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CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)

Independent Accountant's Compilation Report

**Independent Accountant's Report on Applying
Agreed-upon Procedures**

As of and for the Year Ended December 31, 1997

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 22 1998

RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT • CERTIFIED GOVERNMENT FINANCIAL MANAGER

CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)

Table of Contents
December 31, 1997

	<u>Page</u> <u>Number</u>
<i>Independent Accountant's Compilation Report</i>	1
<i>General Purpose Financial Statements:</i>	
<i>Balance Sheet</i>	2
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual</i>	3
<i>Notes to the General Purpose Financial Statements</i>	4-7
<i>Independent Accountant's Report on Applying Agreed-upon procedures</i>	8-11
<i>Louisiana Attestation Questionnaire</i>	12-13

RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT - CERTIFIED GOVERNMENT FINANCIAL MANAGER

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Commissioners
Christmas in the Park Commission
Bogalusa, Louisiana

I have compiled the accompanying general-purpose financial statements of the Christmas in the Park Commission, a component unit of the City of Bogalusa, Louisiana, as of and for the year ended December 31, 1997, 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 accompanying general-purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Certified Public Accountant

Bogalusa, Louisiana
April 1, 1998

CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
GENERAL FUND

Balance Sheet
December 31, 1997

ASSETS

Cash	\$ 20,110
Total assets	\$ 20,110

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 1,000
Fund balance:	
Unreserved, undesignated	<u>19,110</u>
Total liabilities and fund balance	\$ 20,110

The accompanying notes are an integral part of this statement.

CHRISTMAS IN THE PARK COMMISSION
 (A Component Unit of the City of Bogalusa, Louisiana)
GENERAL FUND

Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 1997

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Donations from the public	\$ 6,065	\$ 6,063	\$ (2)
Tickets, passes, and photos sold	13,790	13,790	—
Interest	488	432	156
Total revenues	<u>19,343</u>	<u>19,285</u>	<u>58</u>
Expenditures:			
Current:			
Culture and recreation:			
Christmas lights	23,260	23,252	8
Supplies	2,830	2,838	(8)
Total expenditures	<u>26,090</u>	<u>26,090</u>	<u>—</u>
Excess (deficiency) of revenues over expenditures	<u>(6,875)</u>	<u>(6,817)</u>	<u>58</u>
Other financing sources (uses):			
Operating transfers (input) - City of Bogalusa - Parks and Recreation Commission	<u>10,000</u>	<u>10,000</u>	<u>—</u>
Total other financing sources(uses)	<u>10,000</u>	<u>10,000</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>3,125</u>	<u>3,183</u>	<u>58</u>
Fund balance, beginning	<u>15,099</u>	<u>15,077</u>	<u>22</u>
Fund balance, ending	<u>\$ 18,224</u>	<u>\$ 18,260</u>	<u>\$ 36</u>

The accompanying notes are an integral part of this statement.

CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS
December 31, 1997

INTRODUCTION

Christmas in the Park Commission (the Commission) was created by the City of Bogalusa on November 1, 1994 by ordinance number 1588, amended by ordinance number 1622. The Commission is a group of eleven persons who serve as board members and are appointed by the Mayor, with approval of the City Council. The Commission advises the Mayor and the City Council, stimulates public interest and accepts donations to enhance holiday lighting and activities.

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 Christmas in the Park 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.

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

CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-Purpose Financial Statements (Continued)

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. FUND ACCOUNTING

The Commission uses a fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-Purpose Financial Statements (Continued)

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. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the general fund. The general fund uses the following practices in recording revenues and expenditures:

Revenues

Donations from the public are recorded as income in the year the donations are received.

Tickets and passes are recorded as income when sold.

Expenditures

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

CHRISTMAS IN THE PARK COMMISSION
(A Component Unit of the City of Bogalusa, Louisiana)
Notes to the General-Purpose Financial Statements (Continued)

F. 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 these estimates.

G. BUDGETS

The Commission adopted its budget on December 3, 1994. Since total proposed expenditures were less than \$250,000, there were no public hearings.

The budget is prepared on the modified accrual basis of accounting. All appropriations lapse at year end. Budget amounts included in the accompanying financial statements include the original budget; budgeted amounts are as originally adopted or as amended from time to time.

NOTE 4 - CASH

All deposits of the Commission were held by area financial institutions. At December 31, 1995, the book balance of the Commission's checking accounts was \$20,110, and the bank balance was \$20,213. All deposits were insured by the Federal Deposit Insurance Corporation.

RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT • CERTIFIED GOVERNMENT FINANCIAL MANAGER

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
Christmas in the Park Commission
Bogalusa, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Christmas in the Park Commission (a component unit of the City of Bogalusa) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Christmas in the Park Commission's compliance with certain laws and regulations during the year ended December 31, 1997, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LA-R.S. 38:2211-2251 (the public bid law).

There were two expenditures exceeding \$5,000. Both were in compliance with LA-R.S. 38:2211-2251 (the public bid law).

Code of Ethics for Public Officials and Public Employees

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

All the Board Members, except 3, provided me with the required list including the noted information.

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

There were no employees of the Christmas in the Park Commission.

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

There were no employees of the Christmas in the Park Commission.

Budgeting

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

Done.

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

Done.

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

Actual revenues and expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

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

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

None.

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

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

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

Inspection of documentation supporting each of the six selected disbursements indicated proper approval by the Board of Commissioners.

Meetings

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

Christmas in the Park Commission posted agendas for each meeting as required by L.A.-R.S. 42:1-12.

Debt

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

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

Advances and Expenses

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

There were no employees of the Christmas in the Park Commission.

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

This report is intended solely for the use of the Board of Directors of the Christmas in the Park Commission, the Mayor, the City Council, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana
April 1, 1998