

**RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
CONCORDIA PARISH POLICE JURY
Monterey, Louisiana**

General Purpose Financial Statements
and Accountant's Compilation Report

December 31, 2017

and for the Year Then Ended

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
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SECTION I
AFFIDAVIT

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
Monterey, Louisiana

**ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATES OF REVENUES \$200,000 OR LESS**

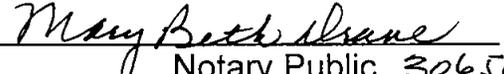
AFFIDAVIT

Personally came and appeared before the undersigned authority, Jack Bairnsfather, who is duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Recreation District #2 of the Parish of Concordia as of December 31, 2017, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Jack Bairnsfather, who, duly sworn, deposes and says that the Recreation District #2 of the Parish of Concordia received \$200,000 or less in revenues and other sources for the fiscal year ended December 31, 2017, and, accordingly, is not required to have an audit or review for the previously mentioned fiscal year end.


Signature

Sworn to and subscribed before me, this 20th day of June, 2018.


Notary Public 30650

Officer: President
Address: Post Office Box 314
Monterey, Louisiana 71354
Telephone: (318) 386-2214

SECTION II
FINANCIAL STATEMENTS

JERI SUE TOSSPON, CPA, LLC

Certified Public Accountant
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BOARD OF COMMISSIONERS RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA

Management is responsible for the accompanying financial statements of Recreation District #2 of the Parish of Concordia, which comprise the balance sheet as of December 31, 2017 and the related statement of income and expense for the year then ended as listed in the table of contents in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statement on Standards for Accounting and Review Services Promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the accompanying financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, conclusion, nor provide any form of assurance on these financial statements. The District has elected not to implement the reporting provisions found in GASB Statement 34. The effects of this departure from generally accepted accounting principles have not been determined.

Accounting principles generally accepted in the United States of America require that the following supplementary information be presented to supplement the basic financial statements:

Budgetary Comparison Schedule

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America required to be presented to supplement the basic financial statements. The Management Discussion and Analysis, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical content.

I am not independent with regard to the Recreation District #2 of the Parish of Concordia.



June 11, 2018

CONSOLIDATED RECREATION DISTRICT #2 OF CONCORDIA PARISH
BALANCE SHEET
 (ALL FUND TYPES AND ACCOUNT GROUPS)
 December 31, 2017

	Governmental Fund <u>General Fund</u>	Account Group General Fixed <u>Assets</u>	Total (Memorandum Only) <u>Only</u>
ASSETS			
Cash (Note 3)	\$ 217,900		\$ 217,900
Receivables:			
Ad valorem taxes	48,276		48,276
Revenue sharing	1,974		1,974
Accrued interest	640		640
Buildings and equipment (Note 4)		\$ 211,777	211,777
Total Assets	<u>\$ 268,790</u>	<u>\$ 211,777</u>	<u>\$ 480,567</u>
LIABILITIES AND FUND EQUITY			
Liabilities	\$ 228		\$ 228
Fund equity			
Investment in general fixed assets		\$ 211,777	\$ 211,777
Fund balance, unreserved and undesignated	\$ 268,562		268,562
Total Fund Equity	<u>\$ 268,562</u>	<u>\$ 211,777</u>	<u>\$ 480,339</u>
Total Liabilities and Fund Equity	<u>\$ 268,790</u>	<u>\$ 211,777</u>	<u>\$ 480,567</u>

See accompanying notes and accountant's compilation report.

CONSOLIDATED RECREATION DISTRICT #2 OF CONCORDIA PARISH
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
(GOVERNMENTAL FUND - GENERAL FUND)
ONE YEAR ENDED DECEMBER 31, 2017

REVENUES

Ad valorem taxes	\$ 69,296
State revenue sharing and federal in lieu of taxes	6,754
Interest earned	477
Concessions, fees and services	1,920
Total Revenue	\$ 78,447

EXPENDITURES

Recreation services	
Personal services	\$ 20,959
Operating services	15,019
Office expense	223
Materials and supplies	11,644
Insurance	3,125
Professional fees	3,500
Election expense	526
Capital outlay	14,286
Total Expenditures	\$ 69,282

EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 9,165
FUND BALANCE, JANUARY 1	259,397
FUND BALANCE, DECEMBER 31	\$ 268,562

See accompanying notes and accountant's compilation report.

CONSOLIDATED RECREATION DISTRICT #2 OF CONCORDIA PARISH
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
(GOVERNMENTAL FUND - GENERAL FUND)
BUDGET (CASH BASIS) AND ACTUAL
ONE YEAR ENDED DECEMBER 31, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
RECEIPTS			
Ad valorem taxes	\$ 75,500	\$ 76,999	\$ 1,499
State revenue sharing and federal in lieu of	4,400	6,106	1,706
Interest earned	450	477	27
Concessions, fees and services	<u>2,000</u>	<u>1,920</u>	<u>(80)</u>
 Total Receipts	 <u>\$ 82,350</u>	 <u>\$ 85,502</u>	 <u>\$ 3,152</u>
 DISBURSEMENTS			
Recreation services			
Personal services and related benefits	\$ 21,500	\$ 20,959	\$ 541
Operating services	17,000	15,022	1,978
Materials and supplies	8,000	11,644	(3,644)
Office expense		223	(223)
Insurance	3,200	3,125	75
Professional fees	2,500	3,500	(1,000)
Election expense		526	
Capital outlay	<u>14,000</u>	<u>14,286</u>	<u>(286)</u>
 Total Disbursements	 <u>\$ 66,200</u>	 <u>\$ 69,285</u>	 <u>\$ (3,085)</u>
 EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	 <u>\$ 16,150</u>	 <u>\$ 16,217</u>	 <u>\$ (67)</u>
 CASH AND CERTIFICATES OF DEPOSIT BALANCE, JANUARY 1	 <u>201,683</u>	 <u>201,683</u>	 <u>-</u>
 CASH AND CERTIFICATES OF DEPOSIT BALANCE, DECEMBER 31	 <u>\$ 217,833</u>	 <u>\$ 217,900</u>	 <u>\$ (67)</u>

See accompanying notes and accountant's compilation report.

RECREATION DISTRICT #2 OF THE PARISH OF CONCORDIA
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2017

NOTE 1 - INTRODUCTION

Recreation District #2 of the Parish of Concordia (Recreation District #2) was created by an ordinance of the Concordia Parish Police Jury on November 27, 1957, in accordance with Louisiana Revised Statute 33:4564. The Recreation District #2 is governed by a board of five commissioners who are qualified voters and residents of the district. The commissioners are jointly referred to as the board of commissioners and appointed by the members of the Concordia Parish Police Jury. The commissioners serve terms of five years, which expire on a rotating basis. The Recreation District was created for the purpose of owning and operating playgrounds and other facilities in the district and to initiate activities that promote recreation for the general health and well-being of youth. Louisiana law provides that the commissioners may receive a per diem of \$10.00 for each meeting they attend, but shall not be paid for more than twelve (12) meetings in each year. The commissioners have elected not to receive any compensation. In addition, the district employs no full-time employees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation - The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units, except for the effect of the District's election not to implement the provisions of GASB Statement 34. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity - As the governing authority of the parish, for reporting purposes, the Concordia Parish Police Jury is the financial reporting entity for Concordia Parish. The financial reporting entity consists of (a) the primary government (police jury), (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 Concordia

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 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 police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
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 police jury appoints a voting majority of the Recreation District's board and said board is fiscally dependent on the police jury, the district was determined to be a component unit of the Concordia Parish Police Jury, the financial reporting entity. 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 governmental reporting entity.

C. Fund Accounting - The Recreation District uses a fund and an account group 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. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The General Fund of the Recreation District is classified as a governmental fund. The General Fund accounts for the District's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets.

D. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents 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 - Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Interest income on time deposits is recorded when the interest is earned and could be withdrawn.

Substantially all other revenues are recognized when received.

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

E. Budgets - Louisiana law exempts all special districts created before December 31, 1974, from the requirements of the Local Government Budget Act. The Recreation District #2 of the Parish of Concordia was created on November 27, 1957, and, accordingly, is exempt from the budgetary requirements, although management has determined that the adoption of an annual budget is desired for control purposes. The Recreation District's budget is prepared on a cash basis of accounting. Unexpended appropriations lapse at year end, and the Recreation District does not employ encumbrance accounting.

F. Cash and Cash Equivalents - Cash includes amounts in interest bearing demand deposits and cash equivalents include amounts in time deposits. Time deposits are stated at cost. Under state law, the District 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.

G. Fixed Assets - Fixed assets are recorded as expenditures at the time purchased or constructed and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost or estimated historical cost, using the current cost for like items, if historical cost is not available.

H. Equity Classifications - The balance sheet presents fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District had \$211,777 in nonspendable funds for the year ended December 31, 2017.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District did not have any restricted funds for the year ended December 31, 2017.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Commissioners typically established commitments through the adoption and amendment of the budget. The District did not have any committed funds for the year ended December 31, 2017.

Assigned: This classification includes amounts that are constrained by the

District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Commissioners or through the Board delegating this responsibility to a body or official for specific purposes. This classification includes the remaining positive fund balance for all governmental funds except for the general fund. The District did not have any committed funds for the year ended December 31, 2017.

Unassigned: This classification includes the residual fund balance for the general fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. The District has \$268,562 of unassigned funds in the general fund.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

H. Total Column on Balance Sheet - The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 3 - CASH AND CERTIFICATES OF DEPOSIT

At December 31, 2017, the District has cash and certificates of deposits (book balances), totaling \$217,900, as follows:

Interest-bearing demand deposits	\$ 191,104
Time deposits	<u>26,796</u>
Total	<u>\$217,900</u>

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. At December 31, 2017, the District has \$217,900 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance.

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 2017, follows:

	<u>Equipment</u>	<u>Buildings</u>	<u>Total</u>
Balance, January 1, 2017	\$95,958	\$101,533	\$197,491
Additions	<u>-0-</u>	<u>14,286</u>	<u>14,286</u>
Balance, December 31, 2017	<u>\$95,958</u>	<u>\$115,819</u>	<u>\$211,777</u>

At December 31, 2017, approximately 40 percent of the general fixed assets are recorded at historical cost and 60 percent are recorded at estimated historical cost.

The Recreation District is located on land owned by the Concordia Parish School Board. On February 3, 1987, the school board and the district renewed an existing agreement which provides for use of the land by the Recreation District. The current agreement will expire February 2, 2027.

NOTE 5 - RECONCILIATION OF REVENUES AND EXPENDITURES WITH RECEIPTS AND DISBURSEMENTS

The budget comparison presented in the accompanying financial statements includes the original adopted budget. The following is a reconciliation of the excess of revenues over expenditures on the statement on page 5 to the statement on page 6:

Excess (deficiency) of revenues over expenditures (Page 5)	\$ 9,165
Adjustments for:	
Current year accruals (net)	(50,022)
Prior year accruals (net)	<u>57,074</u>
Excess (deficiency) of receipts over disbursements (Page 6)	<u>\$ 16,217</u>

NOTE 6 - LEVIED TAXES

The District is authorized to and has levied a 6.21 mill ad valorem tax for 2017 for the operation and maintenance of the District.

NOTE 7 - LITIGATION

The District is not involved in any litigation at December 31, 2017.

NOTE 8 - EMPLOYEE BENEFITS

The District has no full-time employees and does not participate in any retirement plan, other than the federal Social Security program. It does not offer any other employee benefits.

NOTE 9 – SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

Agency Head Name: Jack Bairnsfather

There was no compensation, reimbursement or benefits paid to Jack Bairnsfather this fiscal year.