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FINANCIAL STATEMENTS
AND AUDITORS' REPORT

COMMUNITY CENTER & PLAYGROUND DISTRICT
NO. 3 OF WARD 7 OF CALCASIEU PARISH
CALCASIEU PARISH POLICE JURY

December 31, 1999

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 JUN 21 2000



Langley, Williams & Company, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

205 W. COLLEGE STREET
LAKE CHARLES, LOUISIANA 70605-1625
(337) 477-2827
1(800) 713-8432
FAX (337) 478-8418

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
MICHAEL F. CALLOURA
PHILLIP D. ABSHIRE, JR.
DAPHNE B. CLARK
J. AARON COOPER

MEMBERS OF -
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
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CERTIFIED PUBLIC ACCOUNTANTS
SEC PRACTICE SECTION
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
Calcasieu Parish Police Jury
Vinton, Louisiana

We have audited the accompanying financial statements of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish, a component unit of the Calcasieu Parish Police Jury, as of December 31, 1999, and for the year then ended. 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 the standards applicable to financial audits contained in *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 financial statements referred to above present fairly, in all material respects, the financial position of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Governmental Auditing Standards*, we have also issued our report dated April 30, 2000, on our consideration of the District's internal control over financial reporting and our test of its compliance with certain provisions of laws and regulations.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of per diem paid board members is presented for purposes of additional analysis as required by the Louisiana Legislative Auditor, and is not a required part of the financial statements.

Langley, Williams & Co., LLC

April 30, 2000

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

COMBINED BALANCE SHEET - ALL FUND
TYPES AND ACCOUNT GROUPS

December 31, 1999

	GOVERNMENTAL FUND TYPE GENERAL FUND	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
ASSETS				
Cash	\$ 65,167	\$ -	\$ -	\$ 65,167
Ad valorem tax receivable, net of allowance for doubtful accounts	199,832	-	-	199,832
State revenue sharing receivable	4,633	-	-	4,633
Fixed assets	-	867,499	-	867,499
Amount to be provided for retirement of general long-term debt	-	-	55,507	55,507
Total assets	\$ 269,632	\$ 867,499	\$ 55,507	\$ 1,192,638
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 2,222	\$ -	\$ -	\$ 2,222
Payroll taxes payable	1,127	-	-	1,127
Deductions from ad valorem tax receivable:				
Retirement systems	6,530	-	-	6,530
Note payable	-	-	55,507	55,507
Total liabilities	9,879	-	55,507	65,386
Fund equity:				
Investment in general fixed assets	-	867,499	-	867,499
Fund balance:				
Unreserved - undesignated	259,753	-	-	259,753
Total fund equity	259,753	867,499	-	1,127,252
Total liabilities and fund equity	\$ 269,632	\$ 867,499	\$ 55,507	\$ 1,192,638

The accompanying notes are an integral part of this statement.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND TYPE - GENERAL FUND

Year Ended December 31, 1999

REVENUES	
Ad valorem taxes	\$ 206,149
Interest	5,227
Concession	1,684
Registration fees	7,894
Rental	730
State revenue sharing	6,950
Pool admissions	2,838
Riverboat endowment	28,500
Other	10,973
Total revenues	270,945
EXPENDITURES	
General government:	
Accounting	2,000
Bad debt	6,662
Bank charges	412
Deductions from ad valorem taxes - retirement	6,530
Insurance	26,385
Maintenance and supplies	15,751
Office	4,168
Officials	4,100
Salaries	60,143
Supplies - concessions	1,568
Sports and recreation	14,518
Payroll taxes	4,734
Telephone and utilities	21,918
Capital outlay	43,347
Debt service:	
Principal	34,493
Interest	3,875
Total expenditures	250,604
EXCESS OF REVENUES OVER EXPENDITURES	20,341
FUND BALANCE - BEGINNING OF YEAR	239,412
FUND BALANCE - END OF YEAR	\$ 259,753

The accompanying notes are an integral part of this statement.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

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

Year Ended December 31, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad valorem taxes	\$ 178,000	\$ 206,149	\$ 28,149
Interest	4,000	5,227	1,227
Concession	1,600	1,684	84
Registration fees	7,800	7,894	94
Rental	700	730	30
State revenue sharing	7,000	6,950	(50)
Pool admissions	2,800	2,838	38
Riverboat endowment	25,000	28,500	3,500
Other	14,000	10,973	(3,027)
Total revenues	240,900	270,945	30,045
EXPENDITURES			
General government:			
Accounting	2,000	2,000	-
Bad debt	-	6,662	(6,662)
Bank charges	-	412	(412)
Deductions from ad valorem taxes - retirement	3,000	6,530	(3,530)
Insurance	25,000	26,385	(1,385)
Maintenance and supplies	29,500	15,751	13,749
Medical	100	-	100
Office	5,800	4,168	1,632
Officials	4,000	4,100	(100)
Salaries	54,000	60,143	(6,143)
Supplies - concessions	1,500	1,568	(68)
Sports and recreation	15,000	14,518	482
Payroll taxes	6,000	4,734	1,266
Telephone and utilities	22,000	21,918	82
Capital outlay	34,600	43,347	(8,747)
Debt service:			
Principal	34,500	34,493	7
Interest	3,900	3,875	25
Total expenditures	240,900	250,604	(9,704)
EXCESS OF REVENUES OVER EXPENDITURES	-	20,341	20,341
FUND BALANCE - BEGINNING OF YEAR	239,412	239,412	-
FUND BALANCE - END OF YEAR	\$ 239,412	\$ 259,753	\$ 20,341

The accompanying notes are an integral part of this statement.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

NOTES TO FINANCIAL STATEMENTS

December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish was created by the Calcasieu Parish Police Jury, as authorized by Act 82 of 1948. The District is governed by a board of five commissioners appointed by the Calcasieu Parish Police Jury. The District establishes regulations governing its parks, playgrounds, and community centers and provides administration, management, maintenance, and operations of the facilities.

The financial statements of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The District is a component unit of the Calcasieu Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Fund Accounting

The District uses funds and account groups 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the fund because they do not directly affect net expendable available financial resources.

The general fund is used to account for all of the District's activities.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund is 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 of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity of three months or less.

E. Accounts Receivable

Uncollectible amounts due for ad valorem taxes are recognized as bad debts using the allowance method. The allowance for bad debt at December 31, 1999, was \$4,123.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgets

A budget is adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted 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.

The proposed budget is presented to the District'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.

Expenditures may not legally exceed budgeted appropriations by more than five percent. During the year, several supplementary appropriations were necessary.

G. Fixed Assets

Capital acquisition and construction are reflected as expenditures in the general fund, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Assets in the general fixed assets account group are not depreciated.

H. Memorandum Only - Total Columns

Total columns on the general-purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 1999

NOTE 2 - AD VALOREM TAXES

For the year ended December 31, 1999, taxes of 8.14 mills and 3.00 mills were levied on property with assessed valuations totaling \$18,505,420 and were dedicated as follows:

General operating purposes	8.14 mills
Swimming pool	3.00 mills

Total taxes levied were \$206,151.

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.

NOTE 3 - CASH AND INVESTMENTS

At December 31, 1999, the District has cash and cash equivalents (book balances) totaling \$65,167. All cash and cash equivalents are held in demand deposit accounts.

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, 1999, the district has \$89,977 in collected bank balances. These deposits are secured from risk by \$100,000 of federal deposit insurance and \$151,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 1999

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Land	\$ 55,862	\$ -	\$ -	\$ 55,862
Buildings & improvements	726,217	18,537	-	744,754
Equipment	<u>42,073</u>	<u>24,810</u>	<u>-</u>	<u>66,883</u>
Total	<u>\$ 824,152</u>	<u>\$ 43,347</u>	<u>\$ -</u>	<u>\$ 867,499</u>

NOTE 5 - RETIREMENT COMMITMENTS

Employees of the district are covered under the State of Louisiana Social Security Program. The district is required to remit an amount equal to the employee's contribution. The district does not guarantee any of the benefits granted by the State of Louisiana Social Security Program.

NOTE 6 - NOTE PAYABLE

Note payable is due in two annual principal and interest installments of \$38,368 beginning March 1, 1999, with a final principal and interest installment of \$21,224 due March 1, 2001. Interest on the note accrues at 5.4% and is secured by the 3.00 mills ad valorem tax (see Note 2).

Balance at beginning of year	\$ 90,000
Less: Principal payments	<u>34,493</u>
Balance at end of year	<u>\$ 55,507</u>

SUPPLEMENTAL INFORMATION

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

PER DIEM PAID BOARD MEMBERS

December 31, 1999

PER DIEM PAID BOARD MEMBERS

As provided by Louisiana Revised Statute 38:1794, the board members may receive \$10 per diem for each regular and special meeting attended but shall not be paid for more than twelve meetings in each year. However, at this time the District is not paying per diem.



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LAKE CHARLES, LOUISIANA 70605-1625
(337) 477-2827
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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
Calcasieu Parish Police Jury
Vinton, Louisiana

We have audited the financial statements of the Community Center & Playground District No. 3 of Ward 7, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated April 30, 2000. 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 is required to be reported under *Government Auditing Standards*.

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 general purpose 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

Board of Commissioners
Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
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misstatements in amounts that would be material in relation to the general purpose 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.

This report is intended for the information of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish's management, the Board of Commissioners, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Randy Lee Williams & Co., LLC

April 30, 2000

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

December 31, 1999

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish.
2. No material weaknesses, reportable conditions, or instances of noncompliance were identified during the audit of the financial statements in the report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
4. A separate management letter was not issued.

Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish

SCHEDULE OF PRIOR YEAR FINDINGS

December 31, 1999

Instances of Noncompliance

98-1

- Finding: Actual expenditures exceeded budget expenditures in the general fund.
- Cause: The instance was caused from not including expenditures to be financed from the proceeds of long-term debt and fund balance in the budget for a one-time capital project.
- Recommendation: A comparison of actual expenditures to budgeted expenditures should be reviewed periodically during the year and the budget amended accordingly. Additionally, beginning fund balance should be included as an available resource for current year expenditures.
- Resolution: The District fully implemented the recommendations during the current year.