

**ROSCOMMON METROPOLITAN RECREATION AUTHORITY
ROSCOMMON COUNTY, MICHIGAN
FINANCIAL REPORT
WITH SUPPLEMENTAL INFORMATION
DECEMBER 31, 2019**

ROSCOMMON METROPOLITAN RECREATION AUTHORITY

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report.	1-2
Management's Discussion and Analysis.	3-12
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	15
Reconciliation of the Balance Sheet Fund Balance to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balance	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	18
Notes to Financial Statements	19-25
REQUIRED SUPPLEMENTAL INFORMATION	
Budgetary Comparison Schedule - General Fund	26
OTHER SUPPLEMENTAL INFORMATION	
General Fund - Schedule of Recreation and Culture Expenditures - Budget and Actual	27



James M. Anderson, P.C.

Certified Public Accountant

P.O. Box 255 · Roscommon, MI 48653
Phone: (989) 821-8601 · Fax: (989) 563-3471 · E-mail: janderson@jmacpapc.com

INDEPENDENT AUDITOR'S REPORT

August 28, 2020

MetroPark Board
Roscommon Metropolitan Recreation Authority
P.O. Box 658
Roscommon, MI 48653

I have audited the accompanying financial statements of the governmental activities and general fund of the Roscommon Metropolitan Recreation Authority, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Roscommon Metropolitan Recreation Authority 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of the Roscommon Metropolitan Recreation Authority as of December 31, 2019, and the respective changes in financial position thereof and budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information and budgetary comparison information on page 3 to 12 and page 26 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.



JAMES M. ANDERSON, P.C.
CERTIFIED PUBLIC ACCOUNTANT

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS
DECEMBER 31, 2019

As management of Roscommon Metropolitan Recreation Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2019.

Financial Highlights

- . The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$557,489 (*net position*). Of this amount, \$119,919 (*unrestricted net position*) may be used to meet the Authority's ongoing obligations.
- . The Authority's total net position decreased by \$2,608.
- . As of the close of the current fiscal year, the Authority's general fund, reported an ending fund balance of \$119,919, an increase of \$10,404 in comparison with the prior year.
- . At the end of the current fiscal year, the unassigned fund balance for the general fund was \$119,919 or 52% percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of 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 Authority's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Activities* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the Government-wide financial statements present functions of the Authority that are principally supported by fees and rental revenues (*governmental activities*). The governmental activities of the Authority consist of recreation and culture. The Authority does not have any business-type activities as of and for the year ended December 31, 2019.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

The Government-wide financial statements can be found on pages 13 and 14 of this report.

Fund Financial Statements - A *fund* is a grouping of related accounts and is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has one category of funds: governmental funds.

Governmental Funds - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating an Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the Government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Authority maintains one governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund.

The Authority adopts an annual appropriated budget for its governmental fund. Budgetary comparison statements or schedules have been provided for the governmental funds herein to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 15 to 18 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 19 to 25 of this report.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded its liabilities by \$557,489 at the close of the most recent fiscal year.

A large portion of the Authority's net assets (78%) reflects its investment in capital assets (e.g., land, land improvements, buildings, and equipment); less any related debt used to acquire those assets that is still outstanding. The Authority did not have any debt related to capital assets at December 31, 2019. The Authority uses these capital assets to provide services to the community; consequently, these assets are not available for future spending.

The last audit of the Authority was for the year ended December 31, 2017. Therefore, the following comparisons are being made between the current year and 2017.

Net Position

	Governmental Activities		Variance	%
	2019	2017		
Current and Other Assets	\$ 124,137	\$ 113,524	\$ 10,613	9.35
Capital Assets	437,570	456,489	(18,919)	(4.14)
Total Assets	561,707	570,013	(8,306)	(1.46)
Current Liabilities	4,218	2,449	1,769	72.23
Noncurrent Liabilities	-	-	-	-
Total Liabilities	4,218	2,449	1,769	72.23
Net Position				
Invested in Capital Assets				
Net of Related Debt	437,570	456,489	(18,919)	(4.14)
Unrestricted	119,919	111,075	8,844	7.96
Total Net Position	\$ 557,489	\$ 567,564	\$ (10,075)	(1.78)

The Authority's net position decreased by \$2,608 during the current fiscal year. Unrestricted net position - the part of net position that can be used to finance day to day operations, increased by \$8,844 or 8% from the fiscal year 2017.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

Changes in Net Position

	<u>Government Activities</u>		<u>Variance</u>	<u>%</u>
	<u>2019</u>	<u>2017</u>		
Revenue				
Program Revenue:				
Charges for services	\$ 210,023	\$ 220,555	\$ (10,532)	(4.78)
Operating grants	30,607	18,553	12,054	64.97
Capital grants	-	88,072	(88,072)	(100.00)
General revenues:				
Investment earnings	172	54	118	218.52
Total Revenue	<u>240,802</u>	<u>327,234</u>	<u>(86,432)</u>	<u>(26.41)</u>
Expenses				
Recreation and Culture	<u>243,410</u>	<u>195,464</u>	<u>47,946</u>	<u>24.53</u>
Total Expenses	<u>243,410</u>	<u>195,464</u>	<u>47,946</u>	<u>24.53</u>
Change in Net Position	(2,608)	131,770	(134,378)	(101.98)
Net Position - Beginning of Year	<u>560,097</u>	<u>435,814</u>	<u>124,283</u>	<u>28.52</u>
Net Position - End of Year	<u>\$ 557,489</u>	<u>\$ 567,584</u>	<u>\$ (10,095)</u>	<u>(1.78)</u>

Government activities. The Authority's total governmental revenues decreased by \$86,432 from 2017. This was primarily attributed to a decrease in capital grants and contributions. Expenses increased by \$47,946. The increase was primarily due to the additional costs of operating the CRAF Center and additional depreciation expense associated with the building improvements.

Financial Analysis of the Government's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

As of the end of the current fiscal year, the Authority's governmental fund reported an ending fund balance of \$119,919, an increase of \$10,404 in comparison with the prior year. The *unassigned fund balance*, which is available for spending at the Authority's discretion, constitutes 100% of this total amount or \$119,919.

The primary governmental fund is the General Fund of the Authority. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represent 100% and total fund balance represents 52% of total general fund expenditures.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

Governmental Funds Budgetary Highlights

The Authority's budgets are prepared in accordance with Michigan Law. The budgeted fund is the General Fund. The General Fund budget was not amended during the year.

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets for its governmental activities as of December 31, 2019, amounted to \$437,570 (net of accumulated depreciation). Investment in capital assets includes land, land improvements, buildings, and equipment. Additions totaled \$24,224 for the fiscal year.

Authority's Capital Assets
(Net of depreciation)

	December 31, 2019	December 31, 2018
Land	\$ 1	\$ 1
Land Improvements	9,013	11,377
Buildings	318,761	339,594
Equipment	109,795	99,610
Total	\$ 437,570	\$ 450,582

Additional information on the Authority's capital assets can be found in Note D on page 25 of this report.

Factors Bearing on the Authority's Future

RMRA

The Authority board started discussions in 2019 for the restructuring of RMRA. A Task Force had been formed, which includes members from RMRA, Higgins Township, the Village of Roscommon and the community, to discuss all possible options. The Recreation Task Force meetings were held regularly with the multidisciplinary group of community members assessing the pros and cons of scenarios. Clear options emerged from the group meetings and presentation to the Village and Township informed them of our findings and recommendations. It was unanimously voted by board members to move forward to seek funding from the Village and Township, and once restructure close to complete develop a job description and hire a director for the Recreation Authority. The RMRA board voted to change the name to Roscommon Area Recreation Authority (RARA) to better represent our community. It is known that Articles of Incorporation and Bylaws needed to be redone to meet compliance to current Recreation Authorities Act for the State of Michigan. Articles of Incorporation (AOI) and By-Laws were approved by the Roscommon Village Council September 9, 2019. Higgins Township has tabled action on this and will have their attorney review the AOI and By-Laws before making a determination. The Village of Roscommon has pledged \$20,000 to RARA.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

A director job description was developed with plans to secure someone in that position by late spring of 2020. That individual was to include, but not limited to contact person for RARA entities, knowledge of accounting procedures (QuickBooks) and budgeting, social media (FaceBook and Twitter) management, community calendars, and Gazebo concerts. This individual would promote interest in parks and recreation programs through publicity, joint program brochures with the chamber of commerce, community groups and organizations; coordinate recreation programs within the CRAF Center as well as outside organizations such as school districts and various community-based organizations. Our goal is to heighten recreation which in turn will boost area economic growth and development within our community.

After consultation from the RMRA attorney and accountants familiar with the RMRA, funding could continue to be separate but after lengthy discussion with all groups the board submitted recommendations that the funds for Recreation Authority be centralized in one account but separated and budgeted individually.

RMRA received a \$1,600 grant from Michigan Council for Arts and Cultural Affairs for the 2019 Gazebo Concert Series. This was again well attended and is the 24th year of concerts in the community.

Higgins Township donated a long track snowmobile to RMRA to groom Tisdale Trail for the purpose of grooming the cross-country ski trails.

METRO PARK

Metro Park bathrooms were renovated in the summer that included epoxy floor, wall painting, trim out the doors, tall toilets sinks and fixtures. Grounds were maintained by a local landscaping business. Roscommon Rotary and RMRA (RARA) started collaboration on the completion of Metro Park. Rotary will commit to a multi-year plan with financial assistance for Park completion. Plans discussed include pickle ball courts, toddler play area, parking lot, and possible water feature. Private donor funds and RMRA funds will also be used.

CRAF CENTER

The CRAF Center's membership continues to grow. From 195 in January 2016 to 2019's yearend total of 728, the growth is amazing. The continued growth has allowed the CRAF Center to buy new equipment and continue to upgrade the building.

Cardio drumming, Pound, Kick Start and the addition of Astro Durance keep our members busy with great choices for classes. Astro Durance is a bungee workout that has given the CRAF Center something that no one else in Michigan offers at this time. Room 202, the small classroom upstairs, has been completely renovated to accommodate Astro Durance. A new paint job and new rubber flooring make it a great place for not only Astro Durance but Yoga classes.

The small gym, known as the Pickleball Palace, also received a renovation. The wood floor was professionally sanded and refinished. The pickleball lines are now painted into the floor and members are very happy with the way the floor responds to the ball. No more crazy bounces.

Other building renovations include The Loft where the old carpet was pulled up and new blue rubber flooring was installed. Room 201, the large dance room received a new paint job and the bathroom on the upper level was painted and new flooring was installed. New flooring was installed in one of the COOR classrooms and bathroom.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

The major expense this year was the purchase of 9 new Hoist circuit machines for the weight room. The old Cybex circuit machines while still functional were limited in the range of motion. The new machines allow for multiple settings and some are dual exercises on one machine. The old machines were sold and the money went to the purchase of the new machines.

Purchases for this year include:

- . Rubber Flooring for The Loft and 202
- . Weight Chains
- . 4 Rogue weight benches - 2 adjustable and 2 flat
- . Kevlar Heavy balls and weight logs for The Loft
- . Set of dumbbells and rack for the Loft
- . 9 Hoist circuit machines
- . Astro Durance equipment

The CRAF Center hosted the following activities in 2019:

- . Kirtland College Police Academy Physical Training
- . Christmas in the Village
- . Chamber's Great Egg Scramble
- . Art in the Park
- . Kirtland Warble Festival
- . Gerrish-Higgins Alumni annual reunion
- . Summer concert series at the gazebo
- . Women's volleyball league
- . COOR ISD graduation ceremony
- . Lear Corporation testing and new employee training
- . Business Expo
- . Special Olympics Basketball practice
- . Special Olympics Volleyball practice
- . The Literacy Council annual book sale
- . MSU Winter Workshops
- . Mikenauk Rock and Gem Club
- . Dog Training
- . Dance Lessons
- . COOR Summer Links Program
- . Youth Police Academy

Classes offered this year were:

- . Adult and family karate
- . Astro Durance
- . Clogging
- . Silver Sneakers Fitness Program
- . Cardio Drumming
- . Pound
- . Kick Start
- . Yoga Classes
- . Introduction to Pickleball

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

We continue to offer group fitness rates to Roscommon County employees, Gerrish Township firefighters, Lear Corp, the Roscommon County Sheriff Department, Munson Health Care and Mid-Michigan Health Care. Many of our members also take advantage of health insurance coverage that offers them free membership.

With the continued increase in membership and the lease agreements with COOR Intermediate School District, Northsport Physical Therapy, Blue Sky's Counseling and our new tenant Caring Touch Nursing, the CRAF Center is on solid financial ground.

The CRAF Center has a great staff that is dedicated to making the Center run smoothly and keeping our members and guests satisfied.

GAHAGAN NATURE PRESERVE

The Marguerite Gahagan Nature Preserve was established to perpetuate Marguerite's lifelong appreciation of the north woods. It is a not-for-profit organization whose mission is to protect and maintain the diverse habitats of the preserve, and to provide environmental education for our communities. Revenues to support the activities of the Preserve are raised through individual and family memberships, fees for certain activities and organizational grants. When Marguerite passed in 1997, her ten-acre property and her cabin was dedicated to be used as a nature preserve. Her estate also bequeathed a modest endowment. The property consists of mature pine forests, cedar swamps and the beginnings of Tank Creek, which feeds into the South Branch of the AuSable River. The preserve is affiliated with the Roscommon Metropolitan Recreation Authority and includes another acquired fifty acres.

Chair: Tom Dale

Vice Chair: Troy Fairbanks

Secretary: Julie Crick

Board Members: Ken Elmore, Brian Hutchins, Jalen Williams, Susan Huffman, Dale Ekdorn,

Ed. Director: Kate Gammicchia

Exec. Director: Tracy Bosworth

2019 Education Programming

MGNP participated in and provided educational programming for the following community functions:

Roscommon Business Expo Fireman's Memorial Kid's Night Lakesaver's Day at RAM Center

Winterfest Christmas in the Village Houghton Lake fourth grade camp Kirtland's Warbler

Festival Visiting Naturalist Roscommon Area District Library

A weekly Veteran's Walk was established, as well as Snowshoe treks throughout the winter, and in May,

MGNP hosted a teacher appreciation event for the staff of Roscommon Area Public Schools, MGNP contracted with Jim McGrath of Wildlife Discovery to bring a program focusing on numerous reptiles and snakes to the Kirtland's Warbler Festival. MGNP hosted the KWF Home Opener. In conjunction with 4H, Gahagan hosted Moon Club and Rabbit Club at the Preserve, and Gahagan's Naturalist provided education supports for two summer camps at Hanson Hills. MGNP hosted a four day forestry camp in July which was attended by 11 children from all over northern Michigan. This camp was sponsored by Michigan State University Extension 4-H. The Roscommon Citizen's Climate Lobby and Kirtland's Warbler Festival Committee meet monthly at MGNP.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

Environmental Field Trips

2019 Spring field trips were held during May and June. Fall trips were held during September through November. Twenty seven classrooms from four school districts attended field trips in 2019. MGNP also partnered with the Higgins Lake Foundation to provide Roscommon sixth and seventh graders a Water curriculum program at the preserve.

Visiting Naturalist Program

The goal of this program is to impress upon children the need for responsible stewardship of wild places and wild animals. The 2019 Visiting Naturalist Program, Bear Tracks, visited 6 schools and presented to over 1,000 students from February through April. Bear Tracks was supported by the Wade Family Fund of the Roscommon County Community Foundation and Kirtland Community College.

Environmental Learning for the Future (ELF) Program

ELF is an environmental education for elementary-aged children, designed to give an understanding of and appreciation for the natural world. The preserve has 80 ELF teaching kits that are loaned to various schools. The ELF Program is undergoing restructuring to comply with the National Next Generation Science Standards.

Nature Camp

Nature camp has been offered at Gahagan since 2001. This day camp runs for three days, and allows campers to explore the farthest reaches of the preserve while investigating various ecosystems, playing games and working on craft projects along the way. Nature Camp ends with a two-hour Family Night Presentation, which is open to the public. The July session focused on Animal Tracks and Vertebrate vs Invertebrate species. Nature Camp enjoyed 22 participants.

Upper AuSable Water Quality Monitoring

In 2006, MGNP administers the AuSable River Watershed Quality Monitoring Program. Volunteers collect insect specimens from the river system at six points, then sort, identify and catalog the bugs. The type, quantity and variety are used to score the quality of the water system. The Spring 2019 collection has been completed and is stored at the AuSable River Center in Roscommon. MGNP will no longer administer the project, but will continue to sample the Chase Bridge collection site for our own purposes.

The Preserve

The 60 acre preserve contains several buildings and a three mile trail network of which winds through forested, creek side and wetland habitats. The preserve is available year round, seven days a week for hiking, biking and snowshoeing. A quarter mile wheel-chair-accessible asphalt path and boardwalk allow access from the parking lot through the upland area to Tank Creek. In 2019, new split-rail fencing ringing our parking lot was provided by Home Depot was installed during a community build. Our driveway was resurfaced and the cabin interpretive center was insulated. In conjunction with Roscommon County, a butterfly garden was planted adjacent to the trail head.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)
DECEMBER 31, 2019

Communication

Newsletters are published twice annually and mailed to the membership and other interested parties. Newsletters are also posted online at www.GahaganNature.org. MGNP launched a redesigned website in 2017, maintains a facebook account and endeavors to produce current content to the Houghton Lake Resorter. MGNP is an active member of the Higgins Lake Roscommon Chamber of Commerce.

Christmas in the Village (CIV)

Annual Christmas in the Village is held the first Saturday of December. All was a go for the annual event to be held Saturday, December 7, 2019 that included, the annual tree lighting, breakfast with Santa, indoor craft show at the CRAF Center, lighted parade, downtown vendors, shopping, and more. This event is planned yearly by the CIV group.

AuSable River Center

The River Center is home of the Roscommon Farmers Market from May to October each year. Yearly the group builds a cedar strip canoe that is raffled off to help with the overhead of the building. Two rooms are rented on a monthly basis most of the year, and the meeting room is occupied with other nonprofits, groups, conservation expos and local snowmobile and ATV clubs.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

**Roscommon Metropolitan Recreation Authority
P.O. Box 658
Roscommon, MI 48653**

BASIC FINANCIAL STATEMENTS

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2019

ASSETS

Cash and cash equivalents	\$ 124,137
Capital assets, net of accumulated depreciation	<u>437,570</u>
Total Assets	<u>561,707</u>

LIABILITIES

Current Liabilities:	
Accounts payable	3,898
Accrued liabilities	<u>320</u>
Total Current Liabilities	<u>4,218</u>

NET POSITION

Investment in Capital Assets	437,570
Unrestricted	<u>119,919</u>
Total Net Position	<u>\$ 557,489</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
STATEMENT OF ACTIVITIES
DECEMBER 31, 2019

GOVERNMENTAL ACTIVITIES	<u>Expenses</u>	Program Revenues		<u>Net (Expense) Revenue</u>	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Recreation & culture	\$ (243,410)	\$ 210,023	\$ 30,607	\$ -	\$ (2,780)
 GENERAL REVENUES					
Investment Earnings					172
Total General Revenues					172
Change in Net Position					(2,608)
Net Position, Beginning					560,097
Net Position, Ending					\$ 557,489

The Accompanying Notes are an integral part of these Financial Statements.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2019

ASSETS

Cash and cash equivalents	\$ 124,137
Total Assets	<u>\$ 124,137</u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 3,898
Payroll taxes and withholdings	<u>320</u>
Total Liabilities	<u>4,218</u>

Fund Balances:

Unassigned	<u>119,919</u>
Total Fund Balances	<u>119,919</u>
Total Liabilities and Fund Balances	<u>\$ 124,137</u>

The Accompanying Notes are an integral part of these Financial Statements.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
RECONCILIATION OF THE BALANCE SHEET FUND BALANCE TO
THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

Total governmental fund balance	\$	119,919
---------------------------------	----	---------

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets (net) used in governmental activities are not financial resources and therefore are not reported in the funds.		437,570
---	--	---------

Long-term liabilities, including notes/bonds payable and accrued liabilities are not due and payable in the current period and therefore are not reported in the funds.		-
		-

Net Position of governmental activities	\$	557,489
---	----	---------

The Accompanying Notes are an integral part of these Financial Statements

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
 GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund
Revenues	
Intergovernmental	\$ 5,000
Charges for services	153,188
Interest and Rentals	54,106
Private grants and donations	25,607
Other	2,901
Total Revenues	240,802
Expenditures	
Recreation and culture	206,174
Capital Outlay	24,224
Total Expenditures	230,398
Excess:	
Revenue over (under) expenditures	10,404
Fund Balances - Beginning of Year	109,515
Fund Balances - End of Year	\$ 119,919

The Accompanying Notes are an Integral part of these Financial Statements

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net Change in fund balances - total governmental funds \$ 10,404

Amounts reported for governmental activities in
the statement of net position 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 as depreciation
expense. This is the amount by which capital outlays exceeded
depreciation in the current period. Equipment retirement is
recorded as an expenditure credit in governmental funds, but not
recorded as an expense in the statement of activities.

Add - capital outlay	24,224
Deduct - depreciation expense	(37,236)

Debt proceeds provide current financial resources to governmental
funds in the period issued, but issuing debt increases long-term
liabilities in the statement of net position. Repayment of debt
principal is an expenditure in the governmental funds, but the
repayment reduces long-term liabilities in the statement of net
position.

Add - Debt Payments	-
---------------------	---

Change in net position of governmental activities	\$ (2,608)
---	------------

The Accompanying Notes are an Integral Part of these Financial Statements.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Roscommon Metropolitan Authority ("the Authority") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the more significant policies used by the Authority:

Reporting Entity

Roscommon Metropolitan Recreation Authority was incorporated on June 10, 1969 with the Village of Roscommon and Higgins Township being the joint incorporators. The Authority operates under an appointed Authority Board. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board (GASB) for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are a part of the Authority's reporting entity, and which organizations are legally separate, component units of the Authority. Based on the application criteria, the Authority does not contain any component units.

Government-wide and Fund Financial Statements

The Government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All the Authority's government-wide activities are considered governmental activities. The Authority does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a certain function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and severance pay, are recorded only when payment is due.

Grant revenue and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when the cash is received by the Authority.

The Authority reports the following major governmental funds:

The General Fund is the Authority's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund.

Amounts reported as program revenue include: 1) charges to customers for goods, services or privileges provided and 2) operating grants and contributions. General revenue includes all other items.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

All receivables are shown net of an allowance for uncollectible amounts.

Deferred Outflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has no items that qualify for reporting in this category.

Deferred Inflows of Resources - In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has no items that qualify for reporting in this category.

Capital Assets - Capital assets, which include land, land improvements, buildings, and equipment are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Buildings, equipment, and land improvements are depreciated using the straight-line method over the following useful lives:

Land Improvements	20 years
Buildings and additions	20-40 years
Equipment	5-20 years

Compensated Absences - There is no liability for compensated absences reported in the government-wide financial statements since no Authority employees are provided with sick or vacation pay benefits.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Roscommon Metropolitan Recreation Authority is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable - This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) are legally or contractually required to be maintained intact. The Authority has classified prepaid items as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation.
- Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Authority Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned - This classification includes amounts that are constrained by the Authority's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Authority Board or through the Authority Board delegating this responsibility to the Authority president through the budgetary process.
- Unassigned - This classification includes the residual fund balance for the General Fund.

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

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state laws for the general fund. All annual appropriations lapse at year end.

The budget documents presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the line item level. State law requires the Authority adopt its budget by January 1st. Expenditures in excess of amounts budgeted is a violation of Michigan Law. State law permits the Authority to amend its budget during the year.

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until the receipt of materials or services. For budgetary purposes, appropriations lapse at year end and outstanding encumbrances are reappropriated in the next year.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of expenditures over appropriations in budgeted funds:

<u>Fund / Function</u>	<u>Total Appropriation</u>	<u>Amount of Expenditures</u>	<u>Budget Variance</u>
General:			
Recreation and Culture:			
Salaries and Wages	\$ 56,251	\$ 56,614	\$ (363)
Supplies	8,788	10,631	(1,843)
Office Supplies	1,382	1,866	(484)
Contracted Services	21,509	22,430	(921)
Program Costs	-0-	13,732	(13,732)
Advertising	1,360	1,790	(430)
Insurance	6,589	8,396	(1,807)
Utilities	34,185	38,629	(4,444)
Telephone	2,294	3,020	(726)
Fundraising	-0-	459	(459)

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE C - DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91 authorizes the Authority to make deposits and investments in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The Authority is also allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Authority Board has designated three financial institutions for the deposit of Authority funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investments in accordance with State statutory authority as listed above.

The Authority's deposits and investment policy are in accordance with statutory authority.

Deposits are categorized into these three categories of credit risk:

1. Insured or collateralized with securities held by the entity or by its agent in the entity's name.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
3. Uncollateralized

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	\$124,137	\$123,059
Uninsured and Uncollateralized	<u>-0-</u>	<u>-0-</u>
Total Deposits	<u>\$124,137</u>	<u>\$123,059</u>

The deposits of the Authority were reflected in the accounts of three financial institutions, of which 100% is covered by federal depository insurance.

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE D - CAPITAL ASSETS

Capital assets activity of the Authority's Governmental activities were as follows:

	Balance 1/1/19	Additions	Deductions	Balance 12/31/19
Capital assets not being depreciated:				
Land	\$ 1	\$ -	\$ -	\$ 1
Capital assets being depreciated:				
Land improvements	47,275	-	-	47,275
Buildings	519,852	-	-	519,852
Equipment	199,217	24,224	-	223,441
Subtotal	766,344	24,224	-	790,568
Accumulated Depreciation				
Land improvements	35,898	2,364	-	38,262
Buildings	180,258	20,833	-	201,091
Equipment	99,607	14,039	-	113,646
Subtotal	315,763	37,236	-	352,999
Net capital assets being depreciated	450,581	(13,012)	-	437,569
Governmental Activities				
Total Capital Assets				
Net of Depreciation	\$ 450,582	\$ (13,012)	\$ -	\$ 437,570

Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities:	
Recreation & culture	\$ 37,236
Total Governmental Activities	<u>\$ 37,236</u>

NOTE E - RISK MANAGEMENT

Roscommon Metropolitan Recreation Authority is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by insurance purchased from independent insurance companies. Settled claims from these risks have not exceeded insurance coverage for the last three years.

NOTE F - SUBSEQUENT EVENTS

During 2019, the Authority started the process of creating a new entity known as the "Roscommon Area Recreation Authority." A new intergovernmental agreement was filed with the State of Michigan on February 27, 2020 and the new Authority was established under the provisions of Act 321, Public Acts of 2000. Roscommon Metropolitan Recreation Authority will no longer exist and all assets are being transferred to the new entity.

REQUIRED SUPPLEMENTAL INFORMATION

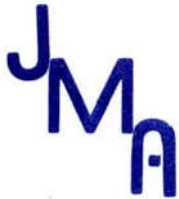
ROSCOMMON METROPOLITAN RECREATION AUTHORITY
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 5,000	\$ 5,000
Charges for services	152,010	152,010	153,188	1,178
Interest and Rentals	47,847	47,847	54,106	6,259
Private grants and donations	5,900	5,900	25,607	19,707
Other	2,298	2,298	2,901	603
Total Revenues	<u>208,055</u>	<u>208,055</u>	<u>240,802</u>	<u>32,747</u>
Expenditures				
Recreation and culture	209,644	209,644	206,174	3,470
Capital Outlay	-	-	24,224	(24,224)
Total Expenditures	<u>209,644</u>	<u>209,644</u>	<u>230,398</u>	<u>(20,754)</u>
Excess:				
Revenue over (under) expenditures	(1,589)	(1,589)	10,404	11,993
Fund Balances - Beginning of year	<u>109,515</u>	<u>109,515</u>	<u>109,515</u>	<u>-</u>
Fund Balances - End of year	<u><u>\$ 107,926</u></u>	<u><u>\$ 107,926</u></u>	<u><u>\$ 119,919</u></u>	<u><u>\$ 11,993</u></u>

OTHER SUPPLEMENTAL INFORMATION

ROSCOMMON METROPOLITAN RECREATION AUTHORITY
GENERAL FUND
SCHEDULE OF RECREATION AND CULTURE EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Recreation and Culture:				
Salaries and wages	\$ 56,251	\$ 56,251	\$ 56,614	\$ (363)
Payroll taxes	6,621	6,621	6,555	66
Supplies	8,788	8,788	10,631	(1,843)
Office supplies	1,382	1,382	1,866	(484)
Contracted services	21,509	21,509	22,430	(921)
Program costs	-	-	13,732	(13,732)
Advertising	1,360	1,360	1,790	(430)
Maintenance and repairs	70,000	70,000	41,877	28,123
Insurance	6,589	6,589	8,396	(1,807)
Dues and fees	665	665	175	490
Utilities	34,185	34,185	38,629	(4,444)
Telephone	2,294	2,294	3,020	(726)
Fundraising	-	-	459	(459)
Totals	<u>\$ 209,644</u>	<u>\$ 209,644</u>	<u>\$ 206,174</u>	<u>\$ 3,470</u>



James M. Anderson, P.C.

Certified Public Accountant

P.O. Box 255 · Roscommon, MI 48653
Phone: (989) 821-8601 · Fax: (989) 563-3471 · E-mail: janderson@jmacpapc.com

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AT THE CONCLUSION OF THE AUDIT

August 28, 2020

MetroPark Board
Roscommon Metropolitan Recreation Authority
P.O. Box 658
Roscommon, MI 48653

I have audited the financial statements of the Roscommon Metropolitan Recreation Authority (R.M.R.A.) for the year ended June 30, 2019. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of my audit. I have communicated such information in my letter to you dated July 2, 2020. Professional standards also require that I communicate to you the following information related to my audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. I noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Authority's financial statements was:

Management's estimate of the accumulated depreciation and depreciation expense is based on historical cost and estimated useful life. I evaluated the key factors and assumptions used to develop the accumulated depreciation and depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations

I have requested certain representations from management that are included in the management representation letter dated August 28, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Roscommon Metropolitan Recreation Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditor. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Restriction on Use

This information is intended solely for the information and use of the Authority Board and management of Roscommon Metropolitan Recreation Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



James M. Anderson, P.C.
Certified Public Accountant