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

FINANCIAL STATEMENTS

Year Ended September 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date May 18 1998

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Independent Auditor's Report

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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, 1997, 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, 1997, 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 20, 1997, 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.

Member of
American Institute of
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Society of Certified
Certified Public Accountants

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 portion 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.

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.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Morgan City, Louisiana
November 20, 1997

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

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

Combined Balance Sheet - All Fund Types and Account Groups
September 30, 1997

	Governmental Fund Types			Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	General Fixed Assets	General Long Term Debt	1997	1996
ASSETS AND OTHER DEBITS							
Cash	\$ 1,150	\$10,991	\$ -	\$ -	\$ -	\$ 12,141	\$ 28,610
Interest-bearing deposits	92,742	29,000	51,214	-	-	172,956	135,951
Receivables:							
Interest	701	891	420	-	-	2,012	825
Due from other funds	-	-	1,043	-	-	1,043	-
Property and equipment	-	-	-	1,624,558	-	1,624,558	1,616,719
Amount available in debt service fund	-	-	-	-	52,677	52,677	50,000
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-
Total assets and other debits	\$94,593	\$40,882	\$52,677	\$1,624,558	\$1,195,000	\$3,007,710	\$3,032,105
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts payable	\$ 6,942	\$ -	\$ -	\$ -	\$ -	\$ 6,942	\$ 7,159
Due to other funds	1,043	-	-	-	-	1,043	-
Deferred revenue	4,411	-	-	-	-	4,411	1,475
General obligation bonds payable	-	-	-	1,195,000	1,195,000	1,195,000	1,250,000
Total liabilities	12,396	-	-	1,195,000	1,195,000	1,207,396	1,258,634
Fund equity:							
Investment in general fixed assets	-	-	-	1,624,558	-	1,624,558	1,616,719
Fund balances -	-	-	-	-	-	-	-
Reserved for debt service	-	-	52,677	-	-	52,677	39,636
Unreserved, undesignated	82,197	40,882	-	-	-	123,079	117,116
Total fund balances	82,197	40,882	52,677	-	-	175,756	156,752
Total fund equity	82,197	40,882	52,677	1,624,558	-	1,800,314	1,773,471
Total liabilities and fund equity	\$94,593	\$40,882	\$52,677	\$1,624,558	\$1,195,000	\$3,007,710	\$3,032,105

The accompanying notes are an integral part of this statement.

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

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended September 30, 1997

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Totals (Memorandum Only)</u>	
				<u>1997</u>	<u>1996</u>
Revenues:					
Taxes - ad valorem	\$14,025	\$ -	\$157,425	\$171,450	\$136,139
Intergovernmental -					
St. Mary Parish Council	32,061	-	-	32,061	31,500
City of Patterson	12,500	3,713	-	16,213	39,737
Facility rental and admissions	20,829	-	-	20,829	26,164
Miscellaneous -					
Interest	3,891	1,040	2,712	7,643	7,405
Other	1,055	24,650	-	25,705	26,566
Total revenues	<u>84,361</u>	<u>29,403</u>	<u>160,137</u>	<u>273,901</u>	<u>267,511</u>
Expenditures:					
Current -					
Culture and recreation:					
Accounting	7,250	-	-	7,250	6,450
Advertising	652	-	-	652	6,345
Insurance	9,631	3,420	-	13,051	13,684
Management fees	23,230	-	-	23,230	27,487
Meeting expense	500	-	-	500	510
Miscellaneous	256	11,699	461	12,416	7,986
Office supplies	877	-	-	877	979
Pension fund	483	-	5,417	5,900	5,239
Repairs and maintenance	4,251	-	-	4,251	3,621
Supplies	3,750	10,861	-	14,611	10,305
Telephone	1,129	-	-	1,129	535
Utilities	21,973	-	-	21,973	22,463
Debt service -					
Principal retirement	-	-	55,000	55,000	50,000
Interest and fiscal charges	-	-	86,218	86,218	91,193
Capital outlay	7,839	-	-	7,839	1,285
Total expenditures	<u>81,821</u>	<u>25,980</u>	<u>147,096</u>	<u>254,897</u>	<u>248,082</u>
Excess of revenues over expenditures	<u>2,540</u>	<u>3,423</u>	<u>13,041</u>	<u>19,004</u>	<u>19,429</u>
Other financing sources (uses):					
Operating transfers in	-	9,999	-	9,999	-
Operating transfers out	(9,999)	-	-	(9,999)	-
Total other financing sources (uses)	<u>(9,999)</u>	<u>9,999</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(7,459)</u>	<u>13,422</u>	<u>13,041</u>	<u>19,004</u>	<u>19,429</u>
Fund balances, beginning	<u>89,656</u>	<u>27,460</u>	<u>39,636</u>	<u>156,752</u>	<u>137,323</u>
Fund balances, ending	<u>\$82,197</u>	<u>\$40,882</u>	<u>\$ 52,677</u>	<u>\$175,756</u>	<u>\$156,752</u>

The accompanying notes are an integral part of this statement.

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

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual -
All Governmental Fund Types
Year Ended September 30, 1997

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes - ad valorem	\$15,203	\$14,025	\$(1,178)	\$ -	\$ -	\$ -
Intergovernmental -						
St. Mary Parish Council	32,580	32,061	(519)	-	-	-
City of Patterson	10,000	12,500	2,500	3,713	3,713	-
Facility rental and admissions	24,000	20,829	(3,171)	-	-	-
Miscellaneous -						
Interest	3,000	3,891	891	950	1,040	90
Other	1,000	1,055	55	24,439	24,650	211
Total revenues	<u>85,783</u>	<u>84,361</u>	<u>(1,422)</u>	<u>29,102</u>	<u>29,403</u>	<u>301</u>
Expenditures:						
Current -						
Culture and recreation:						
Accounting	6,450	7,250	(800)	-	-	-
Advertising	585	652	(67)	-	-	-
Insurance	10,800	9,631	1,169	3,420	3,420	-
Management fees	25,000	23,230	1,770	-	-	-
Meeting expense	550	500	50	-	-	-
Miscellaneous	155	256	(101)	12,413	11,699	714
Office supplies	850	877	(27)	-	-	-
Pension fund	523	483	40	-	-	-
Repairs and maintenance	4,500	4,251	249	-	-	-
Supplies	4,250	3,750	500	9,752	10,861	(1,109)
Telephone	1,200	1,129	71	-	-	-
Utilities	20,800	21,973	(1,173)	-	-	-
Debt service -						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	8,356	7,839	517	-	-	-
Total expenditures	<u>84,019</u>	<u>81,821</u>	<u>2,198</u>	<u>25,585</u>	<u>25,980</u>	<u>(395)</u>
Excess of revenues over expenditures	1,764	2,540	776	3,517	3,423	(94)
Other financing sources (uses):						
Operating transfers in	-	-	-	9,999	9,999	-
Operating transfers out	(9,999)	(9,999)	-	-	-	-
Total other financing sources (uses)	<u>(9,999)</u>	<u>(9,999)</u>	<u>-</u>	<u>9,999</u>	<u>9,999</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(8,235)	(7,459)	776	13,516	13,422	(94)
Fund balances, beginning	<u>89,656</u>	<u>89,656</u>	<u>-</u>	<u>27,460</u>	<u>27,460</u>	<u>-</u>
Fund balances, ending	<u>\$81,421</u>	<u>\$82,197</u>	<u>\$ 776</u>	<u>\$40,976</u>	<u>\$40,882</u>	<u>\$ (94)</u>

The accompanying notes are an integral part of this statement.

<u>Debt Service Fund</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
\$156,191	\$157,425	\$1,234
-	-	-
-	-	-
2,000	2,712	712
<u>158,191</u>	<u>160,137</u>	<u>1,946</u>
-	-	-
-	-	-
-	-	-
-	-	-
726	461	265
-	-	-
5,376	5,417	(41)
-	-	-
-	-	-
55,000	55,000	-
86,218	86,218	-
-	-	-
<u>147,320</u>	<u>147,096</u>	<u>224</u>
10,871	13,041	2,170
-	-	-
-	-	-
-	-	-
10,871	13,041	2,170
<u>39,636</u>	<u>39,636</u>	-
<u>\$ 50,507</u>	<u>\$ 52,677</u>	<u>\$2,170</u>
=====	=====	=====

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

Notes to Financial Statements

(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 27, 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 Statutes 24:513 and to the industry audit guide, Audits of State and Local Governmental 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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means 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 (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 focus, 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.

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

Notes to Financial Statements (Continued)

Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed. Other major revenues that are considered susceptible to accrual include intergovernmental revenues and interest on interest-bearing deposits.

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 regarded as expenditures at the time purchased.

E. Budgets 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.

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

Notes to Financial Statements (Continued)

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.

H. Total Columns on Combined Statements-Overview

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 position 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.

I. 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.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principals requires management to make certain estimates and assumptions. Those 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.

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

Notes to Financial Statements (Continued)

(2) Meeting Expense

Meeting expense paid to the Board of Commissioners for the year ended September 30, 1997, is as follows:

Danny Felterman	\$120
Wendell Johnson	80
Roger English	100
Eddie Darce	120
Annette Boudreaux	80
	\$500

(3) 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, 1997, the District has cash and interest-bearing deposits (book balances) totaling \$185,097, as follows:

Demand deposits	\$ 12,141
Money market accounts	59,530
Time deposits	113,426
Total	\$185,097

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 custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at September 30, 1997, are secured as follows:

Bank balances	\$185,395
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RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY,
STATE OF LOUISIANA

Notes to Financial Statements (Continued)

Federal deposit insurance	\$185,395
Pledged securities (Category 2)	<u>101,000</u>
Total	<u>286,395</u>
Excess of federal insurance and pledged securities over bank balances	<u>\$101,000</u>

Pledged securities in Category 2 includes uninsured 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.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien 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 assessor of St. Mary Parish. District property tax revenues are budgeted in the year billed.

For the year ended September 30, 1997, 6.48 mills were authorized and dedicated as follows:

Recreation facility maintenance	.53 mills
Debt service	5.95 mills

Total taxes levied were \$171,450. There were no taxes receivable at September 30, 1997.

(5) Changes in Fixed Assets

A summary of changes in general fixed assets follows:

	Balance 10/1/96	Additions	Deletions	Balance 9/30/97
Land	\$ 23,487	\$ -	\$ -	\$ 23,487
Building	1,537,412	-	-	1,537,412
Equipment	<u>55,820</u>	<u>7,839</u>	<u>-</u>	<u>63,659</u>
Total	<u>\$1,616,719</u>	<u>\$ 7,839</u>	<u>\$ -</u>	<u>\$1,624,558</u>

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

Notes to Financial Statements (Continued)

(6) Changes in Long-Term Debt

The following is a summary of bond transactions of the Recreation District No. 4 of the Parish of St. Mary, State of Louisiana for the year ended September 30, 1997:

	<u>General Obligation</u>
Bonds payable, October 1, 1996	\$1,250,000
Bonds retired	<u>55,000</u>
Bonds payable, September 30, 1997	<u>\$1,195,000</u>

Bonds payable at September 30, 1997, is composed of the following individual issue:

General obligation bonds:

\$1,500,000 General obligation bonds, Series 1990, due in annual installments of \$55,000 to \$140,000 through March 1, 2010; interest rates not to exceed 10 percent per annum; payable by levy and collection of ad valorem taxes.	<u>\$1,195,000</u>
--	--------------------

The annual requirements to amortize all debt outstanding as of September 30, 1997, including interest payments of \$631,671 are as follows:

<u>Year Ending September 30.</u>	<u>General Obligation</u>
1998	\$136,446
1999	137,170
2000	138,012
2001	138,455
2002	138,487
2003 - 2007	705,751
2008 - 2010	<u>432,350</u>
	<u>\$1,826,671</u>

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

Notes to Financial Statements (Continued)

(7) Pending Litigation

The District is presently not involved in any litigation.

(8) Commitments

All bonds remaining in the General Obligation Bonds, Series 1990 dated December 1, 1990, are callable after March 1, 2000. The District will advance refund these bonds in December, 1997.

**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
GENERAL FUND

Comparative Balance Sheets
September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
ASSETS		
Cash		
Interest-bearing deposits	\$ 1,150	\$ 1,150
Receivable - interest	92,742	96,345
	<u>701</u>	<u>795</u>
Total assets	<u>\$94,593</u>	<u>\$98,290</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 6,942	\$ 7,159
Due to other funds	1,043	-
Deferred revenue	<u>4,411</u>	<u>1,475</u>
Total liabilities	12,396	8,634
Fund balance:		
Unreserved, undesignated	<u>82,197</u>	<u>89,656</u>
Total liabilities and fund balance	<u>\$94,593</u>	<u>\$98,290</u>

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

Statements of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended September 30, 1997
With Comparative Actual Amounts for Year Ended September 30, 1996

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	Budget	Actual		
Revenues:				
Taxes - ad valorem	\$15,203	\$14,025	\$(1,178)	\$12,075
Intergovernmental -				
St. Mary Parish Council	32,580	32,061	(519)	31,500
City of Patterson	10,000	12,500	2,500	13,830
Facility rental and admissions	24,000	20,829	(3,171)	26,164
Miscellaneous -				
Interest	3,000	3,891	891	3,482
Other	1,000	1,055	55	1,080
Total revenue	<u>85,783</u>	<u>84,361</u>	<u>(1,422)</u>	<u>88,131</u>
Expenditures:				
Current -				
Culture and recreation:				
Accounting	6,450	7,250	(800)	6,450
Advertising	585	652	(67)	645
Insurance	10,800	9,631	1,169	10,799
Management fees	25,000	23,230	1,770	27,487
Meeting expense	550	500	50	510
Miscellaneous	155	256	(101)	346
Office supplies	850	877	(27)	669
Pension fund	523	483	249	465
Repairs and maintenance	4,500	4,251	40	3,196
Supplies	4,250	3,750	500	2,949
Telephone	1,200	1,129	71	535
Utilities	20,800	21,973	(1,173)	22,463
Capital outlay	8,356	7,839	517	1,285
Total expenditures	<u>84,019</u>	<u>81,821</u>	<u>2,198</u>	<u>77,799</u>
Excess of revenues over expenditures	1,764	2,540	776	10,332
Other financing sources (uses):				
Operating transfers out	(9,999)	(9,999)	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(8,235)	(7,459)	776	10,332
Fund balance, beginning	<u>89,656</u>	<u>89,656</u>	-	<u>79,324</u>
Fund balance, ending	<u>\$81,421</u>	<u>\$82,197</u>	<u>\$ 776</u>	<u>\$89,656</u>

SPECIAL REVENUE FUND

Youth Sports Fund

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

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

Comparative Balance Sheets
 September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
ASSETS		
Cash		
Interest-bearing deposits	\$10,991	\$27,460
Receivable - interest	29,000	-
	<u>891</u>	<u>-</u>
Total assets	<u>\$40,882</u>	<u>\$27,460</u>
FUND BALANCE		
Fund balance:		
Unreserved, undesignated	<u>\$ 40,882</u>	<u>\$27,460</u>

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

Statements of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended September 30, 1997
With Comparative Actual Amounts for Year Ended September 30, 1996

	1997		Variance - Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Revenues:			
Intergovernmental -			
City of Patterson	\$ 3,713	\$ 3,713	\$ -
Miscellaneous -			
Interest	950	1,040	90
Other	<u>24,439</u>	<u>24,650</u>	<u>211</u>
Total revenue	<u>29,102</u>	<u>29,403</u>	<u>301</u>
Expenditures:			
Current -			
Culture and recreation:			
Insurance	3,420	3,420	-
Miscellaneous	12,413	11,699	714
Supplies	<u>9,752</u>	<u>10,861</u>	<u>(1,109)</u>
Total expenditures	<u>25,585</u>	<u>25,980</u>	<u>(395)</u>
Excess of revenues over expenditures	3,517	3,423	(94)
Other financing sources:			
Operating transfers in	<u>9,999</u>	<u>9,999</u>	-
Excess of revenues and other sources over expenditures	13,516	13,422	(94)
Fund balance, beginning	<u>27,460</u>	<u>27,460</u>	-
Fund balance, ending	<u>\$40,976</u>	<u>\$40,882</u>	<u>\$ (94)</u>

DEBT SERVICE FUND

1990 General obligation bonds - to accumulate monies for payment of the 1990 \$1,500,000 general obligation 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
 DEBT SERVICE FUND

Comparative Balance Sheets
 September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
ASSETS		
Interest-bearing deposits	\$51,214	\$39,606
Receivables:		
Interest	420	30
Due from other funds	<u>1,043</u>	<u>-</u>
Total assets	<u>\$52,677</u>	<u>\$39,636</u>
FUND BALANCE		
Fund balance:		
Reserved for debt service	<u>\$52,677</u>	<u>\$39,636</u>

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

Statements of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended September 30, 1997
With Comparative Totals for September 30, 1996

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	Budget	Actual		
Revenues:				
Taxes - ad valorem	\$156,191	\$157,425	\$1,234	\$124,064
Miscellaneous - interest	2,000	2,712	712	3,923
Total revenues	158,191	160,137	1,946	127,987
Expenditures:				
Current -				
Culture and recreation:				
Miscellaneous	726	461	265	383
Assessor's compensation	5,376	5,417	(41)	4,774
Debt service -				
Principal retirement	55,000	55,000	-	50,000
Interest and fiscal charges	86,218	86,218	-	91,193
Total expenditures	147,320	147,096	224	146,350
Excess (deficiency) of revenues over expenditures	10,871	13,041	2,170	(18,363)
Fund balance, beginning	39,636	39,636	-	57,999
Fund balance, ending	\$ 50,507	\$ 52,677	\$2,170	\$ 39,636

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
September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
General fixed assets at cost:		
Property and equipment	\$1,624,558	\$1,616,719
Investment in general fixed assets	\$1,624,558	\$1,616,719

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured 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
September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT		
Amount available in debt service fund for debt retirement	\$ 52,677	\$ 50,000
Amount to be provided from - ad valorem taxes	<u>1,142,323</u>	<u>1,200,000</u>
Total available and to be provided	<u>\$1,195,000</u>	<u>\$1,250,000</u>
GENERAL LONG-TERM DEBT PAYABLE		
Bonds payable	<u>\$1,195,000</u>	<u>\$1,250,000</u>

INTERNAL CONTROL
AND
COMPLIANCE



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

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Tamara E. Cox, CPA

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

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The Board of Supervisors
Recreation District No. 4
of the Parish of St. Mary,
State of Louisiana
Patterson, Louisiana

We have audited the 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, 1997, and have issued our report thereon dated November 20, 1997. We have 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 Recreation 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 Recreation 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

Member:

American Institute of Certified Public Accountants

State of Louisiana Certified Public Accountants

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 judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with assertions of management in the financial statements.

Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees the District did not have adequate segregation of functions within the accounting system.

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.

Response:

No response is considered necessary.

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 are also considered to be material weaknesses. However, we believe the reportable condition described above 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.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Morgan City, Louisiana
November 20, 1997