

**Tuscaloosa County Park
and Recreation Authority**

Tuscaloosa, Alabama

September 30, 2015

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Tuscaloosa County Park and Recreation Authority
Table of Contents
September 30, 2015

Independent Auditor's Report	1-2
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3-4
Management's Discussion and Analysis	5-7
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Major Government Funds	
Balance Sheet	10
Statement of Revenues and Expenditures	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Government Funds to the Statement of Activities	13
General Fund	
Statement of Revenues and Expenditures, Budget and Actual (Budgetary Basis)	14
Proprietary Fund	
Statement of Net Position - Golf Course	15
Statement of Revenues, Expenses and Changes in Net Position	16
Statement of Revenues and Expenses - Budget to Actual	17
Statement of Cash Flows	18
Notes to Financial Statements	19-33
Supplemental Information	
Special Revenue Funds	
Combining Balance Sheet	34
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	35
Schedule of Detail Expenditures - General Fund	36-37
Schedule of Detail Operating Revenues - Activity Centers - General Fund	38
Schedule of Detail Operating Expenditures - Activity Centers - General Fund	39
Schedule of Changes in the Net Pension Liability	40
Schedule of Employer Contributions	41
Board Members	42



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Independent Auditor's Report

Board of Directors
Tuscaloosa County Park and Recreation Authority
Tuscaloosa, Alabama

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tuscaloosa County Park and Recreation Authority, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 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 general purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 the audit evidence is sufficient to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tuscaloosa County Park and Recreation Authority, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages 5 - 7, budgetary comparison information on pages 14 and 17, and the pension information on pages 39 - 40 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements the collectively comprise the Tuscaloosa County Park and Recreation Authority's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, detailed schedules, and board information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and board information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Lawrence, Hitt & Pugh, LLP

LAWRENCE, HITT & PUGH, LLP
Certified Public Accountants

Tuscaloosa, Alabama
February 24, 2016



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Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed In
Accordance with *Government Auditing Standards*

Board of Directors
Tuscaloosa County Park and Recreation Authority
Tuscaloosa, Alabama

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tuscaloosa County Park and Recreation Authority, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Tuscaloosa County Park and Recreation Authority's basic financial statements, and have issued our report thereon dated February 24, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tuscaloosa County Park and Recreation Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 significant deficiency, or combination of significant 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. *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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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*.

Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lawrence, Hitt & Pugh, LLP

LAWRENCE, HITT & PUGH, LLP
Certified Public Accountants

Tuscaloosa, Alabama
February 24, 2016

Tuscaloosa County Park and Recreation Authority
Management's Discussion and Analysis
September 30, 2015

This section of the Tuscaloosa County Park and Recreation Authority's annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal year that ended September 30, 2015. Please read it in conjunction with the Authority's financial statements, which follow this section.

Financial Highlights

- The Authority's governmental assets exceeded its liabilities by \$51,228,399 (net position) for the fiscal year reported, and business-type activities (golf course) assets exceeded liabilities by \$1,494,731.
- Local government appropriations amounted to 84% of total governmental activities revenues in the current fiscal year as compared to 79% in the prior fiscal year.
- Revenues from charges for services were \$3,185,618 in the current fiscal year compared to \$3,034,092 in the prior fiscal year.
- The Authority's proprietary fund reported total revenues of \$1,994,300 this year. This compares to \$1,710,118 for the prior year.
- The Authority reduced outstanding bond debt by \$95,885 through regularly scheduled payments. New capital leases for golf equipment totaled \$87,454 while payments on leases totaled \$63,715.
- The Authority increased capital assets by \$12,191,970 primarily through park improvements, purchase of equipment and improvements to activity centers.

Overview of the Financial Statements

- This annual report consists of three parts – management's discussion and analysis, basic financial statements, and required supplementary information. The basic financial statements include: (1) Authority-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. The Authority also includes in this report information to supplement the basic financial statements.

The GASB Statement 34 concept of government-wide reporting focuses on reporting information about entities as a whole, using methods similar to those of private sector companies. They report net assets – the difference between assets and liabilities – as one way to measure financial health.

Financial Analysis of the Authority taken as a Whole

Net Position - The Authority's net position, as adjusted for prior-year pension liability, increased \$7,049,406 during the year. A comparison of the Authority's net assets is shown as follows:

Tuscaloosa County Park and Recreation Authority
Management's Discussion and Analysis
September 30, 2015

Governmental Activities

	<u>2015</u>	<u>2014</u>
Current and Other Assets	\$ 6,181,271	\$ 7,750,003
Capital Assets	48,845,339	38,584,423
Deferred Outflows	<u>253,346</u>	<u>0</u>
<u>Total Assets and Deferred Outflows</u>	<u>55,279,956</u>	<u>46,334,426</u>
Non-Current Liabilities	1,532,330	
Other Liabilities	2,360,414	2,586,014
Deferred Inflows	<u>158,813</u>	<u>0</u>
<u>Total Liabilities and Deferred Inflows</u>	<u>4,051,557</u>	<u>2,586,014</u>
Net Position:		
Invested in Capital Assets – Net of Related Debt	48,424,441	38,144,308
Unrestricted	1,429,576	2,409,738
Restricted	<u>1,374,382</u>	<u>3,194,366</u>
<u>Total Net Position</u>	<u>\$ 51,228,399</u>	<u>43,748,412</u>

Business-Type Activities

	<u>2015</u>	<u>2014</u>
Current and Other Assets	\$ 223,236	\$ 248,792
Capital Assets	6,879,373	7,008,335
Deferred Outflows	<u>35,811</u>	<u>0</u>
<u>Total Assets and Deferred Outflows</u>	<u>7,138,420</u>	<u>7,257,125</u>
Other Liabilities	2,003,160	1,856,348
Non-Current Liabilities	3,617,823	3,475,465
Deferred Inflows	<u>22,706</u>	<u>0</u>
<u>Total Liabilities and Deferred Inflows</u>	<u>5,643,689</u>	<u>5,331,813</u>
Net Position:		
Invested in Capital Assets –		
Net of Related Debt	4,945,132	5,001,946
Unrestricted	<u>(3,450,401)</u>	<u>(3,076,634)</u>
<u>Total Net Position</u>	<u>1,494,731</u>	<u>1,925,312</u>
<u>Government-Wide Total Net Position</u>	<u>\$ 52,723,130</u>	<u>\$ 45,673,724</u>

Revenues in the governmental fund are derived from local government appropriations and charges for services. Revenues in the proprietary fund are derived from charges and fees for use of the golf course.

Tuscaloosa County Park and Recreation Authority
Management's Discussion and Analysis
September 30, 2015

Economic Factors

Please read the following annual financial report illustrating Tuscaloosa County Park & Recreation Authority's financial performance during the fiscal year ended September 30, 2015 in conjunction with the following statements.

PARA's growth during this time is due in part to a dedicated staff and elected officials. The vital need for recreation opportunities in this growing community is matched by PARA's need to constantly upgrade its current facilities as well as to expand. With an active, growing university population and a diverse industrial community that includes major automobile manufacturers, continuing growth is both inevitable and desired. Studies show economic growth often stems from a rising number of residents who wish to live and work in places surrounded by maintained park spaces and recreational opportunities provided by these spaces. Additionally, scenery and recreational opportunities are influencing decisions about where people choose to live and do business.

By providing a safe, healthy environment for citizens to enjoy a variety of parks and open spaces, PARA is making an investment in economic progress. The following report includes details and a listing of sites managed by PARA. The report shows PARA offers this community a large variety of amenities with the only debt the financing of construction costs from the golf course, park land and certain equipment. You are invited to Live, Learn, Play! PARA.

Contacting the Authority's Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the Authority's financial operations and to demonstrate our commitment to public accountability for the funds received. If you have questions about this report or would like to request additional information, contact the Tuscaloosa County Park and Recreation Authority, Gary Minor, Executive Director.

Tuscaloosa County Park and Recreation Authority
Statement of Net Position
September 30, 2015

	Governmental Activities	Business- Type Activities	Total
<u>Assets and Deferred Outflows</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 1,493,188	\$ 131,615	\$ 1,624,803
Due from Other Funds	3,206,439		3,206,439
Due from Other Governmental Units	14,665		14,665
Inventory - At Cost		60,883	60,883
Prepaid Expenses	37,403	-	37,403
<u>Total Current Assets</u>	<u>4,751,695</u>	<u>192,498</u>	<u>4,944,193</u>
Restricted Current Assets:			
Cash and Cash Equivalents	1,418,408		1,418,408
Due from Other Governmental Units	11,168	-	11,168
<u>Total Restricted Current Assets</u>	<u>1,429,576</u>	<u>-</u>	<u>1,429,576</u>
Property and Equipment, Net of Depreciation	48,845,339	6,879,373	55,724,712
Other Assets	-	30,738	30,738
Deferred Outflows			
Employer Pension Contributions	253,346	35,811	289,157
<u>Total Assets and Deferred Outflows</u>	<u>55,279,956</u>	<u>7,138,420</u>	<u>62,418,376</u>
<u>Liabilities and Deferred Inflows</u>			
Current Liabilities:			
Accounts Payable	659,315	25,654	684,969
Accrued Payroll	97,874	16,634	114,508
Accrued Time Off	732,525	78,971	811,496
Payroll Deductions Payable	26,608		26,608
Security Deposits Due Patrons	54,058		54,058
Loan Payable - Tuscaloosa County Commission	420,898		420,898
Deferred Revenue	369,136	139,964	509,100
Due to Other Funds		3,206,439	3,206,439
Bonds Payable - Series 2000 - Current		104,222	104,222
Capital Lease Obligations - Current	-	45,939	45,939
<u>Total Current Liabilities</u>	<u>2,360,414</u>	<u>3,617,823</u>	<u>5,978,237</u>
Non-Current Liabilities			
Bonds Payable - Series 2000		1,722,587	1,722,587
Obligations Under Capital Leases		61,493	61,493
Net Pension Liability	1,532,330	219,080	1,751,410
<u>Total Long-Term Liabilities</u>	<u>1,532,330</u>	<u>2,003,160</u>	<u>3,535,490</u>
Deferred Inflows			
Excess Earnings of Pension Plan Investments	158,813	22,706	181,519
<u>Total Liabilities and Deferred Inflows</u>	<u>4,051,557</u>	<u>5,643,689</u>	<u>9,695,246</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	48,424,441	4,945,132	53,369,573
Restricted	1,429,576		1,429,576
Unrestricted	1,374,382	(3,450,401)	(2,076,019)
<u>Total Net Position</u>	<u>\$ 51,228,399</u>	<u>\$ 1,494,731</u>	<u>\$ 52,723,130</u>

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

Tuscaloosa County Park and Recreation Authority
Statement of Activities
For the Fiscal Year Ended September 30, 2015

<u>Program Activities</u>	<u>Expenses</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Government Activities:				
Parks Division	\$ 4,147,506	\$ (4,147,506)	\$ -	\$ (4,147,506)
Recreation Division	1,970,213	(1,970,213)		(1,970,213)
Activity Center Operations	2,197,921	(2,197,921)		(2,197,921)
Arts Division	249,614	(249,614)		(249,614)
General Administrative Division	1,501,434	(1,501,434)		(1,501,434)
Special Revenue	422,666	(422,666)		(422,666)
Depreciation	1,931,053	(1,931,053)	-	(1,931,053)
<u>Total Governmental Activities</u>	<u>12,420,407</u>	<u>(12,420,407)</u>	<u>-</u>	<u>(12,420,407)</u>
Business-Type Activities				
Golf Course	-	-	(1,994,300)	(1,994,300)
<u>Total Business-Type Activities</u>	<u>-</u>	<u>-</u>	<u>(1,994,300)</u>	<u>(1,994,300)</u>
Revenues:				
Intergovernmental -				
Regular Appropriations		7,155,475		7,155,475
Intergovernmental -				
Special Appropriations		10,943,987		10,943,987
Charges for Services		3,185,618		3,185,618
Interest Income		9,054		9,054
Miscellaneous		138,176		138,176
Golf Course		-	1,782,740	1,782,740
<u>Total Revenues</u>		<u>21,432,310</u>	<u>1,782,740</u>	<u>23,215,050</u>
<u>Changes in Net Position</u>		9,011,903	(211,560)	8,800,343
<u>Net Position, Beginning</u>		43,748,412	1,925,312	45,673,724
Prior Period Adjustment				
Related to Pension Liability		(1,531,916)	(219,021)	(1,750,937)
<u>Net Position, Ending</u>		<u>\$ 51,228,399</u>	<u>\$ 1,494,731</u>	<u>\$ 52,723,130</u>

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

Tuscaloosa County Park and Recreation Authority
Balance Sheet
Government Funds
September 30, 2015

<u>Assets</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 1,493,188	\$ 1,235,202	\$ 183,206	\$ 2,911,596
Due from Other Funds	3,206,439			3,206,439
Prepaid Expenses	37,403			37,403
Due from Other Governmental Units	14,665	-	11,168	25,833
<u>Total Assets</u>	<u>\$ 4,751,695</u>	<u>\$ 1,235,202</u>	<u>\$ 194,374</u>	<u>\$ 6,181,271</u>
 <u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 659,315	\$ -	\$ -	\$ 659,315
Accrued Payroll	97,874			97,874
Accrued Time Off	732,525			732,525
Payroll Deductions Payable	26,608			26,608
Deferred Revenue	369,136			369,136
Security Deposits Due Patrons	54,058	-	-	54,058
<u>Total Liabilities</u>	<u>1,939,516</u>	<u>-</u>	<u>-</u>	<u>1,939,516</u>
 <u>Fund Balances</u>				
Restricted	-	1,232,979	194,374	1,427,353
Committed		2,223		2,223
Unassigned	2,812,179	-	-	2,812,179
<u>Total Fund Balances</u>	<u>2,812,179</u>	<u>1,235,202</u>	<u>194,374</u>	<u>4,241,755</u>
 <u>Total Liabilities and Fund Balance</u>	<u>\$ 4,751,695</u>	<u>\$ 1,235,202</u>	<u>\$ 194,374</u>	<u>\$ 6,181,271</u>

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

Tuscaloosa County Park and Recreation Authority
Statement of Revenues and Expenditures - Government Funds
For the Fiscal Year Ended September 30, 2015

		Special	Capital	Total
	General	Revenue	Projects	Governmental
<u>Revenues</u>				Funds
Intergovernmental Revenue - Regular	\$ 7,155,475	\$ -	\$ -	\$ 7,155,475
Intergovernmental Revenue - Special	10,294,749	532,422	104,094	10,931,265
Charges for Services	3,185,618			3,185,618
Interest and Miscellaneous	147,230	11,935	788	159,953
	<u>20,783,072</u>	<u>544,357</u>	<u>104,882</u>	<u>21,432,311</u>
 <u>Expenditures</u>				
Parks Division	4,210,890			4,210,890
Recreation Division	1,981,155			1,981,155
Activity Center Operations	2,214,430			2,214,430
Arts Division	254,919			254,919
General Administrative Division	1,517,556			1,517,556
Special Revenue		422,666		422,666
Assets Purchased	12,086,530	25,440	80,000	12,191,970
Employee Functions	-	1,074	-	1,074
<u>Total Expenditures</u>	<u>22,265,480</u>	<u>449,180</u>	<u>80,000</u>	<u>22,794,660</u>
 <u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(1,482,408)	95,177	24,882	(1,362,349)
 <u>Fund Balance - Beginning</u>	<u>4,294,587</u>	<u>1,140,025</u>	<u>169,492</u>	<u>5,604,104</u>
 <u>Fund Balance - Ending</u>	<u>\$ 2,812,179</u>	<u>\$ 1,235,202</u>	<u>\$ 194,374</u>	<u>\$ 4,241,755</u>

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

Tuscaloosa County Park and Recreation Authority
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
September 30, 2015

<u>Total Fund Balances - Governmental Funds</u>	\$ 4,241,755
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital Assets, net of depreciation and related debt, are not current financial resources and are not included in the governmental funds.	48,424,441
Net pension liabilities are not due and payable in the current period and are therefore not reported in the funds.	(1,532,330)
Governmental funds report pension contributions as expendiutres. However, in the Statement of Activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense	<u>94,533</u>
<u>Net Assets of Governmental Funds</u>	<u>\$ 51,228,399</u>

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

Tuscaloosa County Park and Recreation Authority
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2015

<u>Net Change in Fund Balances - Total Governmental Funds</u>	\$ (1,362,349)
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Amounts Reported for Governmental Activities in the
Statement of Activities 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. This is the amount which capital assets of \$12,191,970 exceeded depreciation of \$1,931,053 in the current plus loan principal of \$19,216.	10,280,133
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Certain pension contributions and changes in pension plan net position are reported as deferred outflows and deferred inflows of resources in the statement of net position, but are reported as expenditures in the governmental funds.	<u>94,119</u>
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<u>Changes in Net Assets of General Fund Activities</u>	<u>\$ 9,011,903</u>
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The accompanying notes are an integral part of the financial statements.

Tuscaloosa County Park and Recreation Authority
Statement of Revenues and Expenditures
Budget and Actual - (Budgetary Basis) - All Government Fund Types
For the Fiscal Year Ended September 30, 2015

	Original	Final		Variance
	Budget	Budget	Actual	Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental Revenue	\$ 7,130,475	\$ 7,130,475	\$ 7,155,475	\$ 25,000
Charges for Services	3,088,156	3,088,156	3,185,618	97,462
Interest and Miscellaneous	<u>31,389</u>	<u>31,389</u>	<u>147,230</u>	<u>115,841</u>
 <u>Total Revenues</u>	 <u>\$ 10,250,020</u>	 <u>\$ 10,250,020</u>	 <u>\$ 10,488,323</u>	 <u>\$ 238,303</u>
 <u>Expenditures</u>				
Current:				
Parks Division	\$ 3,982,213	\$ 3,982,213	\$ 4,147,506	\$ (165,293)
Recreation Division	1,949,503	1,949,503	1,970,213	(20,710)
Activity Center Operations	2,433,867	2,433,867	2,197,921	235,946
Arts Division	245,495	245,495	249,614	(4,119)
General Administrative Division	<u>1,638,944</u>	<u>1,638,944</u>	<u>1,501,434</u>	<u>137,510</u>
 <u>Total Expenditures</u>	 <u>\$ 10,250,022</u>	 <u>\$ 10,250,022</u>	 <u>\$ 10,066,688</u>	 <u>\$ 183,334</u>

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

Tuscaloosa County Park and Recreation Authority
Enterprise Fund - Golf Course
Statement of Net Position
September 30, 2015

Assets and Deferred Outflows

Current Assets

Cash	\$ 131,615
Inventory - at Cost	60,883
<u>Total Current Assets</u>	<u>192,498</u>

Property and Equipment

Golf Course	4,733,374
Buildings and Equipment	3,932,542
	8,665,916
Less: Accumulated Depreciation	1,786,543
<u>Net Property and Equipment</u>	<u>6,879,373</u>

Other Assets

Unamortized Loan Costs	30,738
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Deferred Outflows

Employer Pension Contributions	35,811
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Total Assets and Deferred Outflows

\$ 7,138,420

Liabilities, Deferred Inflows, and Net Position

Current Liabilities

Accounts Payable	25,654
Accrued Payroll and Withholding	16,634
Accrued Time Off	78,971
Deferred Revenue	139,964
Due to General Fund	3,206,439
Bonds Payable - Current	104,222
Obligations Under Capital Leases - Current	45,939
<u>Total Current Liabilities</u>	<u>3,617,823</u>

Long-Term Liabilities

Revenue Bonds - Series 2000	1,722,587
Obligations Under Capital Leases	61,493
Net Pension Liabilities	219,080
<u>Total Long-Term Liabilities</u>	<u>2,003,160</u>

Deferred Inflows

Excess Earnings on Pension Plan Investments	22,706
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Total Liabilities and Deferred Inflows

5,643,689

Net Position

Net Investment in Capital Assets	4,945,132
Unrestricted	(3,450,401)
<u>Total Net Position</u>	<u>1,494,731</u>

Total Liabilities, Deferred Inflows and Net Position

\$ 7,138,420

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

Tuscaloosa County Park and Recreation Authority
Statement of Revenues, Expenditures and Changes in Net Position
Enterprise Fund
For the Fiscal Year Ended September 30, 2015

<u>Operating Revenue</u>	
User Fees	\$ 1,297,771
Pro Shop and Concession Sales	356,569
<u>Total Operating Revenues</u>	<u>1,654,340</u>
 <u>Operating Expenses</u>	
Salaries	744,796
Pro Shop, Concession Merchandise and Supplies	256,152
Depreciation and Amortization	223,034
Fertilizer, Chemicals and Supplies	170,277
Utilities and Telephone	118,616
Group Insurance	113,643
Building and Equipment Rent	73,872
Maintenance and Repairs	91,037
Social Security	54,431
Insurance	41,389
Employee Retirement	22,765
Credit Card Fees	28,176
Office Supplies Expense	17,480
Uniforms	5,296
Advertising	330
Cash (Over) Short	142
<u>Total Operating Expenses</u>	<u>1,961,436</u>
 <u>Operating Income (Loss)</u>	 <u>(307,096)</u>
 <u>Other Revenues (Expenses)</u>	
Transfer from General Fund	128,400
Interest Expense	(32,864)
<u>Total Other Revenues (Expenses)</u>	<u>95,536</u>
 <u>Change in Net Position</u>	 <u>(211,560)</u>
 <u>Retained Earnings - Beginning</u>	 <u>(5,446,468)</u>
Prior Period Adjustment Related to Pension Liabilities	(219,021)
 <u>Retained Earnings - Ending</u>	 <u>(5,877,049)</u>
 <u>Contributed Capital - Beginning</u>	 <u>7,371,780</u>
Contributions in Fiscal Year Ended September 30, 2015	-
 <u>Contributed Capital at End of Year</u>	 <u>7,371,780</u>
 <u>Total Net Position - Ending</u>	 <u>\$ 1,494,731</u>

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

Tuscaloosa County Park and Recreation Authority
Statement of Revenues and Expenses - Budget and Actual
Enterprise Fund
For the Fiscal Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Operating Income</u>				
Course Fees	\$ 1,143,391	\$ 1,143,391	\$ 1,173,020	\$ 29,629
Pro Shop	135,000	135,000	141,192	6,192
Concession	230,000	230,000	209,234	(20,766)
First Tee	181,094	181,094	130,752	(50,342)
<u>Total Operating Revenues</u>	<u>1,689,485</u>	<u>1,689,485</u>	<u>1,654,198</u>	<u>(35,287)</u>
<u>Operating Expenses</u>				
Course Maintenance	744,428	744,428	757,842	(13,414)
Pro Shop	560,680	560,680	629,612	(68,932)
Concession	203,283	203,283	236,289	(33,006)
First Tee	181,094	181,094	113,822	67,272
<u>Total Operating Expenses</u>	<u>1,689,485</u>	<u>1,689,485</u>	<u>1,737,565</u>	<u>(48,080)</u>
<u>Operating Income (Loss)</u>			(83,367)	(83,367)
<u>Other Revenues (Expenses)</u>				
Transfer from General Fund	128,400	128,400	128,400	-
Interest and Depreciation	(128,400)	(128,400)	(256,593)	(128,193)
<u>Change in Net Position</u>	<u>\$ (128,400)</u>	<u>\$ (128,400)</u>	<u>\$ (211,560)</u>	<u>\$ (211,560)</u>
<u>Net Position - Beginning - as adjusted</u>			(5,665,489)	
<u>Net Position - Ending</u>			<u>\$ (5,877,049)</u>	

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

Tuscaloosa County Park and Recreation Authority
Statement of Cash Flows
Enterprise Fund
For the Fiscal Year Ended September 30, 2015

Cash Flows from Operating Activities

Receipts from Customers	\$ 1,675,109
Payments to Employees	(769,602)
Payments to Suppliers	(998,386)
<u>Net Cash (Used In) Operating Activities</u>	<u>(92,879)</u>

Cash Flows from Non-Capital Financing Activities

Transfers from General Fund	128,400
<u>Net Cash Provided By Non-Capital Financing Activities</u>	<u>128,400</u>

Cash Flows from Capital and Related Financing Activities

Reduction of Debt - Net	(72,146)
Increase in Due to General Fund	150,000
Cost of Depreciable Assets Acquired	(91,154)
Interest on Debt	(32,864)
<u>Net Cash Used In Capital and Related Financing Activities</u>	<u>(46,164)</u>

Net Decrease in Cash (10,643)

Cash - Beginning 142,258

Cash - Ending \$ 131,615

Reconciliation of Net Operating (Loss) to Net Cash
Provided by Operating Activities

Operating (Loss)	\$ (307,096)
Adjustments to Reconcile Net Operating (Loss) to Net Cash (Used in) Operating Activities:	
Depreciation and Amortization	223,034
Cash Paid for Pension Expense	(13,046)
Change in Assets and Liabilities:	
(Increase) Decrease in Inventory	11,993
Increase (Decrease) in Accounts Payable	(3,727)
Increase (Decrease) in Accrued Payroll and Time Off	(24,806)
Increase (Decrease) in Deferred Revenue	<u>20,769</u>

Net Cash (Used In) Operating Activities \$ (92,879)

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

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 1 Summary of Significant Accounting Policies

The financial statements of the Tuscaloosa County Park and Recreation Authority, hereinafter referred to as the "Authority", have been prepared in conformity with United States of America 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. The more significant of the government's policies are described below.

Reporting Entity

The Tuscaloosa County Park and Recreation Authority, an eight member body, was originally established on September 3, 1969, under the provisions of Act No. 1248, Acts of Alabama 1969. The Authority reincorporated September 1, 2000 under the provisions of Act 2001-106 of the Alabama Legislature.

The Authority is accountable for all of the information presented in the financial statements. The Authority is considered a related organization under the Government Accounting Standards Board (GASB) requirements, which defines organization's for which a primary government (the county) is accountable because that government appoints a voting majority of the board, but is not financially accountable.

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. Based upon the application of these criteria, there are no component units included in the financial statements.

Basic Financial Statements – Government-Wide Statements

The Authority's basic financial statements include both government-wide (reporting the Authority as a whole) and the fund financial statements (reporting the Authority's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Authority's parks, recreation and arts divisions, activity centers and general administrative division are classified as governmental activities. The Authority's golf course division is classified as a business-type activity.

In the government-wide Statement of Net Position, both the government and business-type activities columns are presented on a consolidated basis by column, and are reported on a full accrual economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the Authority's functions and business-type activity. The reporting demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to members, customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

The net costs (by function or business-type) are normally covered by general revenue (charges for services and intergovernmental revenues). Except for transfers between the Authority's enterprise fund and its governmental funds, all interfund activity has been eliminated.

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 1: (Continued)

Basic Financial Statements – Fund Financial Statements

The financial statements of the Authority are reported in individual fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures/expenses.

Governmental funds are those through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balances of current financial resources. The Authority has presented the following major governmental funds:

General Fund – The Authority primarily received revenues from appropriations from local governing bodies and charges for services provided by the Authority.

Special Revenue Funds – The Authority had the following Special Revenue Funds:

Employee Fund to account for the receipt and expenditures of funds contributed solely by the employees. No public funds are involved.

Foundation Fund to account for the expenditure of resources for the Park and Recreation Foundation.

Veterans Memorial Fund to account for the expenditure of donations to the Veteran's Memorial Fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Authority has the following Capital Projects Funds:

Beer Tax Fund to account for the expenditure of the beer tax distribution that is restricted for capital outlay expenditures.

Capital Improvements Fund to account for the expenditure of resources allocated for capital improvements.

Fiduciary Fund Types are used to account for resources held by the Authority in a trustee capacity or as an agent for other organizations or individuals. Assets of fiduciary fund types do not belong to the Authority; the Authority has a liability to disburse those assets to specific individuals or organizations.

Facility Fund to account for damage deposits paid by individuals and organizations to reserve picnic shelters, ball fields, and other facilities.

Proprietary Fund Type – Enterprise Fund is used to account for the operations of an 18-hole public golf course, Ol Colony Golf Course, on land leased under a long-term lease from the State of Alabama. The measurement focus is on determination of net income.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements presented increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 1: (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. 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. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment has matured and will be payable shortly after year-end.

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

Inventories consist of items available for sale within the Ol' Colony Golf Course Pro Shop and are valued at cost using the First-in/First-out (FIFO) method.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Management capitalizes individual items with a cost of \$2,000 or greater.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20-40 Years
Parks and Improvements	10-25 Years
Machinery and Equipment	5-10 Years

Deferred Outflows of Resources

The Authority reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary fund statements of net position. Deferred outflows of resources reported in this year's financial statements include a deferred outflow of resources for contributions made to the Authority's defined benefit pension plan between the measurement date of the net pension liabilities from the plan and the end of the Authority's fiscal year. Deferred outflows for the pension contributions will be recognized in the subsequent fiscal year. The deferred amount related to the actuarial assumptions for demographic factors in the pension fund will be recognized over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan. No deferred outflows of resources affect the governmental funds financial statement.

Deferred Inflows of Resources

The Authority's statements of net position and its governmental fund balance sheet report a section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to a future period. Deferred inflows of resources are reported in the Authority's various statements of net position for actual pension plan investment earnings in excess of the expected amount included in determining pension expense. This deferred inflow of resources is attributed to pension expense over a total of 5 years, including the current year.

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 1: (Continued)

Net Position

Net position represents the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use.

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 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. 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.

The restricted revenue that was accrued is the beer tax from Tuscaloosa County in fiscal year 2015, which is restricted for capital expenses. Other revenues are not material or generally susceptible to accrual because they are not measurable until received in cash.

Estimates and Assumptions – The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Compensated Absences – The Authority has a standard leave policy for its full time employees as to sick and annual leave. Permanent employees begin to accrue annual leave after successful completion of the probationary period, but may not utilize such leave until one full year of service. Thereafter, annual leave is accrued on the individual's employment anniversary date. An employee may not accrue more than twenty days of annual leave. Sick leave is accrued at the rate of 1.25 days per calendar month.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as restricted when amounts can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors or creditors. Committed amounts can be used for specific purposes determined by action of the board. All other amounts are unassigned.

Interfund Transactions

Routine transfers of resources between Authority funds which are intended to be repaid are classified separately from fund revenues and expenditures. Such routine interfund transfers are identified as Operating Transfers In/Out in the Authority's operating statements.

Pensions – The Employees' Retirement System of Alabama (the Plan) financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 2 Budgets and Appropriations

The Authority's enabling legislation requires adoption of an annual budget.

The budget is usually divided into two parts, an operating budget and a capital budget. The operating budget addresses the immediate problems of providing services, paying personnel, and administrative costs. The capital budget addresses major equipment and furniture purchases, and public works projects. The Authority accounts for capital outlay expenditures in the General Fund therefore the operating budget and the capital outlay budget were integrated.

The Authority prepares its annual budget on a basis (budget basis), which differs from GAAP. The budget and all transactions are presented in accordance with the Authority's method (budget basis) in the Statement of Revenues and Expenditures - Budget and Actual - (Budgetary Basis) - General Fund, to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis are that in the capital outlay portion of the budget, encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP).

Note 3 Deposits

At September 30, 2015, the carrying amount of the Authority's deposits was \$3,043,211 and the bank balance was \$3,889,213. All accounts are fully insured by FDIC insurance and under the SAFE program of the State of Alabama.

Note 4 Capital Assets - Capital asset activities for the year ended September 30, 2015 were as follows:

	<u>10/1/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>9/30/15</u>
Land	\$ 2,304,626	\$ 90,715	\$	\$ 2,395,341
Activity Centers	27,920,415	2,202,251		30,122,666
Parks and Communities	20,850,152	9,652,175		30,502,327
Administrative Building	1,152,536	13,248		1,165,784
School Improvements	2,649,780	89,653		2,739,433
Maintenance Equipment	545,641	31,825		577,466
Office Equipment	284,840			284,840
Vehicles	850,642	112,099		962,741
<u>Totals</u>	<u>\$ 56,558,632</u>	<u>\$12,191,966</u>	<u>\$</u>	<u>\$ 68,750,598</u>
Proprietary Fund - Golf Course	<u>\$ 8,922,145</u>	<u>\$ 91,154</u>	<u>\$ (347,383)</u>	<u>\$ 8,665,916</u>

Accumulated depreciation was \$19,905,259 for governmental activities and \$1,786,543 for business-type activities. A summary listing of capital assets is as follows:

<u>Land</u>	
Newt Hinton Park	\$ 800,000
Sokol Park - 325 Acres	325,000
Holt Park	5,000
Fosters Boat Landing	5,000
Faucett Brothers Park	300,000
Hurricane Creek	608,370
Holt-Roshell Park	20,366
Bama Rock Garden	230,640
Abernant Park	10,250
Evans-Roshell Lot	90,715
<u>Total Land</u>	<u>\$ 2,395,341</u>

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 4: (Continued)

Parks and Communities

Abernant Park	\$ 221,594
Binion Creek	146,667
Bowers Park	6,669,723
Broughton Park	146,053
Brookwood Community	123,980
Capital Park	5,870
Cardinal Park	10,177
Coaling Community	146,346
Cottondale Community	114,482
Duncanville Community	45,210
Fosters Community	481,805
Freeman Park	1,386,981
Hasson Center	15,408
Holt Park	413,187
Hurricane Creek	361,147
Jaycee Park	491,378
Jaycee Tennis Complex	3,132,175
Kaulton Park	175,988
Kentuck	482,222
Lake Tuscaloosa	48,191
McKinney Park	6,491
Monnish	170,436
Northport Community	196,234
Northside Community	378,459
Ol' Colony Bike Path	464,301
Palmore	2,475,672
Queen City Park	292,074
River Road Park	200,852
Rosedale Community	230,549
Shelby Park	7,774
Snow Hinton	2,288,732
Sokol	8,230,610
Springbrook Park	39,626
Taylorville Community	242,326
Van DeGraffe Park	47,530
Vance Community	34,720
Veterans	473,579
West End Park	103,778
	<u>\$ 30,502,327</u>

Activity Centers

Belk	\$ 3,541,186
Bobby Miller	8,726,759
Mary Ann Phelps	2,687,761
McAbee	3,002,094
McDonald Hughes	2,554,854
Faucett Brothers	9,610,012
	<u>\$ 30,122,666</u>

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 4: (Continued)

In addition to the previously listed assets, the Authority provides programs and funding for supplies and materials for the following sites and locations:

District Government

(Tuscaloosa County Governmental Districts)

District I

Buhl Elementary Track
Civitan Park – Fence Installation
Collins Riverside Middle School – Track
Huntington Elementary – Track
Northside Lion's Club – Community Equestrian Facility Lighting
Northside Little League Ball Field Fencing
Warrior Baseball Little League Park Improvements
Westwood Elementary – Walking Track

District II

Abernant – Baseball Field Improvements/Park Development
Brookwood High School Football
Cottondale – Little League Complex/Park Development
Cottondale Little League Complex/Picnic Pavilion

District III

Duncanville – Little League Fields Improved
Taylorsville – Little League Fields Improved/Developed

District IV

Matthews Elementary – Play Equipment Installed
Myrtlewood Elementary – Activity Building
Myrtlewood Elementary – Play Equipment Installed
Romulus Community – Game Equipment and Play Equipment Purchased
Westlawn Middle School/PAL – Regulation Size Track

School Sites

City of Northport

Collins Riverside Middle School
Crestmont Elementary
Echols Middle School
Faucett Vestavia Elementary School
Flatwoods Elementary
Huntington Place Elementary
Lloyd Wood Middle School
Matthews Elementary
Regional Education Center
Tuscaloosa County High School

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 4: (Continued)

City of Tuscaloosa

Alberta Elementary
Arcadia Elementary
Central Elementary
Eastwood Middle School
M.L. King, Jr. Elementary
Northington Elementary
Northridge High School
Oakdale Elementary
Oak Hill Elementary
Parkview Learning Center
Skyland Elementary
Stafford Elementary
Stillman Heights Elementary
Tuscaloosa Middle School
University Place Elementary
Verner Elementary
Westlawn Middle School
Woodland Forrest Elementary

Tuscaloosa County

Big Sandy Elementary
Brookwood Elementary
Brookwood High School
Buhl Elementary
Cottondale Elementary
Englewood Elementary
Hillcrest High School
Hillcrest Middle School
Holt Elementary
Holt High School
Lakeview Elementary
Maxwell Elementary
Myrtlewood Elementary
Northside High School
Sipsey Valley High School
Sipsey Valley Middle School
Taylorville Elementary
Vance Elementary
Walker Elementary
Westwood Elementary

Note 5 Due from Other Governments and Agencies

Amounts due from other governments and agencies at September 30, 2015 totaled \$11,168 due from Tuscaloosa County Commission for beer tax proceeds and was received by October 31, 2015.

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 6 New Accounting Pronouncements

In 2015, the Authority adopted GASB Statement No. 68, *Accounting for Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* which improves accounting and financial reporting by state and local governments for pensions. Net position has been retroactively restated for the change, which resulted in a decrease to beginning net position of \$1,750,937.

Note 7 Defined Benefit Pension Plan

Plan Description

The Authority participates in the Employees Retirement System of Alabama (ERS, the System), an agent multiple-employer public employee retirement system, which acts as a common investment and administrative agent for the governing bodies of cities, towns, or public or quasi-public organizations of the State of Alabama.

The Employees Retirement System was established October 1, 1945, under the provisions of Act 515, Acts of Alabama 1945, for the purpose of providing retirement allowances and other specified benefits for state employees, State Police, and on an elective basis to all cities, counties, Authority and quasi-public organizations. The responsibility for general administration and operation of the Employees Retirement System is vested in its Board of Control. The ERS Board of Control consists of 13 trustees. The Plan is administered by the Retirement Systems of Alabama (RSA). Title 36-Section 27 of the Code of Alabama grants the authority to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available comprehensive annual financial report that can be obtained at www.rsa-al.gov.

Benefits Provided

State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. State employees who retire after age 60 with 10 years or more of creditable service or with 25 years of service (regardless of age), depending on the particular entity's election, are entitled to an annual retirement benefit, payable monthly for life. Local employees who retire after age 60 with 10 years or more creditable service or with 25 or 30 years of service (regardless of age), depending on the participating entity's election, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, members of the ERS are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 ERS members are eligible for retirement after age 62 with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with a member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 2 members of the ERS are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service.

Members are eligible for disability retirement if they have 10 years of creditable service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits are calculated and paid to the beneficiary on the member's age, service credit, employment status and eligibility for retirement.

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 7 Defined Benefit Pension Plan (Continued)

The ERS serves approximately 846 local participating employers. These participating employers include 287 cities, 65 counties, and 494 other public entities. The ERS membership includes approximately 83,874 participants. As of September 30, 2014, membership consisted of:

Retirees and beneficiaries currently receiving benefits	21,691
Terminated employees entitled to but not yet receiving benefits	1,252
Terminated employees not entitled to a benefit	5,048
Active members	<u>55,883</u>
Total	<u>83,874</u>

Contributions

Covered members of the ERS contributed 5% of earnable compensation to the ERS as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, covered members of the ERS are required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered members of the ERS are required by statute to contribute 7.5% of earnable compensation. ERS local participating employers are not required by statute to increase contribution rates for their members.

Tier 2 covered members of the ERS contribute 6% of earnable compensation as required by statute. The contribution rates are the same for Tier 2 covered member of ERS local participating employers.

The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the pre-retirement death benefit and administrative expenses of the plan. For the year ended September 30, 2015, the Authority's active employee contribution rate was 5.00 – 6.00% of covered employee payroll, and the Authority's average contribution rate to fund the normal and accrued liability costs was 8.55% of covered employee payroll.

The Authority's contractually required contribution rate for the year ended September 30, 2015 was 5% of pensionable pay for Tier 1 employees and 6% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2013, a percent of annual pensionable payroll, and actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the Authority were \$289,157 for the year ended September 30, 2015.

Membership as of the Measurement Date of September 30, 2014

Inactive Members or Their Beneficiaries Currently Receiving Benefits	17
Inactive Members Entitled to But Not Yet Receiving Benefits	8
Active Members	<u>99</u>
Total	<u>124</u>

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 7 Defined Benefit Pension Plan (Continued)

Net Pension Liability

The Authority's net pension liability was measured as of September 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2013 rolled forward to September 30, 2014 using standard roll-forward procedures. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions for all participating employers actuarially determined, as shown in the following table:

Total pension liability as of September 30, 2013 (a)	\$ 7,663,343
Entry age normal cost for FYE September 30, 2014 (b)	299,920
Actual benefit payments and refunds for the period October 1, 2013 – September 30, 2014 (c)	(384,677)
Total pension liability as of September 30, 2014 = [(a) x (1.08)] + (b) – [(c) x (1.04)]	\$ 8,176,266

Actuarial assumptions. The total pension liability in the September 30, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement.

Inflation	3.00%
Salary increases	3.75% - 7.25%
Investment rate of return (net of pension plan investment expense)	8.00%

Mortality rates for ERS were based on the RP-2000 Combined Mortality Table Projected with Scale AA to 2015 set forward three years for males and two years for females. The rates of mortality for the period after disability retirements are according to the sex distinct RP-2000 Disability Mortality Table.

The actuarial assumptions used in the September 30, 2013 valuation were based on the results of an investigation of the economic and demographic experience for the ERS based upon participant data as of September 30, 2010. The Board of Control accepted and approved these changes on January 27, 2012, which became effective at the beginning of fiscal year 2012.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 7 Defined Benefit Pension Plan (Continued)

The target asset allocation and best estimated of geometric real rates of return for each major asset class is as follows:

	Target Allocation	Long-Term Expected Rate of Return*
Fixed Income	25.00%	5.00%
U.S. Large Stocks	34.00%	9.00%
U.S. Mid Stocks	8.00%	12.00%
U.S. Small Stocks	3.00%	15.00%
International Developed Market Stocks	15.00%	11.00%
International Emerging Market Stocks	3.00%	16.00%
Real Estate	10.00%	7.50%
Cash	2.00%	1.50%
Total	<u>100.00%</u>	

*Includes assumed rate of inflation of 2.50%.

Discount Rate - The discount rate used to measure the total pension liability was the long term rate of return, 8.00%. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2013	\$ 7,663,343	\$ 5,620,524	\$ 2,042,819
Charges for the year:			
Service Cost	299,920		299,920
Interest	597,680		597,680
Contributions – employer		291,882	(291,882)
Contributions – employee		221,652	(221,652)
Net Investment Income		681,456	(681,456)
Benefit Payments, including refunds of employee contributions	(384,677)	(384,677)	0
Transfers Among Employers	<u>0</u>	<u>(5,981)</u>	<u>5,981</u>
Balances at September 30, 2014	<u>\$ 8,176,266</u>	<u>\$ 6,424,856</u>	<u>\$ 1,751,410</u>

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 7 Defined Benefit Pension Plan (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following table presents the Authority's net pension liability calculated using the discount rate of 8%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7%) or 1-percentage point higher (9%) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Plan's Net Pension Liability (Asset)	\$ 2,675,355	\$ 1,751,410	\$ 969,251

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2014. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2014. The auditor's report dated June 3, 2015 on the Schedule of Changes in Fiduciary Net Position by Employer and accompanying notes is also available. The additional financial and actuarial information is available at www.rsa-al.gov.

Pension Expense and Deferred Outflows of Recourses and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the Authority recognized pension expense of \$181,992. At September 30, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	181,519
Employer contributions subsequent to measurement date	<u>289,157</u>	<u>0</u>
Total	\$ <u>289,157</u>	\$ <u>181,519</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2016	\$ 45,380
2017	45,380
2018	45,380
2019	45,379
2020	0
Thereafter	0

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 8 Deferred Compensation

Employees of the Tuscaloosa County Park and Recreation Authority may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457.

The deferred compensation plan is available to all employees of the Authority. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution. The assets of the plan are held by a trust for the exclusive benefit of participants and their beneficiaries. Accordingly, these funds are not shown as assets of the Authority, as provided in Statement 32 of the Governmental Accounting Standards Board.

Note 9 Long-Term Debt – Proprietary Fund

Revenue Bonds – Series 2000 was issued to finance part of the cost of the golf course. Payments are made monthly, including principal and interest, at a variable rate. Final maturity is September 1, 2027. These bonds are guaranteed by Tuscaloosa County, which provides annual appropriations to pay principal and interest payments due. Debt service requirements in future years are:

FYE <u>September 30</u>	<u>Total</u>
2016	\$ 104,222
2017	107,057
2018	117,533
2019	135,000
2020	145,000
Thereafter	1,217,997

Capital Lease – Certain equipment used in the golf course operations is leased under capital leases. The assets and liabilities under the capital lease are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over the lower of then related lease terms or their estimated useful lives. Depreciation of assets under capital leases is included in depreciation expense. Property held under capital leases consists of golf course maintenance equipment:

Turf Maintenance Equipment	\$ 315,810
Less: Accumulated Depreciation	<u>148,974</u>
	<u>\$ 166,863</u>

Minimum future lease payments under capital leases as of September 30, 2015 and for future years are:

FYE <u>September 30</u>	<u>Amount</u>
2016	\$ 45,939
2017	38,662
2018	21,829
2019	1,002

Tuscaloosa County Park and Recreation Authority
Notes to the Financial Statements
September 30, 2015

Note 9: Capital Lease (Continued)

Changes in indebtedness during the fiscal year were:

Outstanding Debt at October 1, 2014	\$ 2,006,387
Redemptions and Payments	<u>(72,146)</u>
Outstanding Debt at September 30, 2015	<u>\$ 1,934,241</u>

Note 10: Loan Payable – Tuscaloosa County Commission – These funds were used to purchase land in Tuscaloosa County on Hurricane Creek. The loan is due on demand with interest payable monthly at 2.5%.

Note 11: Operating Leases – The Authority leases certain golf course equipment under leases from 36 to 48 months. Future minimum rental commitments are as follows:

FYE <u>September 30</u>	<u>Amount</u>
2016	\$ 53,572
2017	8,929

Note 12: Subsequent Events – The Authority has evaluated subsequent events through February 24, 2016, the date the financial statements were available to be issued.

Supplemental Information

Tuscaloosa County Park and Recreation Authority
Combining Balance Sheet - All Special Revenue Funds
September 30, 2015

<u>Assets</u>	<u>Employee Fund</u>	<u>Foundation Fund</u>	<u>Veteran's Memorial Fund</u>	<u>Totals</u>
Cash	\$ 2,223	\$ 461,248	\$ 771,731	\$ 1,235,202
<u>Total Assets</u>	<u>\$ 2,223</u>	<u>\$ 461,248</u>	<u>\$ 771,731</u>	<u>\$ 1,235,202</u>
 <u>Liabilities and Fund Equity</u>				
<u>Fund Equity</u>				
Unreserved Fund Balance	\$ 2,223	\$ 461,248	\$ 771,731	\$ 1,235,202
<u>Total Fund Equity</u>	<u>2,223</u>	<u>461,248</u>	<u>771,731</u>	<u>1,235,202</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$ 2,223</u>	<u>\$ 461,248</u>	<u>\$ 771,731</u>	<u>\$ 1,235,202</u>

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
All Special Revenue Funds
For the Fiscal Year Ended September 30, 2015

	Employee Fund	Foundation Fund	Veteran's Memorial Fund	Totals
<u>Revenues</u>				
Interest Income	\$ -	\$ 1,790	\$ 9,388	\$ 11,178
Contributions		417,861	114,561	532,422
Employee Deposits	<u>757</u>	<u>-</u>	<u>-</u>	<u>757</u>
<u>Total Revenues</u>	<u>757</u>	<u>419,651</u>	<u>123,949</u>	<u>544,357</u>
<u>Expenditures</u>				
Current:				
Employee Functions	<u>1,074</u>	<u>-</u>	<u>-</u>	<u>1,074</u>
<u>Total Expenditures</u>	<u>1,074</u>	<u>-</u>	<u>-</u>	<u>1,074</u>
<u>Excess Revenues Over (Under) Expenditures</u>	(317)	419,651	123,949	543,283
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In (Out)	<u>-</u>	<u>(422,666)</u>	<u>(25,440)</u>	<u>(448,106)</u>
<u>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>	(317)	(3,015)	98,509	95,177
<u>Fund Balance - October 1, 2014</u>	<u>2,540</u>	<u>464,263</u>	<u>673,222</u>	<u>1,140,025</u>
<u>Fund Balance - September 30, 2015</u>	<u>\$ 2,223</u>	<u>\$ 461,248</u>	<u>\$ 771,731</u>	<u>\$ 1,235,202</u>

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Schedule of Detail Expenditures - General Fund
For the Fiscal Year Ended September 30, 2015

Parks Division

Salaries - Full-time	\$ 1,492,862
Salaries - Part-time	231,378
Contract Maintenance	206,317
Group Insurance	402,611
General Maintenance Supplies/Repairs	809,764
Social Security	127,779
Vehicle and Equipment Repairs	80,407
Utilities	444,303
Vehicle Operating Cost	97,676
Employee Retirement	73,936
Office Equipment Lease	1,292
Uniforms	13,342
Telephone	22,074
Office Supplies	4,193
Miscellaneous	3,927
Park Improvements	124,861
Interest Expense	10,784
<u>Total Parks Division</u>	<u>\$ 4,147,506</u>

Recreation Division

Day Camp	\$ 322,392
Aquatics	406,508
Utilities	64,692
Special Events	19,811
Football	44,521
Instructional Classes	49,745
Salaries	447,440
Social Security	84,319
Employee Retirement	19,094
Group Insurance	88,771
Therapeutic Programs	19,731
Basketball	49,813
Cheerleading	2,007
Tournaments	2,234
Teens Programs	2,016
Softball	55,444
Volleyball	2,697
Travel	32,949
Soccer	173,666
Baseball	82,363
<u>Total Recreation Division</u>	<u>\$ 1,970,213</u>

(Continued)

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Schedule of Detail Expenditures - General Fund
For the Fiscal Year Ended September 30, 2015

Activity Centers

Salaries - Full-time	\$ 613,180
Salaries - Part-time	449,294
Utilities	704,666
Social Security	79,680
Group Insurance	175,175
Travel Allowance	6,918
Office Supplies	19,514
Office Equipment Lease	13,382
Telephone	41,094
Miscellaneous	25,123
Uniforms	1,334
Community Programming	9,991
Contract Labor	29,354
Professional Development	409
Employee Retirement	28,807
<u>Total Activity Centers</u>	<u>\$ 2,197,921</u>

Arts Division

Salaries - Full-time	\$ 172,234
Salaries - Part-time	9,974
Group Insurance	44,213
Social Security	13,935
Employee Retirement	9,258
<u>Total Arts Division</u>	<u>\$ 249,614</u>

General Administrative Division

Salaries - Full-time	\$ 593,153
Salaries - Part-time	48,888
Casualty and Liability Insurance	316,845
Telephone	18,194
Group Insurance	103,189
Social Security	47,405
Utilities	40,663
Miscellaneous	97,585
Employee Retirement	28,132
Office Supplies and Postage	15,797
Meetings and Conferences	16,034
Travel Allowance	9,887
Dues	3,914
Office Equipment Lease	3,007
Professional Development	1,694
Personnel Expenses	19,139
Attorney and Accounting	67,243
Public Relations	70,665
<u>Total General Administrative Division</u>	<u>\$ 1,501,434</u>

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Schedule of Detail Operating Revenues - Activity Centers - General Fund
For the Fiscal Year Ended September 30, 2015

	Miller Activity Center	Belk Activity Center	McAbee Activity Center	Phelps Activity Center	McDonald Hughes Community Center	Faucett Brothers Center	Totals
Rentals	\$ 94,959	\$ 90,688	\$ 73,185	\$ 54,643	\$ 92,012	\$ 31,154	\$ 436,641
Membership	169,133	69,386	31,844	45,247	413	714,181	1,030,204
User Fees	35,391	37,978	13,643	6,018	35	45,469	138,534
Community Programs	11,532	7,183	160	2,225	4,415	500	26,015
Concession/Vending	4,132	4,821	1,836	1,503	1,119	3,267	16,678
Other	-	-	-	-	-	17,148	17,148
Totals	<u>\$315,147</u>	<u>\$210,056</u>	<u>\$120,668</u>	<u>\$109,636</u>	<u>\$ 97,994</u>	<u>\$811,719</u>	<u>\$ 1,665,220</u>

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Schedule of Detail Operating Expenditures - Activity Centers - General Fund
For the Fiscal Year Ended September 30, 2015

	Miller	Belk	McAbee	Phelps	McDonald	Faucett	
	Activity	Activity	Activity	Activity	Hughes	Brothers	
	Center	Center	Center	Center	Community	Center	Totals
Salaries - Full-time	\$ 127,690	\$ 110,883	\$ 31,870	\$ 98,513	\$ 103,895	\$ 140,329	\$ 613,180
Salaries - Part-time	75,606	45,294	69,125	61,078	40,054	158,137	449,294
Utilities	178,179	71,511	93,938	47,504	84,948	228,586	704,666
Social Security	15,092	11,734	7,572	11,971	10,709	22,602	79,680
Group Insurance	36,409	33,663	9,507	16,070	30,341	49,185	175,175
Travel Allowance	361	549	881	3,310	261	1,556	6,918
Office Supplies	4,088	3,571	1,097	2,358	3,009	5,391	19,514
Office Equipment Lease	2,065	3,046	1,291	2,138	1,420	3,422	13,382
Telephone	7,855	6,527	5,365	5,045	4,972	11,330	41,094
Miscellaneous	4,048	5,613	1,124	4,210	9,679	449	25,123
Uniforms	783	-	-	-	551	-	1,334
Community Programming	4,371	155	42	65	1,173	4,185	9,991
Contract Labor	7,831	2,565	2,424	2,145	2,942	11,447	29,354
Professional Development	11	-	-	225	-	173	409
Employee Retirement	6,280	3,865	1,522	4,493	5,397	7,250	28,807
Totals	<u>\$ 470,669</u>	<u>\$ 298,976</u>	<u>\$ 225,758</u>	<u>\$ 259,125</u>	<u>\$ 299,351</u>	<u>\$ 644,042</u>	<u>\$ 2,197,921</u>

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Schedule of Changes in the Net Pension Liability
For the Last 10 Fiscal Years Ended September 30

	<u>2014</u>
<u>Total Pension Liability</u>	
Service Cost	\$ 299,920
Interest	597,680
Benefit Payments, including refund of employee contributions	<u>(384,677)</u>
Net Change in Total Pension Liability	512,923
Total Pension Liability - beginning	<u>7,663,343</u>
Total Pension Liability - ending (a)	<u>\$ 8,176,266</u>
 <u>Plan Fiduciary Net Position</u>	
Contributions - employer	\$ 291,882
Contributions - member	221,652
Net Investment Income	681,456
Benefit Payments, including refund of employee contributions	(384,677)
Transfers Among Employers	<u>(5,981)</u>
Net Change in Plan Fiduciary Net Position	804,332
Plan Net Position - beginning	5,620,524
Plan Net Position - ending (b)	<u>\$ 6,424,856</u>
 Net Pension Liability (Asset) - ending (a) - (b)	 <u>\$ 1,751,410</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 78.58%
 Covered-employee Payroll*	 \$ 3,675,911
 Net Pension Liability (Asset) as a Percentage of the Covered-employee Payroll	 47.65%

Notes to Schedule

Until a full 10-year trend is compiled, information is presented as available.

* For fiscal year 2014 the measurement period is October 1, 2013 - September 30, 2014

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Schedule of Employer Contributions
Last 10 Years

	<u>2015</u>
Actuarially Determined Contribution*	\$ 289,157
Contributions in Relation to the Actuarially Determined Contribution	<u>289,157</u>
Contribution Deficiency (excess)	<u>\$ -</u>
Covered-employee Payroll*	\$ 3,750,643
Contributions as a Percentage of Covered-employee Payroll	7.71%

Notes to Schedule

Actuarially determined contributions rates are calculated as of September 30, two years prior to the end of the fiscal year in which contributions are reported. Contributions for fiscal year 2015 were based on the September 30, 2012 actuarial valuation. Until a full 10-year trend is compiled, information is presented as available.

* For fiscal year 2015 the fiscal year is the twelve month period beginning after June 15, 2014.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percent closed
Remaining amortization period	11 years
Asset valuation method	Five year smoothed market
Inflation	3.00%
Salary increases	3.75 - 7.25%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

The accompanying notes are an integral part of this financial statement.

Tuscaloosa County Park and Recreation Authority
Board Members and Officials
September 30, 2015

Leroy McAbee	Member	1901 2nd Avenue NE Tuscaloosa, AL 35406
Sam Faucett	Member	1020 Hunter Creek Road Northport, AL 35473
Peggy Hogue	Member	364 Riverdale Tuscaloosa, AL 35406
Hezekiah Carstarphen	Member	3306 23rd Street Tuscaloosa, AL 35401
Joe Duckworth, Jr.	Member	1312 Greensboro Avenue Tuscaloosa, AL 35401
Bobby Franks	Member	824 Old Greensboro Road Tuscaloosa, AL 35405
Gary Falls	Member	9430 Earl Fields Circle Northport, AL 35473
Clarence Richardson	Member	22 Coke Avenue NE Tuscaloosa, AL 35404

The accompanying notes are an integral part of this financial statement.