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WEST CALCASIEU COMMUNITY CENTER AUTHORITY

FINANCIAL STATEMENTS

AND

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

JUNE 30, 1998

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 JAN 2 1999

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To the Board
West Calcasieu Community Center Authority
Sulphur, Louisiana

We have compiled the accompanying component unit financial statements of West Calcasieu Community Center Authority, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents, in accordance with Statements of 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

McMullen and Mancuso, CPAs
August 19, 1998

Members

American Institute of Certified Public Accountants
Louisiana Society of Certified Public Accountants

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

BALANCE SHEET
JUNE 30, 1998

ASSETS:

Cash and Cash Equivalents	\$ 409,842	
Due from other governments	78,024	
Construction in Progress	87,750	
Land	538,838	
Land Improvements	32,221	
Equipment	1,250	

Total Assets		\$ 1,147,925
		=====

LIABILITIES AND EQUITY

Liabilities:

Accrued Liabilities	\$ 1,631	

Total Liabilities		\$ 1,631

Equity:

Retained Earnings	1,146,294	

Total Equity		1,146,294

Total Liabilities and Equity		\$ 1,147,925
		=====

See Accompanying Accountants' Compilation Report

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

Operating Revenues		
Taxes	\$ 208,000	
Interest Income	18,920	

Total Operating Revenues		\$ 226,920
 Operating Expenses		
Salaries	11,858	
Payroll Taxes	1,160	
 Operating Expenses:		
Advertising	20	
Bank Charges	117	
Contract Labor	100	
Dues and Subscriptions	100	
Insurance	966	
Meals and Entertainment	791	
Postage	234	
Repairs and Maintenance	108	
Taxes and Licenses	71	
Telephone Expense	984	
Office Supplies	872	
Professional Fees	1,950	
Other Charges:		
Survey and Environmental Study	4,882	

Total Operating Expenses		24,213

Operating Income (Loss)		202,707
 Nonoperating Revenues (Expenses)		
Contributions		289,193

Net Income (Loss)		491,900
Retained Earnings-July 1		654,394

Retained Earnings-June 30		\$1,146,294
		=====

See Accompanying Accountants' Compilation Report

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

STATEMENT OF CASH (AND EQUIVALENTS) FLOWS
FOR THE YEAR ENDED JUNE 30, 1998

Cash flows from operating activities:

Taxes received	\$ 183,187
Interest income	18,920
Payments for goods services	(22,881)

Net cash provided by operating activities	179226

Cash flows from capital and related financing activities:

Capital Outlay	370,866

Net increase (decrease) in cash and cash equivalents	(191,640)
Cash equivalents at beginning of year	601,482

Cash equivalents at end of year	\$ 409,842
	=====

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)	\$ 202,707
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Due from other governments	(24,813)
Accrued liabilities	1,332

Total adjustments	(23,481)

Net cash provided (used) by operating activities	\$ 179,226
	=====

See Accompanying Accountants' Compilation Report

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

INTRODUCTION

The West Calcasieu Parish Community Authority, hereinafter referred to as "the authority" was created by the Legislators May 29, 1992. The purpose of the authority shall be to build, maintain, and operate a rodeo arena, sports complex, or community center within the boundaries of Wards 4, 5, 6, and 7 of Calcasieu Parish.

The authority consists of five members, all of which serve without compensation. The members of the authority are appointed as follows:

One member is appointed by the governing authority of each of the following municipalities:

City of Sulphur, City of Westlake, City of DeQuincy, the Town of Vinton and one member is appointed by governing authority of Calcasieu Parish who is a resident of Ward 4, 5, 6, or 7 of Calcasieu Parish and is appointed to provide representation of any such ward not otherwise represented on the authority.

All of the members shall serve at the pleasure of the respective appointing authority.

A vacancy in the membership of the authority shall be filled in the same manner as the original appointment for the remainder of the unexpired term.

The geographic location of the authority is all wards west of the Calcasieu River to the Louisiana/Texas State line, south to the Calcasieu/Cameron Parish line and North to Starks and includes DeQuincy. The Wards are 4, 5, 6, and 7 of Calcasieu Parish. The number of people to be served in Wards 4, 5, 6, and 7 is approximately 60-65,000.

The authority has hired one full time employee, to maintain the office and day to day business activities of the authority. The authority has acquired the land and is in the initial stages of planning for the construction of a community center.

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the West Calcasieu Community Center Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the authority includes all funds, account groups, et cetera, that are within the oversight responsibility of the authority.

C. FUND ACCOUNTING

West Calcasieu Community Center and Authority is organized and operated as an Enterprise Fund whereby a self-balancing set of accounts is maintained that comprise 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 (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges and ad valorem taxes.

D. BASIS OF ACCOUNTING

The accrual basis of accounting is used by the Authority with revenues being recognized when earned and expenses being recognized at the time liabilities are incurred. All assets and liabilities associated with the operation of the Authority are included on the balance sheet.

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

**E. CASH AND CASH EQUIVALENTS
AND INVESTMENTS**

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 Authority 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.

Under state law, the Authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

F. FIXED ASSETS

Fixed assets used in the Authority's operations are included on the balance sheet net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations.

The authority had no depreciable assets as of June 30, 1998.

	Beginning	Additions	End
	of Year		of Year
Land	\$ -0-	\$ 538,838	\$ 538,838
Land Improvements		32,221	32,221
Office Furniture and Equipment	-0-	1,250	1,250
Construction In Progress	-0-	87,750	87,750
	-----	-----	-----
Totals	\$ -0-	\$ 660,059	\$ 660,059
	=====	=====	=====

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

F. FIXED ASSETS (Continued)

The land is recorded at the combined amount expended by the Authority plus the market value amount contributed to the Authority. The amount recorded as a contribution in the year was \$289,193.

G. COMPENSATED ABSENCES

The Authority does not have a policy relating to vacation or sick leave.

2. CASH AND CASH EQUIVALENTS

At June 30, 1998, the Authority has cash and cash equivalents (book balances) totaling \$409,843 as follows:

Demand deposits	\$ 22,595
Interest-bearing demand deposits	387,247

Total	\$ 409,842
	=====

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 the 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 June 30, 1998, the Authority has \$350,662 in deposits (collected bank balances). These deposits are secured from risk by \$163,415 of federal deposit insurance and \$187,247 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes

WEST CALCASIEU COMMUNITY CENTER AND AUTHORITY
CALCASIEU PARISH, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

2. CASH AND CASH EQUIVALENTS (Continued)

a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Authority that the fiscal agent has failed to pay deposited funds on demand.

3. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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**Independent Accountants' Report
on Applying Agreed-Upon Procedures**

To the Board Members of West Calcasieu
Community Center and Authority

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed upon by the management of West Calcasieu Community Center and Authority and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about West Calcasieu Community Center and Authority's compliance with certain laws and regulations during the year ended June 30, 1998 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, we 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 LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000.

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 LSA-RS 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.

Management provided us with the required list including the noted information.

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

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtainment provided us with a copy of the original budget. There were no amendments to the budget during the year.
6. Trace the budget adoption and amendments to the minute book.

We traced the budget adoption to the minute book.

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%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted interest revenues exceeded actual by 32.43% (\$9,080).

Budgeted expenditures exceeded actual expenditures by more than 5% as follows:

Salaries exceeded budget by 147.04%	(\$7,058)
Payroll taxes exceeded budget by 141.67%	(\$680)
Telephone Expenses exceeded budget by 24.36%	(\$134)
Office Supplies exceeded budget by 118%	(\$472)

The following expenditures were not budgeted:

Construction in Progress:	
Project management fee	60,000
Feasibility study	25,000
Other	2,750
Land Improvements	32,221
Capital Outlay-Office Furniture	1,250

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

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

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the proper payee.

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

All of the disbursements selected were coded to the correct fund and general ledger account.

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

Inspection of documentation for each of the selected disbursements indicated approval from the proper authorities.

Meetings

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

We examined evidence supporting the District's actions of faxing notice of the agendas for meetings to all of the area newspapers.

We examined the minutes for evidence supporting compliance with LSA-RS 42:1 through 42:12 and noted the following:

The minutes for the regular meetings held January 22, 1998, March 16, 1998, April 20, 1998 and June 22, 1998, do not show place of the meetings nor do they indicate members present and absent.

Debt

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

We 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 Bonuses

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

A reading of the minutes indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advance, or gifts.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of West Calcasieu Community Center and Authority 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.

W. A. Wilkes and M. J. Wilkes, CPAs
August 19, 1998