	5,353
Tournaments	<u>1,806</u>	<u>3,883</u>
Total Revenues	107,204	97,756
Expenditures:		
General Government:		
Payroll and Payroll Taxes	6,183	-
Bad Debt	918	-
Fees	-	308
Increase	1,212	575
Legal and Accounting	8,804	2,487
Miscellaneous	865	97
Assessor's Permit Fund	3,882	3,136
Repairs and Maintenance	8,305	6,983
Supplies and Small Equipment	2,376	3,894
Telephones	-	125
Umpires and Scorekeepers	-	245
Utilities	2,534	4,672
Capital Outlay	54,457	-
Debt Service:		
Principal Retirement	15,800	15,880
Interest	<u>10,431</u>	<u>9,884</u>
Total Expenditures	<u>113,368</u>	<u>47,136</u>
Excess (Deficiency) of Revenues over Expenditures	(6,164)	48,640

(CONTINUED)

Recreation District No. 2 of
 Livingston Parish
 GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - (CONTINUED)

For the Years Ended December 31, 1997 and 1998

	<u>1997</u>	<u>1998</u>
Other Financing Sources (Uses):		
Operating Transfers Out	-	<u>133,926</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>133,926</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	16,164	14,714
Fund Balance at Beginning of Year	<u>31,583</u>	<u>26,872</u>
Fund Balance at End of Year	<u>\$ 47,747</u>	<u>\$ 41,586</u>

See auditor's report.

DEBT SERVICE FUND

To accumulate resources for and to account for the payment of principal and interest due on the District's 1976 General Obligation Bond.

General Obligation Bond - Issued September 1, 1976 for the purpose of purchasing, constructing and acquiring land, buildings, equipment and other facilities for the Recreation District No. 3 of Livingston Parish. Payments are due in annual installments of principal and semi-annual installments of interest until maturity in 1986. Interest is at an annual rate of 7.25%. Revenues from a special levy of property taxes were dedicated to service this debt. Final payment on this bond was made September 1, 1986.

The remaining funds have been dedicated to capital outlay for the District in future years.

Recreation District No. 2 of
Livingston Parish
DEBT SERVICE FUND

COMPARATIVE BALANCE SHEETS

December 31, 1997 and 1998

	<u>ASSETS</u>	
	<u>1997</u>	<u>1998</u>
Cash in Banks	\$ 3,923	\$ 7,353
Total Assets	<u>\$ 3,923</u>	<u>\$ 7,353</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts Payable	\$ -	\$ 350
Due to Other Governments	<u>-</u>	<u>2,472</u>
Total Liabilities	-	2,822
Fund Balance:		
Unreserved - Undesignated	<u>3,923</u>	<u>5,131</u>
Total Fund Balance	<u>3,923</u>	<u>5,131</u>
Total Liabilities and Fund Balance	<u>\$ 3,923</u>	<u>\$ 7,953</u>

See auditor's report.

Recreation District No. 2 of
Livingston Parish
DEBT SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE

For the Years Ended December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Interest	\$ 202	\$ 413
Total Revenues	202	413
Expenditures:		
Capital Outlay	3,418	-
Principal Retirement	-	10,000
Interest and Fiscal Charges	-	1,889
Total Expenditures	3,418	11,889
Excess (Deficiency) of Revenues over Expenditures	(3,216)	(11,476)
Fund Balance at Beginning of Year	8,131	16,617
Fund Balance at End of Year	<u>\$ 3,915</u>	<u>\$ 5,141</u>

See auditor's report.

CAPITAL PROJECTS FUND

To account for the financial resources used for the acquisition or construction of capital facilities. During 1996 the Capital Projects Fund was used to account for the proceeds from the issuance of \$225,000 in certificates of indebtedness and the use of such proceeds. During 1997 there was no activity in the Capital Projects Fund.

Recreation District No. 2 of
Livingston Parish
CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEETS

For the Years Ended December 31, 1987 and 1986

	ASSETS	
	1987	1986
Cash and Cash Equivalents Due from General Fund	\$ -	\$ -
	<u>-</u>	<u>10,560</u>
Total Assets	\$ -	\$ 10,560
	<u>-</u>	<u>10,560</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	\$ -	\$ 10,560
Due to General Fund	<u>-</u>	<u>-</u>
Total Liabilities	-	10,560
Fund Balances:		
Unreserved - undesignated	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>-</u>
Total liabilities and Fund Balance	\$ -	\$ 10,560
	<u>-</u>	<u>10,560</u>

See auditor's report.

Recreation District No. 2 of
Livingston Parish
CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE

For the Years Ended December 31, 1997 and 1996

	1997	1996
Revenues:		
Interest	\$ -	\$ 931
Total Revenues	-	931
Expenditures:		
Capital Outlay	-	193,948
Total Expenditures	-	193,948
Excess (Deficiency) of Revenues Over Expenditures	-	(193,017)
Other Financing Sources (Uses):		
Operating Transfers In	-	33,026
Total Other Sources (Uses)	-	33,026
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	(157,488)
Fund Balance at Beginning of Year	-	157,488
Fund Balance at End of Year	\$ -	\$ -

See auditor's report.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operation.

Recreation District No. 2 of
Livingston Parish

COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS - BY SOURCE

December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
General Fixed Assets, at Cost:		
Land	\$ 94,471	\$ 94,471
Buildings	98,284	93,312
Parking Area	133,798	118,261
Fencing, Lighting, Bleaches and Equipment	<u>56,622</u>	<u>56,326</u>
Total General Fixed Assets	<u>\$ 413,225</u>	<u>\$ 362,358</u>
Investment in General Fixed Assets From:		
General Fund Revenues	\$ 132,793	\$ 74,626
General Obligation Certificates of Indebtedness	221,932	221,932
Estimated Historical Cost	<u>62,503</u>	<u>63,600</u>
Total Investment in General Fixed Assets	<u>\$ 417,228</u>	<u>\$ 360,158</u>

See auditor's report.

Recreation District No. 2 of
Livingston Parish

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

For the Years Ended December 31, 1997 and 1998

	<u>TOTAL</u>	<u>LAND</u>	<u>IMPROVEMENTS</u>	<u>FINANCING ASSETS</u>	<u>FINANCING, IDENTIFIED, REBATED, AND BOLLEHEIM</u>
General Fixed Assets at January 1, 1998	\$108,793	\$ 94,471	\$ 40,000	\$ 9,267	\$ 45,135
Additions:					
General Fund Revenues	33,436	-	33,388	10,540	-
General Obligation Certificates of Indebtedness	<u>158,438</u>	<u>-</u>	<u>13,948</u>	<u>99,404</u>	<u>39,289</u>
	191,874	-	47,336	110,004	39,289
Deductions:					
Assets Sold or Traded	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General Fixed Assets at December 31, 1998	<u>391,358</u>	<u>94,471</u>	<u>97,336</u>	<u>119,204</u>	<u>84,324</u>
Additions:					
General Fund Revenues	59,887	-	4,972	14,947	36,348
General Obligation Certificates of Indebtedness	<u>59,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	119,774	-	4,972	14,947	36,348
Deductions:					
Assets Sold or Traded	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General Fixed Assets at December 31, 1997	<u>\$417,325</u>	<u>\$ 94,471</u>	<u>\$ 98,388</u>	<u>\$133,788</u>	<u>\$ 98,470</u>

*Represents estimated historical cost.

See auditor's report.

GENERAL LONG-TERM DEBT
ACCOUNT GROUP

To account for unamortized principal amounts on general long-term debt expected to be financed from governmental type funds. Payments of maturing General Obligation Certificates of Indebtedness, including interest, are accounted for in the general fund.

Recreation District No. 2 of
Livingston Parish

COMPARATIVE STATEMENT OF GENERAL LONG-TERM DEBT

December 31, 1987 and 1986

	<u>1987</u>	<u>1986</u>
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
Amount Available in the Debt Service Fund for Debt Retirement	\$ -	\$ -
Amount to be Provided in Future Years	<u>195,000</u>	<u>210,000</u>
Total to be Provided	<u>\$ 195,000</u>	<u>\$ 210,000</u>
GENERAL LONG-TERM DEBT PAYABLE:		
General Obligation Bond	\$ -	\$ -
General Obligation Certificate of Indebtedness	<u>195,000</u>	<u>210,000</u>
Total General Long-Term Debt	<u>\$ 195,000</u>	<u>\$ 210,000</u>

See auditor's report.

OTHER SUPPLEMENTARY INFORMATION

Recreation District No. 2 of
Livingston Parish

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

For the Years Ended December 31, 1997 and 1998

	<u>1997</u>	<u>1998</u>
J.L. Cutrer (Term expired 1/98)	\$ -	\$ -
Jimmy Hood	200	-
Jimmy McCoy (Term Expired 1/99)	150	-
Danica Covington	150	-
Deanette Pharis (Resigned 8/98)	-	-
Roger Morris	200	-
Douglas Tomason, Jr. (Appointed 3/98)	150	-
Charles Parker (Appointed 1/97)	<u>50</u>	<u>-</u>
	<u>\$ 850</u>	<u>\$ -</u>

The term of each board member is two years.

See auditor's report.

Recreation District No. 2 of
Livingston Parish

SCHEDULE OF INSURANCE IN FORCE

December 31, 1997

<u>INSURANCE COMPANY</u>	<u>COVERAGE</u>	<u>AMOUNT</u>	<u>EXPIRATION DATE</u>
Western Surety Company	Public Employee Blanket Bond		
	Chairperson	\$ 25,000	12/31/98
	Vice-Chairperson	\$ 25,000	12/31/98
	Treasurer	\$ 25,000	12/31/98
Louisiana Workers' Compensation Corporation	Workers' Compensation Policy	\$100,000/ Accident	12/31/98
		\$500,000/ Limit	
		\$100,000/ Employee	

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF THE COMPOUND UNIT FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS



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*Not licensed in every jurisdiction

May 12, 1998

Board of Commissioners
Recreation District No. 2 of
Livingston Parish
Livingston Parish Council
Watson, Louisiana

We have audited the component unit only financial statements of the Recreation District No. 2 of Livingston Parish, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated May 12, 1998. We conducted our 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 District's financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards in the current year. However, a summary of prior compliance findings and their resolutions are included as an attachment to this report.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, a summary of prior year control findings and their resolutions are included as an attachment to this report.

This report is intended for the use of management and the Office of the Legislative Auditor, State of Louisiana, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Recreation District No. 2 of Livingston Parish, Louisiana, is a matter of public record.

Respectfully submitted,

Shannon C. Longoria, C.P.A.

Attachment to Independent Auditor's
Compliance and Internal Control Report

SUMMARY OF PRIOR YEAR AUDIT FINDINGS

Year Ended December 31, 1997

Compliance:

Findings: Public Bid Law

Resolution: The Board has become more familiar with the "Public Bid Law" requirements and in 1997 no violation of the bid Law was noted.

Findings: Budgeting

Resolution: The Board has become more familiar with the provisions of the "Local Budget Act" and in 1997 no violation of the Act was noted.

Findings: Accounting, Auditing and Financial Reporting Laws

Resolution: Accounting Records : Invoices and other related documentation is now being maintained for all disbursements.

Financial Reporting : The Board hired an Administrative Secretary in July 1996. Since his hiring, timely monthly financial statements are being prepared for the Board. This allows the Board to compare expenditures to budget on a more regular basis. In addition, although not required for 1997, the Board hired an independent auditor to audit its 1997 financial statements. This was done in a very timely manner and the Board will be able to issue audited financial statements prior to June 30, 1998.

Findings: Asset Management Laws

Resolution: The Administrative Secretary now maintains a detailed general fixed asset schedule.

Findings: Fiscal Agency and Cash Management Laws

Resolution: The Board has become more aware of the provisions of these laws. During 1997, the District never exceeded the maximum insurance coverage of the FDIC.

Findings: Issuance of Forms 1099 and W-2's

Resolution: During 1997, the District complied with the filing requirements of Forms 1099 and W-2's.

Internal Controls:

Findings: Accounting System and Records

Resolution: The Board hired an Administrative Secretary in July 1996. Subsequent to his hiring, the Administrative Secretary has maintained the District's accounting records and general ledger in such a way as to prepare monthly financial statements in a timely manner. Minutes now appear to be prepared in sufficient detail for the reader to determine all decisions of the Board. Adequate documentation is now being maintained for disbursements.

Findings: Cash in Banks

Resolution: All bank accounts now require two signatures on all checks issued. The Administrative Secretary now monitors the District's FDIC insurance coverage even though the District's funds during 1997 never reached the maximum insurance coverage.

Findings: Revenues

Resolution: During 1997, management developed more monitoring controls over its concession revenues and tournament revenues.

Findings: Other

Resolution: The District has obtained fidelity bond coverage effective December 1, 1996. The District has also discontinued purchasing floater arrangements with District funds.

