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NIBLETT'S BLUFF PARK COMMISSION  
Vinton, Louisiana

ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS

Year Ended December 31, 2003

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 5-26-04

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS

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## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis

Within this section of the Niblett's Bluff Park Commission's (Commission) annual financial report, the Commission's management is pleased to provide this narrative discussion and analysis of the financial activities of the Commission for the fiscal year ended December 31, 2003. The Commission's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### FINANCIAL HIGHLIGHTS

- The Commission's assets exceeded its liabilities by \$777,040 (net assets) for the fiscal year reported.
- Total revenues of \$247,606 exceeded total expenses of \$236,423, which resulted in a current year surplus of \$11,183.
- Total net assets are comprised of the following:
  - (1) Capital assets, net of related debt, of \$408,192 include property and equipment, net of accumulated depreciation. There is no outstanding debt related to the purchase or construction of capital assets.
  - (2) Net assets of \$89,120 are restricted by constraints imposed from outside the Commission such as debt covenants, grantors, laws or regulations.
  - (3) Unrestricted net assets of \$279,728 represent the portion available to maintain the Commission's continuing obligations to taxpayers and creditors.
- At the end of the current fiscal year, unreserved net assets were 118% of total expenses and 113% of total revenues.
- Overall, the Commission continues to maintain a strong financial position and is continuing to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

#### OVERVIEW OF FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the Commission's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Commission also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available. All applicable tables will present comparative data in fiscal year 2004.

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

#### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Commission's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Commission's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets*. This is the government-wide statement of position presenting information that includes all of the Commission's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission as a whole is improving or deteriorating. Evaluation of the overall health of the Commission would extend to other nonfinancial factors such as diversification of the taxpayer base, or the condition of Commission infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Commission's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Commission's distinct activities or functions on revenues provided by the Commission's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Commission that are principally supported by tax and from activities that are intended to recover all or a significant portion of their costs through user fees and charges.

#### FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Commission uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Commission's most significant funds rather than the Commission as a whole.

The Commission has one kind of fund:

*Governmental fund* is reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Commission's governmental fund. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

#### NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

#### OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Commission's budget presentations. Budgetary comparison statements are included as "required supplemental information" for the general fund. This schedule demonstrates compliance with the Commission's adopted and final revised budget.

#### FINANCIAL ANALYSIS OF THE COMMISSION AS A WHOLE

The Commission implemented the new financial reporting model used in this report beginning with the current fiscal year ended December 31, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Commission as a whole.

The Commission's net assets at fiscal year-end are \$777,040. The following table provides a summary of the Commission's net assets:

Assets:	
Current assets	\$ 376,587
Capital assets, net	<u>408,192</u>
Total assets	784,779
Liabilities:	
Current liabilities	<u>7,739</u>
Net assets:	
Investment in capital assets	408,192
Restricted	89,120
Unrestricted	<u>279,728</u>
Total net assets	<u>\$ 777,040</u>

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

The Commission continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio is 48.6 to 1. Net assets increased by \$11,183 for the current year. Note that approximately 53% of the net assets are tied up in capital. The Commission uses these capital assets to provide services to its taxpayers.

Since this is the first year in which government-wide information is available, comparative data is not presented. However, comparative data will be accumulated and presented to assist analysis in future years. The following table provides a summary of the Commission's changes in net assets:

Revenues	\$ 247,606
Expenses	<u>236,423</u>
Change in Net Assets	11,183
Beginning Net Assets	<u>765,857</u>
Ending Net Assets	<u>\$ 777,040</u>

### GOVERNMENTAL REVENUES

The Commission is heavily reliant on property taxes to support governmental operations. Property taxes provided 69% of the Commission's total revenues. As a result, the general economy and the local businesses have a major impact on the Commission's revenue streams.

### BUDGETARY HIGHLIGHTS

The General Fund - The actual revenues exceeded the final budget by \$57,606 or 30% and the actual expenditures were less than the final budget by \$29,998 or 12%.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital assets

The Commission's investment in capital assets, net of accumulated depreciation as of December 31, 2003, was \$408,192. See Note D for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

## NIBLETT'S BLUFF PARK COMMISSION

### Management's Discussion and Analysis (Continued)

Depreciable assets:	
Buildings	\$ 463,855
Leasehold improvements	264,003
Equipment	<u>128,526</u>
Total depreciable assets	856,384
Less accumulated depreciation	<u>448,192</u>
Book value-depreciable assets	<u>\$ 408,192</u>
Percentage depreciated	<u>52 %</u>

#### Long-term debt

At the end of the fiscal year, the Commission had no debt.

#### ECONOMIC CONDITIONS AFFECTING THE COMMISSION

Since the primary revenue stream for the Commission is property taxes, the Commission's property tax revenues are subject to changes in the economy. Since property taxes are considered an "elastic" revenue stream, tax collections are higher in a flourishing economy and are lower in a depressed economy.

#### CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Commission's finances, comply with finance-related laws and regulations, and demonstrate the Commission's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Commission's President, Linda Mott, 1303 Vincent Road, Vinton, LA 70668.



**GRAGSON, CASIDAY & GUILLORY, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

April 23, 2004

Board of Commissioners  
Niblett's Bluff Park Commission  
Vinton, Louisiana

We have audited the accompanying basic financial statements of the Niblett's Bluff Park Commission, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 2003 as listed in the table of contents. These basic financial statements are the responsibility of the Niblett's Bluff Park Commission management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Niblett's Bluff Park Commission as of December 31, 2003 and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated April 23, 2004 on our consideration of Niblett's Bluff Park Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



Page Two

As described in Note B to the basic financial statements, the Niblett's Bluff Park Commission adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments, Statement No. 37, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments; Omnibus, Statement No. 38, Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. This results in a change in the format and context of the basic financial statements.

The Management's Discussion and Analysis and the required supplemental information on pages 3 through 7 and page 29, respectfully, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement of presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

*Gragson Casiday & Guillory*

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

**GRAGSON, CASIDAY & GULLORY, L.L.P.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

NIBLETT'S BLUFF PARK COMMISSION

Statement of Net Assets

December 31, 2003

ASSETS	
Cash	\$ 179,480
Receivables	183,284
Prepaid insurance	13,823
Capital assets; net	<u>408,192</u>
Total assets	<u>784,779</u>
LIABILITIES	
Accounts and other accrued payables	<u>7,739</u>
NET ASSETS	
Invested in capital assets	408,192
Restricted for:	
Capital outlay	89,120
Unrestricted	<u>279,728</u>
Total net assets	<u>\$ 777,040</u>

The accompanying notes are an integral part of these financial statements.

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
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NIBLETT'S BLUFF PARK COMMISSION

Statement of Activities

Year Ended December 31, 2003

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net Revenues (Expenses) and Changes in Net Assets</u>
		<u>Charges for Operating Grants Services and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:			
General government	\$ 236,423	\$ 63,777	\$ (172,646)
		General Revenues:	
		Property taxes, net	169,949
		State revenue sharing	6,950
		Miscellaneous	4,754
		Interest	2,176
		<u>Total General Revenues</u>	<u>183,829</u>
		Change in Net Assets	11,183
		Net Assets, beginning	<u>765,857</u>
		Net Assets, ending	<u>\$ 777,040</u>

The accompanying notes are an integral part of these financial statements.

**FUND FINANCIAL STATEMENTS**

**GRAGSON, CASIDAY & GUILLORY, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

NIBLETT'S BLUFF PARK COMMISSION

Balance Sheet – Governmental Fund

December 31, 2003

ASSETS

	<u>2003</u>	<u>2002</u>
Cash	\$ 179,480	\$ 201,478
Receivable		
Property taxes (net)	175,716	130,195
State revenue sharing	6,950	6,950
Accrued interest	618	1,431
Prepaid insurance	<u>13,823</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 376,587</u></b>	<b><u>\$ 340,054</u></b>

LIABILITIES AND FUND EQUITY

Liabilities		
Accounts payable	\$ 4,906	\$ 5,629
Accrued liabilities	<u>2,833</u>	<u>1,531</u>
<b>TOTAL LIABILITIES</b>	<b><u>7,739</u></b>	<b><u>7,160</u></b>

Fund Equity

Fund balance		
Reserved	89,120	87,713
Unreserved - Undesignated	<u>279,728</u>	<u>245,181</u>
<b>TOTAL FUND EQUITY</b>	<b><u>368,848</u></b>	<b><u>332,894</u></b>

<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 376,587</u></b>	<b><u>\$ 340,054</u></b>
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The accompanying notes are an integral part of these financial statements.

NIBLETT'S BLUFF PARK COMMISSION

Reconciliation of the Balance Sheet-Governmental Fund to the  
Statement of Net Assets

December 31, 2003

Total fund balance for governmental fund at December 31, 2003	\$ 368,848
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net of \$448,192 accumulated depreciation	<u>408,192</u>
Total net assets of governmental activities at December 31, 2003	<u>\$ 777,040</u>

The accompanying notes are an integral part of these financial statements.

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS



NIBLETT'S BLUFF PARK COMMISSION

Statement of Revenues, Expenditures and Changes  
In Fund Balance - Governmental Fund

Year Ended December 31, 2003

	<u>2003</u>	<u>2002</u>
<b>REVENUES</b>		
Ad valorem taxes, net	\$ 169,949	\$ 139,962
State revenue sharing	6,950	6,950
Camper fees	40,725	37,385
Rentals	23,052	18,816
Interest	2,176	3,039
Intergovernmental	2,898	87,713
Other revenues	2,156	2,378
TOTAL REVENUES	<u>247,906</u>	<u>296,243</u>
<b>EXPENDITURES</b>		
General government		
Advertising	1,527	1,963
Care of wildlife	3,523	2,866
Fuel and oil	1,242	603
Insurance	31,455	31,281
Janitorial services	4,191	5,884
Miscellaneous	1,493	1,071
Pest control	1,489	1,296
Professional fees	2,500	2,895
Re-enactment	2,574	3,322
Repairs and maintenance	29,039	19,273
Salaries	80,040	71,268
Sanitation disposal	3,333	3,492
Supplies - general	2,639	1,541
Supplies - janitorial	5,421	4,351
Supplies - office	881	513
Taxes	6,376	5,001
Travel	-	282
Uniforms	478	46
Utilities	30,583	27,920
Capital outlay	3,168	1,902
TOTAL EXPENDITURES	<u>211,952</u>	<u>186,770</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	35,954	109,473
<b>FUND BALANCE - BEGINNING</b>	<u>332,894</u>	<u>223,421</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 368,848</u>	<u>\$ 332,894</u>

The accompanying notes are an integral part of these financial statements.

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CERTIFIED PUBLIC ACCOUNTANTS

NIBLETT'S BLUFF PARK COMMISSION

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balance-Governmental Fund to the Statement of Activities

Year Ended December 31, 2003

Total net changes in fund balance at December 31, 2003  
per Statement of Revenues, Expenditures and Changes in  
Fund Balance \$ 35,954

The change in net assets reported for governmental activities  
in the statement of activities is different because:

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the cost of those  
assets is allocated over their estimated useful lives and  
reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 3,168	
Depreciation expense for the year ended December 31, 2003	<u>(27,939)</u>	<u>(24,771)</u>

Total changes in net assets at December 31, 2003 per Statement  
of Activities \$ 11,183

The accompanying notes are an integral part of these financial statements.

## NIBLETT'S BLUFF PARK COMMISSION

### Notes to Basic Financial Statements

December 31, 2003

#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Niblett's Bluff Park Commission was created by Act 489 of 1980. The Commission consists of seven commissioners initially appointed by the Calcasieu Parish Police Jury. Successors to the original commissioners are appointed by the Commission. The Commission is authorized to develop, maintain and operate Niblett's Bluff Park.

The more significant of the government's accounting policies are described below.

##### 1. 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 Niblett's Bluff Park Commission includes all funds, account groups, et cetera, that are within the oversight responsibility of the Niblett's Bluff Park Commission.

As the governing authority, for reporting purposes, the Calcasieu Parish Policy Jury is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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 Calcasieu Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Calcasieu Parish Police Jury 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 Calcasieu Parish Police Jury.

Continued

## NIBLETT'S BLUFF PARK COMMISSION

### Notes to Basic Financial Statements

December 31, 2003

#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. Organizations for which the Calcasieu Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Calcasieu Parish Police Jury.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, Niblett's Bluff Park Commission is a component unit of the Calcasieu Parish Police Jury's reporting entity.

#### 2. Basis of Presentation

The accompanying basic financial statements of the Commission have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", issued in June 1999. As a result, an entirely new financial presentation format has been implemented.

#### Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the Commission as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees and charges paid by the recipients of services offered by the Commission; and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund Financial Statements

The Commission uses funds to maintain its financial records during the year. Fund accounting is designated to demonstrate legal compliance and to aid management by segregating transactions related to certain Commission functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

The Commission has one fund, the General Fund, which is therefore considered its major fund.

3. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, the activities are presented using the economic resources management focus. In the fund financial statements, the "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

4. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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, 2003, the Commission has \$180,392 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$80,392 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

5. Budgets

A budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Continued

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The proposed budget is presented to the government's Board of Commissioners for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

6. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

7. Capital Assets

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	25-40 years
Leasehold Improvements	20-30 years
Equipment	5 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

8. Compensated Absences

The Commission has the following policy relating to vacation leave (there is no policy on sick leave): seven days after one year of employment, fourteen days after three years and twenty-one days after five years. Earned vacation time is expected to be used within one year of accrual.

At December 31, 2003, the Commission had no liability for accrued vacation leave.

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

9. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

10. Equity Classification

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.



NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE B - CHANGES IN ACCOUNTING PRINCIPLES

For the year ended December 31, 2003, the Commission has implemented GASB Standard No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. GASB Standard No. 34 creates new basic financial statements for reporting the Commission’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Commission also implemented GASB Standard No. 38, Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.

The implementation of GASB Standard No. 34 caused the opening fund balance at December 31, 2002 to be restated in terms of “net assets” as follows:

Total fund balance-Governmental Fund at December 31, 2002		\$ 332,894
Add: Cost of capital assets at December 31, 2002	\$ 853,216	
Less: Accumulated depreciation at December 31, 2002	<u>420,253</u>	<u>432,963</u>
Net assets at December 31, 2002		<u>\$ 765,857</u>

NOTE C - AD VALOREM TAXES

For the year ended December 31, 2003 taxes of 6.18 mills were levied on property with assessed valuations totaling \$27,679,080 and were dedicated as follows:

General corporate purposes	6.18 mills
----------------------------	------------

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE D - CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2003 follows:

	<u>Beginning Of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Governmental activities:				
Buildings	\$ 463,855	\$ -	\$ -	\$ 463,855
Leasehold improvements	262,803	1,200	-	264,003
Equipment	<u>126,558</u>	<u>1,968</u>	-	<u>128,526</u>
Totals at historical cost	853,216	3,168	-	856,384
Less accumulated depreciation for:				
Buildings	142,123	11,705	-	153,828
Leasehold improvements	156,718	12,739	-	169,457
Equipment	<u>121,412</u>	<u>3,495</u>	-	<u>124,907</u>
Total accumulated depreciation	<u>420,253</u>	<u>27,939</u>	-	<u>448,192</u>
Governmental activities capital assets, net	<u>\$ 432,963</u>	<u>\$ (24,771)</u>	<u>\$ -</u>	<u>\$ 408,192</u>

NOTE E - NIBLETT'S BLUFF PARK LEASE

On September 2, 1981, the Commission leased 35 acres, known as Niblett's Bluff Park, from the Calcasieu Parish Police Jury for a period of 25 years. The Commission has the option to renew the lease for one additional period of 25 years. The Commission agreed to care for and maintain the grounds and improvements of the leased premises and to use the leased premises specifically for such activities as related to matters of recreation for the general public in the area served by the lease.

NOTE F - RISK MANAGEMENT

The Commission 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 Commission maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Commission. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NIBLETT'S BLUFF PARK COMMISSION

Notes to Basic Financial Statements

December 31, 2003

NOTE G – FUND BALANCE-RESERVED

The \$89,120 is reserved and dedicated for bulkhead improvements related to the erosion control at the park.

NOTE H – CONTINGENCY

In October 2003 management detected the possibility of employee theft. Through an internal investigation, it was discovered that approximately \$27,500 of rental fees for the period from July 2001 through October 2003 had not been deposited and original receipts had been altered. The District maintains a \$10,000 employee theft insurance policy. This matter has been submitted to the insurance company and they are currently performing a review of the claim.

**REQUIRED SUPPLEMENTAL INFORMATION**

NIBLETT'S BLUFF PARK COMMISSION

Budgetary Comparison Schedule – General Fund

Year Ended December 31, 2003

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Ad valorem taxes, net	\$ 130,000	\$ 169,949	\$ 39,949
State revenue sharing	7,000	6,950	(50)
Camper fees	34,000	40,725	6,725
Rentals	17,600	23,052	5,452
Interest	500	2,176	1,676
Intergovernmental	-	2,898	2,898
Other revenues	1,200	2,156	956
TOTAL REVENUES	<u>190,300</u>	<u>247,906</u>	<u>57,606</u>
<b>EXPENDITURES</b>			
General government			
Advertising	1,600	1,527	73
Care of wildlife	3,000	3,523	(523)
Fuel and oil	1,000	1,242	(242)
Insurance	35,000	31,455	3,545
Janitorial services	4,000	4,191	(191)
Miscellaneous	8,100	1,493	6,607
Pest control	1,500	1,489	11
Professional fees	2,500	2,500	-
Re-enactment	4,200	2,574	1,626
Repairs and maintenance	19,000	29,039	(10,039)
Salaries	78,000	80,040	(2,040)
Sanitation disposal	3,200	3,333	(133)
Security	500	-	500
Supplies - general	1,500	2,639	(1,139)
Supplies - janitorial	4,000	5,421	(1,421)
Supplies - office	1,000	881	119
Taxes	6,150	6,376	(226)
Travel	300	-	300
Uniforms	400	478	(78)
Utilities	32,000	30,583	1,417
Capital outlay	35,000	3,168	31,832
TOTAL EXPENDITURES	<u>241,950</u>	<u>211,952</u>	<u>29,998</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(51,650)	35,954	87,604
<b>FUND BALANCE - BEGINNING</b>	<u>332,894</u>	<u>332,894</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 281,244</u>	<u>\$ 368,848</u>	<u>\$ 87,604</u>

GRAGSON, CASIDAY & GUILLORY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS



**GRAGSON, CASIDAY & GUILLORY, L.L.P.**  
CERTIFIED PUBLIC ACCOUNTANTS

W. GEORGE GRAGSON, C.P.A.  
RICHARD W. CASIDAY, C.P.A.  
RAYMOND GUILLORY, JR., C.P.A.  
GRAHAM A. PORTUS, E.A.  
COY T. VINCENT, C.P.A.  
MICHELLE BOURNE, C.P.A.  
BRADLEY J. CASIDAY, C.P.A., C.V.A.

JULIA W. PORTUS, C.P.A.  
DAWN REDD, C.P.A.  
MELONIE L. HIMEL, C.P.A.

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

April 23, 2004

Board of Commissioners  
Niblett's Bluff Park Commission  
Vinton, Louisiana

We have audited the financial statements of the Niblett's Bluff Park Commission, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 2003, and have issued our report thereon dated April 23, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Niblett's Bluff Park Commission'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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Niblett's Bluff Park Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. A reportable condition involves matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial that, in our judgment,

Niblett's Bluff Park Commission  
April 23, 2004  
Page Two

could adversely affect Niblett's Bluff Park Commission's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2003-01.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

This report is intended solely for the information and use of management and the Board of Commissioners and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Gragson Casiday & Guillory*

NIBLETT'S BLUFF PARK COMMISSION

Schedule of Findings and Questioned Costs

December 31, 2003

1. Summary of Auditors' Results:

- a) Auditor issued an unqualified opinion on the financial statements.
- b) No reportable conditions in internal control over financial reporting and its operation were disclosed by the audit of the financial statements.
- c) Noncompliance, which is material to the financial statements, was disclosed by the audit of the financial statements.

2. Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

Finding 2003-01:

Condition - In October 2003 management detected the possibility of employee theft. Through an internal investigation, it was discovered that approximately \$27,500 of rental fees for the period from July 2001 through October 2003 had not been deposited and original receipts had been altered. The District maintains a \$10,000 employee theft insurance policy. This matter has been submitted to the insurance company and they are currently performing a review of the claim.

Criteria - All collected rental fees should be accounted for through documented receipts and deposited in Commission accounts.

Effect - Employee theft of approximately \$27,500.

Cause - Low level of internal controls.

Recommendation - The Commission should strengthen internal controls over the collection of rental fees, including the periodic review of original receipts and rental log books and reconciliation to bank deposits.

Management Response (Corrective Action Plan) - Management agrees with the finding. Recommendations will be implemented and monitored on an ongoing basis.

3. Findings and Questioned Costs for Federal Awards

N/A

4. Prior Year Findings

None