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RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

FINANCIAL STATEMENTS

Year Ended September 30, 1988

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Release Date DEC 23 1988

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Independent Auditor's Report

**The Board of Commissioners
Recreation District No. 4
of the Parish of St. Mary,
State of Louisiana
Baton Rouge, Louisiana**

We have audited the accompanying general purpose financial statements of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's officials. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana, as of September 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 18, 1998, on our consideration of the District's internal control over financial reporting, and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana. Such information, except for that part so marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Raymond E. Sikes, CPA

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The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana.

Shorewell, Baker & Fardoulis

A Corporation of Certified Public Accountants

Morgan City, Louisiana
November 18, 1968

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

**REGULATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA**

**Combined Balance Sheet - All Fund Types and Account Groups
September 30, 1988**

	Governmental Fund Types		
	General	Special Revenue	Debt Service
ASSETS AND OTHER DEBITS			
Cash	\$ 1,178	\$ 12,231	\$ -
Interest-bearing deposits	188,098	37,000	29,748
Receivables:			
Interest	751	349	-
Due from other funds	-	-	-
Property and equipment	-	-	-
Amounts available in debt service fund	-	-	-
Amounts to be provided for retirement of general long-term debt	-	-	-
Total assets and other debits	\$ 189,927	\$ 59,680	\$ 29,748
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 3,780	\$ -	\$ -
Due to other funds	-	-	-
Unclaimed revenue	3,898	-	-
General obligation bonds payable	-	-	-
Total liabilities	\$ 7,678	\$ -	\$ -
Fund equity:			
Investment in general fund assets	-	-	-
Fund balance -			
Reserved for debt service	-	-	29,748
Unreserved, undesignated	181,226	59,680	-
Total fund balances	181,226	59,680	29,748
Total fund equity	181,226	59,680	29,748
Total liabilities and fund equity	\$ 189,903	\$ 59,680	\$ 29,748

Account Group		Totals	
General Fixed Assets	General Long- Term Debt	(thousands, Donly)	
		1991	1992
\$ -	\$ -	\$ 13,320	\$ 12,140
-	-	176,140	172,056
-	-	1,402	2,012
-	-	-	1,043
1,617,933	-	1,619,735	1,624,358
-	26,746	26,746	52,677
-----	-----	-----	-----
	1,128,358	1,128,358	1,150,333
\$ 1,617,933	\$ 1,128,358	\$ 2,966,887	\$ 3,000,716
\$ -	\$ -	\$ 1,781	\$ 6,493
-	-	-	1,843
-	-	3,846	4,411
-----	-----	-----	-----
	1,150,880	1,150,880	1,251,880
-----	-----	-----	-----
	1,150,880	1,150,547	1,261,296
1,621,733	-----	1,621,733	1,624,508
-	-	26,746	52,677
-----	-----	-----	-----
	-----	13,187	121,629
-----	-----	-----	-----
	-----	18,163	173,726
1,622,135	-----	1,622,132	1,624,114
\$ 1,622,135	\$ 1,150,880	\$ 2,968,887	\$ 3,021,731

The accompanying notes are an integral part of this statement.

RECORDING DISTRICT NO. 4
 OFFICE BUILDING OF ST. MARY,
 CITY OF ILLINOIS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
 All Governmental Fund Types
 Year Ended September 30, 1998

	General	Special Revenue	Funds Revolving
Revenues:			
Taxes - all sources	\$ 14,958	\$ -	\$ 150,000
Intergovernmental -			
St. Mary Parish Council	50,000	-	-
City of Palmetto	12,500	9,714	-
Facility rental and subsidies	16,772	-	-
Miscellaneous -			
Interest	4,270	1,811	1,879
Other	1,288	21,738	-
Total revenues	<u>129,882</u>	<u>23,553</u>	<u>151,879</u>
Expenditures:			
Current -			
Culture and recreation			
Accounting	1,786	-	-
Advertising	1,018	-	-
Insurance	9,714	3,239	-
Management fees	25,000	-	-
Printing expenses	800	-	-
Miscellaneous	869	11,155	68
Office supplies	217	-	-
Personnel compensation	301	-	1,648
Repairs and maintenance	4,689	-	-
Supplies	4,839	15,892	-
Telephone	301	-	-
Utilities	11,348	-	-
Funds services -			
Principal retirement	-	-	71,000
Interest and fiscal charges	-	-	49,199
Printing agent fees and fund charges	-	-	15,285
Advance in funding system	-	-	20,140
Capital outlay	1,110	-	-
Total expenditures	<u>63,210</u>	<u>21,084</u>	<u>156,622</u>
(Increase/decrease) of revenues over expenditures	<u>66,672</u>	<u>2,469</u>	<u>35,257</u>
Other financing sources (uses):			
Operating transfers in	-	12,898	-
Operating transfers out	(11,809)	-	-
Proceeds of revolving bonds	-	-	1,290,000
Payments to refund bonds interest	-	-	(1,290,000)
Total other financing sources (uses)	<u>(11,809)</u>	<u>12,898</u>	<u>100,000</u>
Increase (decrease) of revenues and other sources over expenditures and other uses	<u>54,863</u>	<u>15,367</u>	<u>35,257</u>
Fund balance, beginning	<u>82,700</u>	<u>10,000</u>	<u>22,622</u>
Fund balance, ending	<u>\$ 137,563</u>	<u>\$ 25,367</u>	<u>\$ 57,879</u>

Totals
(Manufactures Only)

1999	1997
\$ 165,623	\$ 171,478
58,483	72,861
14,274	16,213
38,773	38,879
5,893	5,649
<u>22,838</u>	<u>22,782</u>
<u>162,862</u>	<u>201,588</u>
7,788	7,258
1,838	500
13,891	15,854
29,158	25,758
888	588
14,298	17,416
517	622
5,098	5,888
5,548	4,274
28,571	18,441
881	1,128
21,548	24,871
71,888	10,888
49,299	66,218
15,936	-
58,288	-
<u>3,142</u>	<u>2,422</u>
<u>144,508</u>	<u>238,602</u>
<u>144,292</u>	<u>19,008</u>
13,858	9,999
111,858	69,999
1,045,000	-
<u>1,179,958</u>	<u> </u>
<u>10,132</u>	<u> </u>
1,420	19,008
<u>113,738</u>	<u>136,132</u>
<u>\$ 161,612</u>	<u>\$ 128,734</u>

The accompanying notes are an integral part of this statement.

**RECREATION DISTRICT NO. 4
OF THE PARISH OF St. TAMMANY,
STATE OF LOUISIANA**

**Condensed Statement of Revenues, Expenditures, and Changes in Fund/Balances -
Budget (GAAP Basis) and Actual - All Governmental Fund Types
Year Ended September 30, 1998**

	General Fund		Variance -
	Budget	Actual	Favorable (Unfavorable)
Revenues:			
Taxes - ad valorem	\$ 14,937	\$ 14,938	\$ 1
Intergovernmental:			
St. Mary Parish Council	41,000	26,400	14,600
City of Patterson	32,300	32,500	-
Facility rental administration	36,800	36,750	150
Miscellaneous:			
Interest	-	4,570	4,570
Other	-	1,200	1,200
Total revenues	<u>114,200</u>	<u>115,417</u>	<u>1,217</u>
Expenditures:			
Current:			
Contract and operations:			
Accounting	7,200	7,200	-
Advertising	1,800	1,033	767
Insurance	18,000	9,711	8,289
Management fees	25,000	20,150	4,850
Meeting expense	500	400	100
Miscellaneous	700	440	260
Office supplies	1,500	117	1,383
Personnel compensation	500	504	-
Repairs and maintenance	7,000	6,099	901
Supplies	5,400	4,119	1,281
Telephone	700	401	299
Utilities	24,400	23,144	1,256
Other current:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Paying agent fees and fiscal charges	-	-	-
Advance refunding premium	-	-	-
Capital (ref)	<u>4,250</u>	<u>3,262</u>	<u>988</u>
Total expenditures	<u>88,114</u>	<u>88,229</u>	<u>885</u>
Excess (deficiency) of revenues over expenditures	<u>26,086</u>	<u>27,188</u>	<u>1,102</u>
Other financing sources (uses):			
Opening balances	-	-	-
Operating transfers-in	(11,000)	(11,000)	-
Proceeds of refunding bonds	-	-	-
Payment of refund/transfer-in agent	-	-	-
Total other financing sources (uses)	<u>(11,000)</u>	<u>(11,000)</u>	<u>0</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>15,086</u>	<u>16,188</u>	<u>1,102</u>
Fund balance, beginning	<u>67,438</u>	<u>67,438</u>	<u>0</u>
Fund balance, ending	<u>\$ 82,524</u>	<u>\$ 83,626</u>	<u>\$ 1,102</u>

Special Revenue Fund			Local Service Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 180,077	\$ 188,683	\$ (8,606)
-	-	-	-	-	-
4,841	5,774	933	-	-	-
-	-	-	-	-	-
1,800	1,800	0	3,900	3,875	25
31,765	34,238	2,473	-	-	-
28,437	29,115	678	184,177	192,558	8,381
-	-	-	-	-	-
-	-	-	-	-	-
3,289	3,289	0	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,094	13,154	940	700	64	636
-	-	-	-	-	-
-	-	-	5,000	5,000	0
-	-	-	-	-	-
15,179	15,843	664	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	75,000	75,000	0
-	-	-	49,478	49,199	279
-	-	-	15,976	15,976	0
-	-	-	50,289	50,140	149
-	-	-	-	-	-
52,518	52,884	366	189,686	194,611	4,925
69,870	74,473	4,603	692,007	744,014	52,007
12,000	12,000	0	-	-	-
-	-	-	-	-	-
-	-	-	1,000,000	1,000,000	0
-	-	-	11,021,833	11,021,811	22
11,998	12,830	832	794,50	78,111	716,389
1,902	8,704	6,802	121,101	12,734	108,367
49,982	60,882	10,900	22,020	22,626	606
\$ 43,898	\$ 28,684	\$ 15,214	\$ 49,224	\$ 28,740	\$ 20,484

The accompanying notes are an integral part of this statement.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Recreation District No. 4 of the Parish of St. Mary (District), which is a component unit of the St. Mary Parish Council, was created by an ordinance dated July 21, 1990, of the St. Mary Parish Council (formerly Police Jury). The District operates under a Board of Commissioners. The purpose of the District is to provide a recreational facility to citizens residing within Recreation District No. 4.

The accounting and reporting policies of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513, the Louisiana Governmental Audit Guide and to the industry audit guide, *Audit of State and Local Government Units*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the District executive and legislative branches (the Board of Commissioners). Control by or dependence on the District was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

The District is a component unit of the St. Mary Parish Council. Although the Parish does not provide facilities or financing, it does exercise some control over operations.

B. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the manner by which spending activities are controlled. The various funds are grouped, in the general purpose financial statements in this report, into three generic fund types and one broad fund category as follows:

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUNDS -

General fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt service fund

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

C. **Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement basis, and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All purchased fixed assets are stated at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

D. **Basis of Accounting**

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All salaries taxes are recognized as revenues in the year for which budgeted, that is, in the year in which such taxes are billed. Other major revenues that are considered receivable in arrears include intergovernmental revenues and interest on interest-bearing deposits.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are recorded as expenditures at the time purchased.

E. Budgetary and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. The District prepares a proposed budget and submits it to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Commissioners.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Commissioners. Such amendments were not material in relation to the original appropriations.

F. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

G. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District as an extension of formal budgetary integration in the funds.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. Total Columns on Combined Statements-Continued

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial positions in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

1. Comparative Data

Comparative total data for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions. These estimates affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds during the reporting period.

NOTE 2 MEETINGS (EXPENSE)

Meeting expenses paid to the Board of Commissioners for the year ended September 30, 1998, is as follows:

Henry Pelkeyan	\$	100
Wendell Johnson		40
Edie Doris		90
Roger English		100
Annette Brockman (resigned, October 1997)		-
Vivian Callie (appointed, November 1997) (resigned, July 1998)		50
Brenda Tappin (appointed, August 1998)		20
		<u>\$ 400</u>

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements

NOTE 13 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 1998, the District has cash and interest-bearing deposits (bank balances) amounting \$189,669, as follows:

Demand deposits	\$ 35,321
Money market accounts	90,977
Time deposits	<u>125,196</u>
Total	<u>\$ 189,669</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or collateral bank that is mutually acceptable to both parties. Deposit balances (bank balances) at September 30, 1998, are stated as follows:

Bank balances	<u>\$ 191,315</u>
Federal deposit insurance	\$ 191,315
Pledged securities (Category 2)	<u>52,668</u>
Total	<u>\$ 382,833</u>

Excess of federal insurance and pledged securities over bank balances	<u>\$ 52,668</u>
---	------------------

Pledged securities in Category 2 includes unsecured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department, or agent in the District's name.

**RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA**

Notes to Financial Statements

NOTE 4 AD VALOREM TAXES

Ad valorem taxes which is an ad valorem tax on property as of January 1 of each year. Taxes are levied by the District in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The St. Mary Parish Sheriff bills and collects property taxes for the District using the assessed values determined by the tax assessors of St. Mary Parish. District property tax revenues are budgeted in the year billed.

For the year ended September 30, 1998, 5.87 mills were authorized and dedicated as follows:

Recreation facility maintenance	.51 mills
Debt service	5.36 mills

Total taxes levied were \$160,621. There were no taxes receivable at September 30, 1998.

NOTE 5 CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 10/1/97	Additions	Deletions	Balance 9/30/98
Land	\$ 23,487	\$ -	\$ -	\$ 23,487
Building	1,553,412	-	-	1,553,412
Equipment	<u>60,629</u>	<u>3,183</u>	-	<u>63,812</u>
Total	<u>\$1,637,528</u>	<u>\$ 3,183</u>	<u>\$ -</u>	<u>\$1,640,711</u>

NOTE 6 ADVANCE REFUNDING

The District issued \$1,045,808 of general obligation bonds to provide resources to purchase U. S. Government, state and local governmental notes securities that were placed in an irrevocable trust for the purpose of providing resources for payment of part of future debt service payments on \$1,395,800 of general obligation bonds series 1998. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt account account group. This advance refunding was undertaken to reduce total debt service payments over the next ten (10) years by \$117,511 and results in an economic gain of \$74,887.

**RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA**

Notes to Financial Statements

NOTE 7 CHANGES IN LONG-TERM DEBT

The following is a summary of long-term debt of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana for the year ended September 30, 1998:

	<u>General Obligation</u>
Bonds payable, October 1, 1997	\$1,183,000
Bonds issued	1,000,000
Bonds retired	<u>1,000,000</u>
Bond payable, September 1998	<u>\$1,183,000</u>

Bonds payable at September 30, 1998, is comprised of the following issues:

General obligation bonds:

\$1,500,000 general obligation bonds, series 1998, payable in annual installments of \$50,000 and \$80,000 through March 1, 2000, with interest at 6.0% and 6.7% per annum. \$ 120,000

\$1,845,000 general obligation refunding bonds, Series 1997 (to defuse \$1,815,000 of general obligation bonds Series 1998 issued for construction of recreation complex), payable in annual installments of \$5,000 to \$18,000 through March 1, 2000, with interest at 5.0% per annum. 1,000,000

\$1,183,000

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements

NOTE 7 CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding as of September 30, 1998, including interest payments of \$187,888 are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>General</u> <u>Obligations</u>
1999	\$ 122,468
2000	127,928
2001	131,625
2002	134,138
2003	135,625
2004-2008	691,625
2009-2010	187,888
	<u>\$1,107,888</u>

NOTE 8 PENDING LITIGATION

The District is presently not involved in any litigation.

**SUPPLEMENTAL
INFORMATION**

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS
AND
ACCOUNT GROUPS**

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Comparative Balance Sheets
General Fund Type
Years Ended September 30, 1998 and 1997

	1998	1997
ASSETS		
Cash	\$ 1,178	\$ 1,150
Interest-bearing deposits	198,909	93,747
Receivable - interest	____752	____781
Total assets	<u>\$ 310,839</u>	<u>\$ 285,678</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 3,707	\$ 4,943
Due to other funds	-	1,043
Deferred revenues	____3,819	____3,511
Total liabilities	____7,526	____9,497
Fund balance:		
Unassigned, undesignated	____301,278	____275,181
Total liabilities and fund equity	<u>\$ 310,839</u>	<u>\$ 285,678</u>

**REGULATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
Year Ended September 30, 1997**

With Comparative Actual Amounts for Year Ended September 30, 1997

	1997			1997 Actual
	Budget	Actual	Variance - Favorable (Unfavorable)	
Revenues				
Taxes - ad valorem	\$ 14,957	\$ 14,958	\$ 1	\$ 14,957
Intergovernmental -				
St. Mary Parish Council	41,000	58,402	17,402	57,000
City of Patterson	12,500	12,500	-	12,500
Facility rental and admissions	36,838	16,777	(20,061)	26,879
Miscellaneous -				
Interest	-	4,375	4,375	3,894
Other	-	1,200	1,200	1,655
Total revenues	<u>114,352</u>	<u>128,662</u>	<u>14,310</u>	<u>124,984</u>
Expenditures:				
Current -				
Culture and recreation				
Accounting	7,300	7,300	(600)	7,300
Advertising	1,050	1,818	77	612
Insurance	18,000	9,712	(8,288)	9,674
Management fees	25,000	29,090	(4,090)	23,280
Meeting supplies	300	400	100	300
Miscellaneous	310	809	(499)	266
Office supplies	1,000	717	283	877
Personnel compensation	201	581	-	483
Repairs and maintenance	7,000	6,689	311	4,251
Supplies	3,400	4,529	(1,129)	3,700
Telephone	700	881	(181)	1,079
Utilities	16,400	21,248	4,848	21,974
Capital outlay	<u>6,720</u>	<u>1,162</u>	<u>5,558</u>	<u>7,825</u>
Total expenditures	<u>118,311</u>	<u>118,229</u>	<u>982</u>	<u>114,811</u>
Excess of revenues over expenditures	12,041	31,028	9,987	2,548
Other financing uses:				
Operating transfers out	<u>112,800</u>	<u>112,420</u>	<u>380</u>	<u>10,800</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	10,860	18,608	8,748	(7,604)
Fund balance, beginning	<u>82,198</u>	<u>82,198</u>	<u>-</u>	<u>89,607</u>
Fund balance, ending	<u>\$ 93,058</u>	<u>\$ 100,826</u>	<u>\$ 7,768</u>	<u>\$ 92,003</u>

SPECIAL REVENUE FUNDS

Youth Sports Fund

Monies in this fund are received from recreation programs sponsored and intergovernmental revenues. Monies received are expended out from the youth recreation programs.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Compared by Balance Sheet
Special Revenue Fund
Years Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
ASSETS		
Cash	\$ 12,351	\$ 10,991
Interest-bearing deposits	37,543	29,808
Receivable - interest	<u>745</u>	<u>851</u>
Total assets	<u>\$ 50,639</u>	<u>\$ 41,650</u>
FUND BALANCE		
Fund balance:		
Unreserved, undesignated	<u>\$ 50,639</u>	<u>\$ 41,650</u>

**RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (CIPAP Basis) and Actual - Special Revenue Fund
Year Ended September 30, 1998
With Comparative Actual Amounts for Year Ended September 30, 1997**

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
City of Patterson	\$ 4,842	\$ 5,774	\$ 932	\$ 3,313
Miscellaneous -				
Interest	1,800	1,833	33	1,940
Other	21,785	21,758	(27)	20,680
Total revenues	<u>28,427</u>	<u>29,365</u>	<u>938</u>	<u>25,933</u>
Expenditures:				
Current -				
 Capital and renovation:				
Insurance	3,289	3,289	-	3,428
Miscellaneous	14,081	13,353	728	11,688
Supplies	15,121	15,042	79	19,861
Total expenditures	<u>32,491</u>	<u>31,684</u>	<u>807</u>	<u>35,977</u>
 Debits (deficiency) of revenues over expenditures				
	(4,064)	(2,319)	1,745	3,653
Other financing sources:				
Operating transfers in	(2,608)	(2,658)	(50)	9,999
Excess of revenues and other sources over expenditures and other uses				
	7,812	9,711	1,899	13,022
Fund balance, beginning	<u>60,882</u>	<u>60,882</u>	<u>-----</u>	<u>27,860</u>
Fund balance, ending	<u>\$ 68,694</u>	<u>\$ 70,603</u>	<u>\$ 1,909</u>	<u>\$ 40,882</u>

DEBT SERVICE FUND

General obligation bonds - to accumulate monies for payment of the 1980 \$1,508,080 general obligation bonds and the 1987 \$1,845,000 general obligation refunding bonds. Debt service is financed by the levy of a specific ad valorem tax.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Comparative Balance Sheet
Debt Service Fund
Years Ended September 30, 1998 and 1997

	1998	1997
ASSETS		
Interest-bearing deposits	\$ 29,700	\$ 51,214
Receivables:		
Interest	-	320
Due from other funds	_____	1,813
Total assets	<u>\$ 29,700</u>	<u>\$ 53,347</u>
FUND BALANCE		
Fund balance:		
Reserved for debt service	<u>\$ 29,700</u>	<u>\$ 53,347</u>

**RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - Debt Service Fund
Year Ended September 30, 1998
With Comparative Actual Accounts for Year Ended September 30, 1997**

	1998		Variance - Favorably (Unfavorably)	1997 Actual
	Budget	Actual		
Revenues:				
Taxes - ad valorem	\$ 130,671	\$ 130,660	\$ (11)	\$ 131,476
Miscellaneous - interest	1,580	1,820	1,600	2,312
Total revenues	<u>132,251</u>	<u>132,480</u>	<u>1,600</u>	<u>133,788</u>
Expenditures:				
Current -				
Culture and recreation:				
Miscellaneous	750	68	682	442
Attorney's compensation	3,048	3,048	-	3,417
Debt service -				
Principal retirement	71,000	71,000	-	70,000
Interest and fiscal charges	49,470	49,799	170	50,318
Paying agent fees and fiscal charges	15,900	15,900	-	-
Advances refunding interest	20,280	20,280	-	-
Total expenditures	<u>156,448</u>	<u>191,095</u>	<u>350</u>	<u>143,777</u>
Excess (deficiency) of revenues over expenditures	<u>75,803</u>	<u>41,385</u>	<u>1780</u>	<u>13,589</u>
Other financing sources (uses):				
Proceeds of refunding bonds	1,841,880	1,841,880	-	-
Payment of related bonds coupon agent	(1,834,860)	(1,834,860)	-	-
Total other financing sources (uses)	<u>77,020</u>	<u>77,020</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>152,823</u>	<u>118,405</u>	<u>1780</u>	<u>13,589</u>
Fund balance, beginning	<u>31,626</u>	<u>31,626</u>	<u>-</u>	<u>30,668</u>
Fund balance, ending	<u>\$ 184,449</u>	<u>\$ 149,831</u>	<u>\$ 1780</u>	<u>\$ 44,257</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Comparative Statements of General Fixed Assets
Years Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
General fixed assets at cost:		
Property and equipment	<u>\$1,610,721</u>	<u>\$1,624,458</u>
Investment in general fixed assets	<u>\$1,610,721</u>	<u>\$1,624,458</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for matured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service fund.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Comparative Statements of General Long-Term Debt
Years Ended September 30, 1998 and 1997

	1998	1997
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT		
Amount available in debt service fund for debt retirement	\$ 29,348	\$ 52,613
Amount to be provided from - all various taxes	1,130,568	1,162,323
Total available and to be provided	<u>\$1,159,916</u>	<u>\$1,214,936</u>
GENERAL LONG-TERM DEBT PAYABLE		
Bonds payable	<u>\$1,159,916</u>	<u>\$1,214,936</u>

**INTERNAL CONTROL
AND
COMPLIANCE**



**Darrall, Sikes
& Frederick**

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1998 No. 11

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

The Board of Commissioners
Bossierien District No. 4
of the Parish of St. Mary,
State of Louisiana
Bossierien, Louisiana

We have audited the financial statements of the Bossierien District No. 4 of the Parish of St. Mary, State of Louisiana, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1998, and have issued our report thereon dated November 18, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Bossierien District No. 4 of the Parish of St. Mary, State of Louisiana'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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bossierien District No. 4 of the Parish of St. Mary, State of Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 98 b.

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that we also considered to be material weaknesses, as defined above. However, we believe the reportable condition described above as 85-1 is a material weakness.

This report is intended for the information of the District's management. However, this report is a matter of public record and its distribution is not limited.

Deloitte, Allen & Stenberg
A Corporation of Certified Public Accountants

Morgan City, Louisiana
November 18, 1998

OTHER SUPPLEMENTARY INFORMATION

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Summary Schedule of Prior Year Findings
September 30, 1998

97-1. Finding: Inadequate Segregation of Accounting Functions

Status: This finding is unresolved. See current year finding 98-1.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Schedule of Findings and Questioned Costs
September 30, 1998

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

An unqualified opinion has been issued on Recreation District No. 4's financial statements as of and for the year ended September 30, 1998.

Reportable Conditions – Financial Statements

One reportable condition in internal control over financial reporting was disclosed during the audit of the financial statements and is shown as item 98-1 in Part 2 and is considered a material weakness.

Material Noncompliance – Financial Reporting

There were no material instances of noncompliance noted during the audit of the financial statements.

Part 2: Findings (Relating to an Audit in Accordance with Governmental Auditing Standards)

98-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the District did not have adequate segregation of functions within the accounting systems.

Recommendation:

Based upon the size of the operation and the cost benefit of additional personnel it may not be feasible to achieve complete segregation of duties.

RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Management's Corrective Action Plan For Current Year Findings
September 30, 1998

Response to Finding #0-1:

No response is considered necessary.