

**CONCORDIA PARISH RECREATION
DISTRICT NO. 3
(A COMPONENT UNIT OF THE
CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2010**

**WITH
INDEPENDENT AUDITOR'S REPORT**

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 8/31/11



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS and ADVISORS

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA**

Annual Financial Statements
As of and for the Year Ended December 31, 2010
With Supplemental Information Schedules

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Concordia Parish Recreation District No. 3
Concordia Parish Police Jury
Vidalia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Parish Recreation District No. 3 (the District), a component unit of the Concordia Parish Police Jury, as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. 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 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. 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 basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Parish Recreation District No. 3 as of December 31, 2010, and the respective changes in financial position thereof 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 July 7, 2011, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 6 be presented to supplement the basic financial statements. 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Silas Simmons, LLP

Natchez, Mississippi
July 7, 2011

SECTION I
REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

INTRODUCTION

As management of the Concordia Parish Recreation District No. 3, Vidalia, Louisiana, we offer readers of the Recreation District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended December 31, 2010 and 2009. We encourage readers to consider the information presented here in conjunction with additional information found within the body of the audit.

FINANCIAL HIGHLIGHTS

The financial statements included in this report provide insight into the financial status for the year. Based upon the operations of 2010 and 2009, the Concordia Parish Recreation District No. 3's net assets increased and resulted in ending net assets of \$2,579,077 at December 31, 2010, and \$2,361,534 at December 31, 2009.

1. The cash balance for the District was \$1,487,807 in 2010 and \$1,265,254 in 2009.
2. The general fund had \$363,036 in revenues for 2010, compared to \$388,939 in 2009. These primarily consisted of the property taxes and interest income. There were \$145,493 in general fund expenditures for 2010, and \$164,937 for 2009.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Concordia Parish Recreation District No. 3's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the *basic financial statements* themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two 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 District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year.

The government-wide financial statements outline functions of the District that are principally supported by property taxes. Fixed assets are also supported by taxes and other revenues.

The government-wide financial statements can be found on pages 7 - 8 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The basic governmental fund financial statements can be found on pages 9 - 12 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 - 17 of this report.

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of net assets for the periods ending December 31, 2010 and 2009:

	Governmental Activities	
	2010	2009
Current assets	\$ 1,844,443	\$ 1,601,823
Noncurrent assets - capital assets	<u>742,105</u>	<u>761,129</u>
Total assets	<u>\$ 2,586,548</u>	<u>\$ 2,362,952</u>
Current liabilities	\$ 7,471	\$ 1,418
Total liabilities	<u>\$ 7,471</u>	<u>\$ 1,418</u>
Net assets		
Investment in capital assets	\$ 742,105	\$ 761,129
Unrestricted	<u>1,836,972</u>	<u>1,600,405</u>
Total net assets	<u>\$ 2,579,077</u>	<u>\$ 2,361,534</u>

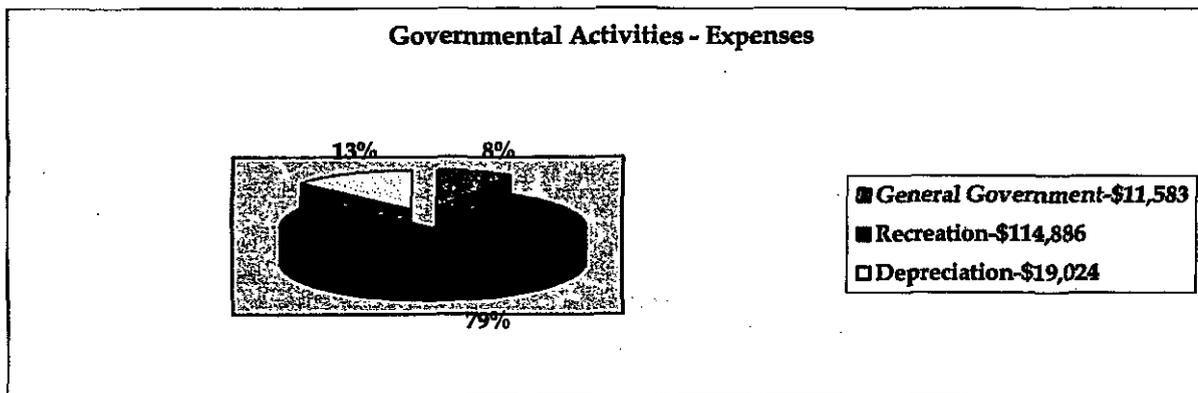
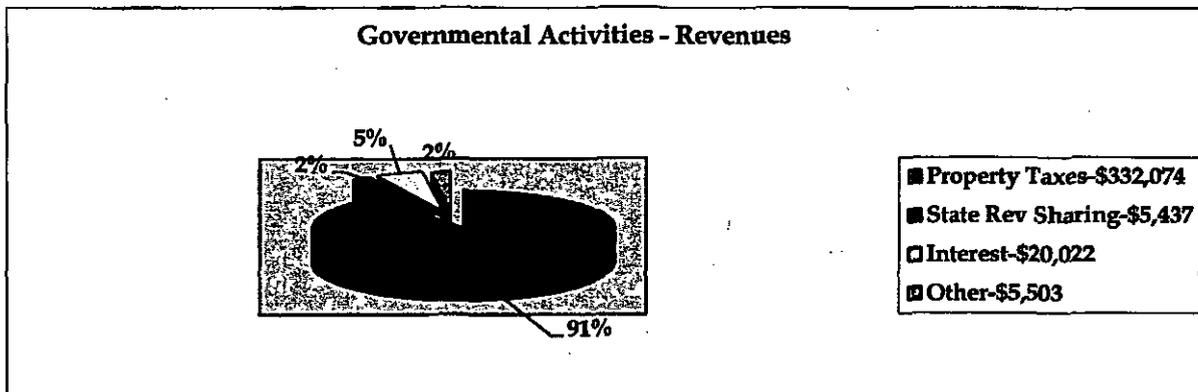
The following is a summary of the statement of activities for the periods ending December 31, 2010 and 2009:

	2010	2009
Revenues:		
Ad valorem taxes	\$ 332,074	\$ 338,454
State revenue sharing	5,437	6,691
Interest income	20,022	37,769
Other income	<u>5,503</u>	<u>6,025</u>
Total revenues	<u>\$ 363,036</u>	<u>\$ 388,939</u>
Expenses:		
Finance and administration	\$ 11,583	\$ 20,542
Culture and recreation	114,886	124,883
Depreciation	<u>19,024</u>	<u>19,512</u>
	<u>\$ 145,493</u>	<u>\$ 164,937</u>
Increase in net assets	\$ 217,543	\$ 224,002
Net assets, January 1	<u>2,361,534</u>	<u>2,137,532</u>
Net assets, December 31	<u>\$ 2,579,077</u>	<u>\$ 2,361,534</u>

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

The following are a graphical representation of information presented in the Statement of Activities for Governmental Activities for the year 2010.



The notes to the financial statements have additional information presented that is essential to a full understanding of the data provided in the government-wide financial statements.

Comments on General Fund Budget Comparisons

The District, as a special district created before December 31, 1974, is not required to adopt a budget under the Louisiana Government Budget Act, therefore no budget was adopted by the District.

CAPITAL ASSETS

As of December 31, 2010 and 2009, the District had \$742,105 and \$761,129, respectively, invested in capital assets.

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

CONSTRUCTION PLANS

The District signed a construction contract in June of 2011 to build a new recreation complex consisting of ball fields and other facilities. The project will be financed by bonds issued by local banks. The construction contract totaled \$3,450,000.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or request for additional information may be directed to Lula Caldwell, Secretary, 501 Holly Street, Vidalia, LA 71373.

SECTION II
BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,487,807
Receivables:	
Accounts	342,582
Accrued interest	11,944
Prepaid expenses	2,110
Capital assets (net)	<u>742,105</u>
Total assets	<u>\$ 2,586,548</u>

LIABILITIES

Current liabilities:	
Accounts and other payables	<u>\$ 7,471</u>

NET ASSETS

Invested in capital assets	\$ 742,105
Unrestricted	<u>1,836,972</u>
Total net assets	<u>\$ 2,579,077</u>

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

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

REVENUES

Ad valorem taxes	\$	332,074
State revenue sharing		5,437
Interest income		20,022
Other income		<u>5,503</u>
Total revenues	\$	<u>363,036</u>

EXPENDITURES

General government:		
Finance and administration	\$	11,583
Culture and recreation		<u>133,910</u>
Total expenditures	\$	<u>145,493</u>
Change in net assets	\$	217,543
Net assets, beginning of year		<u>2,361,534</u>
Net assets, end of year	\$	<u>2,579,077</u>

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

FUND FINANCIAL STATEMENTS

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2010**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,487,807
Receivables:	
Accounts	342,582
Accrued interest	11,944
Prepaid expenses	<u>2,110</u>
Total assets	<u>\$ 1,844,443</u>

LIABILITIES

Current liabilities:	
Accounts and other payables	<u>\$ 7,471</u>
Fund balances:	
Unrestricted	<u>\$ 1,836,972</u>
Total liabilities and fund balance	<u>\$ 1,844,443</u>

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

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2010

Total fund balances for governmental funds (Statement C) \$ 1,836,972

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:

Land	527,540
Buildings net of \$261,548 accumulated depreciation	79,035
Equipment net of \$272,573 accumulated depreciation	<u>135,530</u>

Total net assets of governmental activities (Statement A) \$ 2,579,077

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

REVENUES

Ad valorem taxes	\$ 332,074
State revenue sharing	5,437
Interest income	20,022
Other income	<u>5,503</u>
Total revenues	\$ <u>363,036</u>

EXPENDITURES

General government:	
Finance and administration	\$ 11,583
Culture and recreation	<u>114,886</u>
Total expenditures	\$ <u>126,469</u>
Net change in fund balance	\$ 236,567
Fund balance, beginning of year	<u>1,600,405</u>
Fund balance, end of year	\$ <u>1,836,972</u>

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

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

Net changes in fund balance – governmental fund (Statement E)	\$ 236,567
Amounts reported for governmental activity in the statements of activity are 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.	
Depreciation expense for the year	<u>(19,024)</u>
Change in net assets per statement of activities (Statement B)	<u>\$ 217,543</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010**

INTRODUCTION

1. The Concordia Parish Recreation District No. 3 (the District) was created by ordinance of the Concordia Parish Police Jury on May 28, 1958, as provided by Louisiana Revised Statutes 33:4562-4566. The District has been a component unit of the Concordia Parish Police Jury since inception in 1958.
2. The purpose of the District is to own and operate playgrounds and other facilities in the District and to initiate activities that would promote recreation relating to the general health and well being of youths.
3. The District is located in Vidalia and surrounding areas of Concordia Parish, Louisiana.
4. The population of the District is approximately 7,200.
5. The District is governed by seven commissioners appointed by the Concordia Parish Police Jury. The commissioners serve without pay.
6. The District has a secretary, two maintenance, and three or four other part-time independent contractors.
7. Approximately 1,000 youth and adults participate in the District's facilities and programs each year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Concordia Parish Recreation District No. 3 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

The District is a component unit of the Concordia 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.

C. 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 relating to certain government functions or activities.

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

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.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The governmental fund of the District includes:

1. General Fund - the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are 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. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

The District receives property taxes directly from the Concordia Parish Tax Collector who collects the taxes. The District sets its taxes based on voter approved millages. The assessed values of property are determined by the Concordia Parish Tax Assessor. All other revenues are collected by the District.

Expenditures

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function.

E. DEPOSITS AND INVESTMENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. RECEIVABLES AND PAYABLES

All trade and property tax receivables are shown net of allowance for uncollectables. Property taxes are levied on a calendar year basis and become due on January 1 of each year. The District is authorized to levy a 4 mill tax for the operation and maintenance of the District. The District levied taxes of 3.89 mills for year 2010.

The following are the principal taxpayers and related property tax revenues for the District:

	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for District</u>
Catalyst Old River	Hydro Power	\$ 35,581,680	40.0%	\$ 142,327
Union Underwear, Inc.	Clothing	14,368,040	16.1%	55,892
		<u>\$ 49,949,720</u>	<u>\$ 56.1%</u>	<u>\$ 198,219</u>

G. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the applicable government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 for capitalizing capital assets.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	10 - 40 years
Equipment	5 - 20 years

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

J. BUDGET PRACTICES

The District did not adopt budgets for its funds for the year ended December 31, 2010; therefore, the financial statements do not reflect a comparison of revenues and expenditures to budget. Louisiana law exempts all special districts created before December 31, 1974, from the requirements of the Louisiana Government Budget Act.

NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2010, the District has cash and cash equivalents (book balances) totaling \$1,487,807. All deposits were interest bearing demand deposits (\$28,033) or interest bearing certificates of deposit (\$1,459,774).

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or 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, 2010, the District has \$1,488,303 in deposits (collected bank balances). These deposits are secured from risk by \$778,528 of federal deposit insurance and \$1,072,941 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

NOTE 3 - RECEIVABLES

The receivables of \$354,526 at December 31, 2010, are as follows:

Ad valorem	\$	342,582
Interest		11,944
Less allowance for doubtful accounts		-
Total receivables	\$	<u>354,526</u>

These accounts receivable are considered to be 100% collectable and no provision for bad debts has been made by the District.

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 4 - CAPITAL ASSETS

Capital assets and depreciation activities as of and for the year ended December 31, 2010, are as follows:

	<u>Balance</u> <u>12/31/2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2010</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 527,540	\$ -	\$ -	\$ 527,540
Capital assets being depreciated				
Buildings	\$ 340,584	\$ -	\$ -	\$ 340,584
Equipment	408,102	-	-	408,102
Total capital assets being depreciated	\$ 748,686	\$ -	\$ -	\$ 748,686
Less accumulated depreciation for:				
Buildings	\$ (255,343)	\$ (6,206)	\$ -	\$ (261,549)
Equipment	(259,754)	(12,818)	-	(272,572)
Total accumulated depreciation	\$ (515,097)	\$ (19,024)	\$ -	\$ (534,121)
Total capital assets being depreciated, net	\$ 233,589	\$ (19,024)	\$ -	\$ 214,565
Governmental activities capital assets, net	\$ 761,129	\$ (19,024)	\$ -	\$ 742,105

Depreciation expense of \$19,024 was charged to culture and recreation.

NOTE 5 - ACCOUNTS AND OTHER PAYABLES

Accounts and other payables consisted of the following at year end:

Culture and recreation operations \$ 7,471

NOTE 6 - RISK MANAGEMENT

The District is exposed to certain risks of losses such as property damage, liability issues, and other potential losses that may occur. The District minimizes its losses by purchase of commercial insurance. The District's exposure over the amount of insurance is considered to be immaterial.

SECTION III
REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS



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**REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF THE
BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Concordia Parish Recreation District No. 3
Concordia Parish Police Jury
Vidalia, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concordia Parish Recreation District No. 3, as of and for the year ended December 31, 2010, which collectively comprise the Concordia Parish Recreation District No. 3's basic financial statements and have issued our report thereon dated July 7, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Concordia Parish Recreation District No. 3's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Concordia Parish Recreation District No. 3's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Concordia Parish Recreation District No. 3's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies in internal control over financial reporting. The finding we describe in the accompanying current year findings is referenced number 2010-1. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concordia Parish Recreation District No. 3's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 object of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and it is described in the accompanying schedule of current year findings as 2010-2.

Concordia Parish Recreation District No. 3's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Concordia Parish Recreation District No. 3's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the Concordia Parish Recreation District No. 3 and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Silas Simmons, LLP

Natchez, Mississippi
July 7, 2011

**SECTION IV
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

CURRENT AUDIT FINDINGS

The corrective action plan for the current year audit findings is presented in Statement 1.

PRIOR AUDIT FINDINGS

The follow-up and corrective action taken on all prior audit findings is presented in the summary schedule of prior audit findings (Statement 2).

CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A Component Unit of the Concordia Parish Police Jury)
VIDALIA, LOUISIANA

SCHEDULE OF FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2010

Section I: Summary of Auditor's Reports

- | | |
|--|-------------|
| 1. Type of auditor's report issued on the primary government financial statements: | |
| Governmental activities | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(s) identified that are not considered to be material weaknesses? | Yes |
| 3. Noncompliance material to the primary government financial statements? | Yes |

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS, RECOMMENDATIONS, AND
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
Section I - Internal Control and Compliance Not Material to the Financial Statements:				
2010-1	<u>Segregation of Duties</u> There is insufficient segregation of duties necessary to have an effective internal control. One person has complete control over receipts and disbursements because she is the only person employed.	Management indicated that it would not be cost efficient or feasible to hire any additional employees and plans no changes in its operations.	Lula Caldwell	N/A
2010-2	<u>Late Filing of Audit Report</u> Louisiana Revised Statute 24:513 requires all audit engagements be completed and transmitted to the Louisiana Legislative Auditor within six months of the close of the entity's year end. Accordingly, this audit report for the year ended December 31, 2010, was due to the Legislative Auditor by June 30, 2011. We recommend the District comply with Revised Statute 24:513.	Management plans to comply with R.S. 24:513 next year.	Lula Caldwell	June 30, 2012

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None

**CONCORDIA PARISH RECREATION DISTRICT NO. 3
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2009**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Section I - Internal Control and Compliance Material to the Financial Statements:

2009-1	Numerous	We noted the District does not have adequate segregation of duties. This finding has been reported as a reportable condition other than a material weakness for many years.	No	This is reported in 2010 as finding 2010-1. Management indicates that it is not cost efficient or feasible to increase the number of employees and had no plans to do so.
2009-2	2009	We noted the District was late filing the entity's audit report to the Legislative Auditor.	No	This is reported in 2010 as finding 2010-2.

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None