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

**FINANCIAL STATEMENTS**

Year Ended September 30, 1999

Under provisions of state law, this report is a public document. A copy of 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 1-19-2000

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# Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

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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  
Patterson, Louisiana

### Other Locations:

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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, 1999, 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.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue in order for financial statements to be in conformity with generally accepted accounting principles. Such required disclosures include:

- any significant amount of resources committed to make computer systems and other electronic equipment year 2000-compliant;
- a general description of the year 2000 issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000-compliant; and
- the additional stages of work necessary for making the computer systems and other electronic equipment year 2000-compliant.

Member of:  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

The St. Mary Parish Recreation District No. 4 has omitted such disclosures. We do not provide assurance that the Recreation District is or will be year 2000 ready, that the Recreation District's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Recreation District does business will be year 2000 ready.

In our opinion, except for the omission of the information discussed in the preceding paragraph, 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, 1999, 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 October 26, 1999, 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 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.

*Dannall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
October 26, 1999

**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, 1999  
With Comparative Totals for Year Ended September 30, 1998

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>ASSETS AND OTHER DEBITS</b>			
Cash	\$ 920	\$ 14,069	\$ -
Interest-bearing deposits	129,980	21,567	31,895
Receivables:			
Interest	973	85	-
Property and equipment	-	-	-
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
Total assets and other debits	<u>\$ 131,873</u>	<u>\$ 35,721</u>	<u>\$ 31,895</u>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
Accounts payable	\$ 1,617	\$ -	\$ -
Deferred revenue	5,270	-	-
General obligation bonds payable	-	-	-
Total liabilities	<u>6,887</u>	<u>-</u>	<u>-</u>
Fund equity:			
Investment in general fixed assets	-	-	-
Fund balance -			
Reserved for debt service	-	-	31,895
Unreserved, undesignated	124,986	35,721	-
Total fund balances	<u>124,986</u>	<u>35,721</u>	<u>31,895</u>
Total fund equity	<u>124,986</u>	<u>35,721</u>	<u>31,895</u>
Total liabilities and fund equity	<u>\$ 131,873</u>	<u>\$ 35,721</u>	<u>\$ 31,895</u>

Account Group		Totals	
General	General Long-	(Memorandum Only)	
Fixed Assets	Term Debt	1999	1998
\$ -	\$ -	\$ 14,989	\$ 13,521
-	-	183,442	176,143
-	-	1,058	1,502
1,642,507	-	1,642,507	1,627,723
-	31,895	31,895	29,740
<u>-</u>	<u>1,053,105</u>	<u>1,053,105</u>	<u>1,120,260</u>
<u>\$ 1,642,507</u>	<u>\$ 1,085,000</u>	<u>\$ 2,926,996</u>	<u>\$ 2,968,889</u>
\$ -	\$ -	\$ 1,617	\$ 5,707
-	-	5,270	3,840
<u>-</u>	<u>1,085,000</u>	<u>1,085,000</u>	<u>1,150,000</u>
<u>-</u>	<u>1,085,000</u>	<u>1,091,887</u>	<u>1,159,547</u>
<u>1,642,507</u>	<u>-</u>	<u>1,642,507</u>	<u>1,627,723</u>
-	-	31,895	29,740
<u>-</u>	<u>-</u>	<u>160,707</u>	<u>151,879</u>
<u>-</u>	<u>-</u>	<u>192,602</u>	<u>181,619</u>
<u>1,642,507</u>	<u>-</u>	<u>1,835,109</u>	<u>1,809,342</u>
<u>\$ 1,642,507</u>	<u>\$ 1,085,000</u>	<u>\$ 2,926,996</u>	<u>\$ 2,968,889</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 Statements of Revenues, Expenditures, and Changes in Fund Balances -  
All Governmental Fund Types  
Year Ended September 30, 1999  
With Comparative Totals for Year Ended September 30, 1998

	General	Special Revenue	Debt Service
Revenues:			
Taxes - ad valorem	\$ 15,139	\$ -	\$ 128,493
Intergovernmental -			
St. Mary Parish Council	52,991	-	-
City of Patterson	12,500	1,640	-
Facility rental and admissions	36,961	-	-
Miscellaneous -			
Interest	4,696	1,162	1,515
Other	<u>4,285</u>	<u>30,643</u>	<u>-</u>
Total revenues	<u>126,572</u>	<u>33,445</u>	<u>130,008</u>
Expenditures:			
Current -			
Culture and recreation:			
Accounting	7,692	-	-
Advertising	5,720	-	-
Insurance	9,515	2,757	-
Management fees	25,563	-	-
Meeting expense	500	-	-
Miscellaneous	2,066	22,964	-
Concession expense	-	-	-
Office supplies	627	-	-
Assessor's compensation	476	-	4,042
Repairs and maintenance	7,056	-	-
Supplies	4,453	22,654	-
Telephone	668	-	-
Utilities	23,694	-	-
Debt service -			
Principal retirement	-	-	65,000
Interest and fiscal charges	-	-	57,460
Paying agent fees and fiscal charges	-	-	1,351
Advance refunding escrow	-	-	-
Capital outlay	<u>13,382</u>	<u>1,402</u>	<u>-</u>
Total expenditures	<u>101,412</u>	<u>49,777</u>	<u>127,853</u>
Excess (deficiency) of revenues over expenditures	<u>25,160</u>	<u>(16,332)</u>	<u>2,155</u>
Other financing sources (uses):			
Operating transfers in	-	1,450	-
Operating transfers out	(1,450)	-	-
Proceeds of refunding bonds	-	-	-
Payment to refund bonds escrow agent	-	-	-
Total other financing sources (uses)	<u>(1,450)</u>	<u>1,450</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	23,710	(14,882)	2,155
Fund balance, beginning	<u>101,276</u>	<u>50,603</u>	<u>29,740</u>
Fund balance, ending	<u>\$ 124,986</u>	<u>\$ 35,721</u>	<u>\$ 31,895</u>



Totals (Memorandum Only)	
1999	1998
\$ 143,632	\$ 165,623
52,991	50,402
14,140	18,274
36,961	36,772
7,373	7,973
<u>34,928</u>	<u>23,018</u>
<u>290,025</u>	<u>302,062</u>
7,692	7,700
5,720	1,018
12,272	13,001
25,563	29,190
500	400
25,030	14,290
627	317
4,518	5,549
7,056	6,689
27,107	20,371
668	801
23,694	23,348
65,000	75,000
57,460	49,299
1,351	15,936
-	50,280
<u>14,784</u>	<u>3,165</u>
<u>279,042</u>	<u>316,354</u>
<u>10,983</u>	<u>(14,292)</u>
1,450	12,850
(1,450)	(12,850)
-	1,045,000
-	<u>(1,024,845)</u>
-	<u>20,155</u>
10,983	5,863
<u>181,619</u>	<u>175,756</u>
<u>\$ 192,602</u>	<u>\$ 181,619</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, 1999

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues:</b>			
Taxes - ad valorem	\$ 14,812	\$ 15,139	\$ 327
Intergovernmental -			
St. Mary Parish Council	52,797	52,991	194
City of Patterson	12,500	12,500	-
Facility rental and admissions	35,700	36,961	1,261
Miscellaneous -			
Interest	4,500	4,696	196
Other	<u>5,080</u>	<u>4,285</u>	<u>(795)</u>
Total revenues	<u>125,389</u>	<u>126,572</u>	<u>1,183</u>
<b>Expenditures:</b>			
Current -			
Culture and recreation:			
Accounting	7,600	7,692	(92)
Advertising	5,300	5,720	(420)
Insurance	9,515	9,515	-
Management fees	30,000	25,563	4,437
Meeting expense	530	500	30
Miscellaneous	2,200	2,066	134
Concession Expense	3,200	-	3,200
Office supplies	1,250	627	623
Assessor's compensation	476	476	-
Repairs and maintenance	5,600	7,056	(1,456)
Supplies	5,050	4,453	597
Telephone	700	668	32
Utilities	28,350	23,694	4,656
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Paying agent fees and fiscal charges	-	-	-
Capital outlay	<u>9,349</u>	<u>13,382</u>	<u>(4,033)</u>
Total expenditures	<u>109,120</u>	<u>101,412</u>	<u>7,708</u>
Excess (deficiency) of revenues over expenditures	<u>16,269</u>	<u>25,160</u>	<u>8,891</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	<u>(1,450)</u>	<u>(1,450)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,450)</u>	<u>(1,450)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	14,819	23,710	8,891
Fund balance, beginning	<u>101,276</u>	<u>101,276</u>	<u>-</u>
Fund balance, ending	<u>\$ 116,095</u>	<u>\$ 124,986</u>	<u>\$ 8,891</u>

Special Revenue Fund			Debt Service Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 125,718	\$ 128,493	\$ 2,775
-	-	-	-	-	-
1,640	1,640	-	-	-	-
-	-	-	-	-	-
1,100	1,162	62	1,300	1,515	215
<u>28,608</u>	<u>30,643</u>	<u>2,035</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>31,348</u>	<u>33,445</u>	<u>2,097</u>	<u>127,018</u>	<u>130,008</u>	<u>2,990</u>
-	-	-	-	-	-
-	-	-	-	-	-
2,757	2,757	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
22,529	22,964	(435)	1,500	-	1,500
-	-	-	-	-	-
-	-	-	4,042	4,042	-
-	-	-	-	-	-
20,819	22,654	(1,835)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	65,000	65,000	-
-	-	-	57,460	57,460	-
-	-	-	-	1,351	(1,351)
<u>1,402</u>	<u>1,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>47,507</u>	<u>49,777</u>	<u>(2,270)</u>	<u>128,002</u>	<u>127,853</u>	<u>149</u>
<u>(16,159)</u>	<u>(16,332)</u>	<u>(173)</u>	<u>(984)</u>	<u>2,155</u>	<u>3,139</u>
1,450	1,450	-	-	-	-
-	-	-	-	-	-
<u>1,450</u>	<u>1,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(14,709)	(14,882)	(173)	(984)	2,155	3,139
<u>50,603</u>	<u>50,603</u>	<u>-</u>	<u>29,740</u>	<u>29,740</u>	<u>-</u>
<u>\$ 35,894</u>	<u>\$ 35,721</u>	<u>\$ (173)</u>	<u>\$ 28,756</u>	<u>\$ 31,895</u>	<u>\$ 3,139</u>

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 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, the Louisiana Governmental Audit Guide 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:*

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.

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)

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. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Governmental Fund Types (General, Special Revenues, Debt Service and Capital Project Funds) use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within

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)

60 days after year end. A one-year availability period is used for recognition of all other Governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year.

The revenues susceptible to accrual are property taxes, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

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.

F. Interest-Bearing Deposits

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

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)

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.

NOTE 2 MEETING EXPENSE

Meeting expense paid to the Board of Commissioners for the year ended September 30, 1999, is as follows:

Danny Felterman	\$	110
Wardell Johnson (resigned, April 1999)		40
Eddie Darce		100
Roger English		100
Brian Turner (appointed, June 1999)		30
Brenda Tappin		120
	\$	<u>500</u>

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

Notes to Financial Statements

NOTE 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, 1999, the District has cash and interest-bearing deposits (book balances) totaling \$198,431, as follows:

Demand deposits	\$ 14,989
Money market accounts	55,206
Time deposits	<u>128,236</u>
 Total	 <u>\$ 198,431</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 custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at September 30, 1999, are secured as follows:

Bank balances	<u>\$ 201,472</u>
Federal deposit insurance	\$ 173,235
Pledged securities (Category 2)	<u>228,707</u>
 Total	 <u>\$ 401,942</u>
 Excess of federal insurance and pledged securities over bank balances	  <u>\$ 200,470</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.

NOTE 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.



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

Notes to Financial Statements

NOTE 4 AD VALOREM TAXES (CONTINUED)

For the year ended September 30, 1999, 5.03 mills were authorized and dedicated as follows:

Recreation facility maintenance	.53 mills
Debt service	4.50 mills

Total taxes levied were \$143,632. There were no taxes receivable at September 30, 1999.

NOTE 5 CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 10/1/98	Additions	Deletions	Balance 9/30/99
Land	\$ 23,487	\$ -	\$ -	\$ 23,487
Building	1,537,412	7,295	-	1,544,707
Equipment	<u>66,824</u>	<u>7,489</u>	-	<u>74,313</u>
Total	<u>\$1,627,723</u>	<u>\$ 14,784</u>	<u>\$ -</u>	<u>\$1,642,507</u>

NOTE 6 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, 1999:

	General Obligation
Bonds payable, October 1, 1998	\$1,150,000
Bonds retired	<u>65,000</u>
Bond payable, September 30, 1999	<u>\$1,085,000</u>

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

Notes to Financial Statements

NOTE 6 CHANGES IN LONG-TERM DEBT (CONTINUED)

Bonds payable at September 30, 1999, is comprised of the following issues:

General obligation bonds:

\$1,500,000 general obligation bonds, series 1990, payable in one installment of \$65,000 on March 1, 2000, with interest at 6.7% per annum.	\$ 65,000
\$1,045,000 general obligation refunding bonds, Series 1997 (to defease \$1,015,000 of general obligation bonds Series 1990 issued for construction of recreation complex), payable in annual installments of \$10,000 to \$130,000 through March 1, 2010, with interest at 5.0% per annum.	<u>1,020,000</u>
	<u>\$1,085,000</u>

The annual requirements to amortize all debt outstanding as of September 30, 1999, including interest payments of \$330,428 are as follows:

Year Ending September 30,	General Obligation
2000	\$ 127,928
2001	123,625
2002	124,750
2003	125,625
2004	131,125
2005-2009	649,125
2010	<u>133,250</u>
	<u>\$1,415,428</u>

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The District is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended September 30, 1999. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

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, 1999 and 1998

	1999	1998
<b>ASSETS</b>		
Cash	\$ 920	\$ 1,170
Interest-bearing deposits	129,980	108,900
Receivable - interest	973	753
Total assets	<u>\$ 131,873</u>	<u>\$ 110,823</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 1,617	\$ 5,707
Deferred revenue	5,270	3,840
Total liabilities	6,887	9,547
<b>Fund balance:</b>		
Unreserved, undesignated	124,986	101,276
Total liabilities and fund equity	<u>\$ 131,873</u>	<u>\$ 110,823</u>

RECREATION 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, 1999  
With Comparative Actual Amounts for Year Ended September 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes - ad valorem	\$ 14,812	\$ 15,139	\$ 327	\$ 14,958
Intergovernmental -				
St. Mary Parish Council	52,797	52,991	194	50,402
City of Patterson	12,500	12,500	-	12,500
Facility rental and admissions	35,700	36,961	1,261	36,772
Miscellaneous -				
Interest	4,500	4,696	196	4,275
Other	5,080	4,285	(795)	1,260
Total revenues	<u>125,389</u>	<u>126,572</u>	<u>1,183</u>	<u>120,167</u>
Expenditures:				
Current -				
Culture and recreation:				
Accounting	7,600	7,692	(92)	7,700
Advertising	5,300	5,720	(420)	1,018
Insurance	9,515	9,515	-	9,712
Management fees	30,000	25,563	4,437	29,190
Meeting expense	530	500	30	400
Miscellaneous	2,200	2,066	134	869
Concession Expense	3,200	-	3,200	-
Office supplies	1,250	627	623	317
Assessor's compensation	476	476	-	501
Repairs and maintenance	5,600	7,056	(1,456)	6,689
Supplies	5,050	4,453	597	4,529
Telephone	700	668	32	801
Utilities	28,350	23,694	4,656	23,348
Capital outlay	<u>9,349</u>	<u>13,382</u>	<u>(4,033)</u>	<u>3,165</u>
Total expenditures	<u>109,120</u>	<u>101,412</u>	<u>7,708</u>	<u>88,239</u>
Excess of revenues over expenditures	16,269	25,160	8,891	31,928
Other financing uses:				
Operating transfers out	<u>(1,450)</u>	<u>(1,450)</u>	<u>-</u>	<u>(12,850)</u>
Excess of revenues and other sources over expenditures and other uses	14,819	23,710	8,891	19,078
Fund balance, beginning	<u>101,276</u>	<u>101,276</u>	<u>-</u>	<u>82,198</u>
Fund balance, ending	<u>\$ 116,095</u>	<u>\$ 124,986</u>	<u>\$ 8,891</u>	<u>\$101,276</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

Comparative Balance Sheets  
Special Revenue Fund  
Years Ended September 30, 1999 and 1998

	1999	1998
<b>ASSETS</b>		
Cash	\$ 14,069	\$ 12,351
Interest-bearing deposits	21,567	37,503
Receivable - interest	85	749
Total assets	<u>\$ 35,721</u>	<u>\$ 50,603</u>
<b>FUND BALANCE</b>		
Fund balance:		
Unreserved, undesignated	<u>\$ 35,721</u>	<u>\$ 50,603</u>

RECREATION 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 - Special Revenue Fund  
Year Ended September 30, 1999  
With Comparative Actual Amounts for Year Ended September 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues:</b>				
Intergovernmental -				
City of Patterson	\$ 1,640	\$ 1,640	\$ -	\$ 5,774
Miscellaneous -				
Interest	1,100	1,162	62	1,823
Other	<u>28,608</u>	<u>30,643</u>	<u>2,035</u>	<u>21,758</u>
Total revenue	<u>31,348</u>	<u>33,445</u>	<u>2,097</u>	<u>29,355</u>
<b>Expenditures:</b>				
Current -				
Culture and recreation:				
Insurance	2,757	2,757	-	3,289
Miscellaneous	22,529	22,964	(435)	13,353
Supplies	20,819	22,654	(1,835)	15,842
Capital outlay	<u>1,402</u>	<u>1,402</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>47,507</u>	<u>49,777</u>	<u>(2,270)</u>	<u>32,484</u>
Deficiency of revenues over expenditures	(16,159)	(16,332)	(173)	(3,129)
<b>Other financing sources:</b>				
Operating transfers in	<u>1,450</u>	<u>1,450</u>	<u>-</u>	<u>12,850</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(14,709)	(14,882)	(173)	9,721
Fund balance, beginning	<u>50,603</u>	<u>50,603</u>	<u>-</u>	<u>40,882</u>
Fund balance, ending	<u>\$ 35,894</u>	<u>\$ 35,721</u>	<u>\$ (173)</u>	<u>\$50,603</u>

## DEBT SERVICE FUND

General obligation bonds - to accumulate monies for payment of the 1990 \$1,500,000 general obligation bonds and the 1997 \$1,045,000 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 Sheets  
Debt Service Fund  
Years Ended September 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Interest-bearing deposits	<u>\$ 31,895</u>	<u>\$ 29,740</u>
FUND BALANCE		
Fund balance:		
Reserved for debt service	<u>\$ 31,895</u>	<u>\$ 29,740</u>

RECREATION 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 - Debt Service Fund  
Year Ended September 30, 1999  
With Comparative Actual Amounts for Year Ended September 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes - ad valorem	\$ 125,718	\$ 128,493	\$ 2,775	\$ 150,665
Miscellaneous - interest	<u>1,300</u>	<u>1,515</u>	<u>215</u>	<u>1,875</u>
Total revenues	<u>127,018</u>	<u>130,008</u>	<u>2,990</u>	<u>152,540</u>
<b>Expenditures:</b>				
Current -				
Culture and recreation:				
Miscellaneous	1,500	-	1,500	68
Assessor's compensation	4,042	4,042	-	5,048
Debt service -				
Principal retirement	65,000	65,000	-	75,000
Interest and fiscal charges	57,460	57,460	-	49,299
Paying agent fees and fiscal charges	-	1,351	(1,351)	15,936
Advance refunding escrow	-	-	-	<u>50,280</u>
Total expenditures	<u>128,002</u>	<u>127,853</u>	<u>149</u>	<u>195,631</u>
Excess (deficiency) of revenues over expenditures	<u>(984)</u>	<u>2,155</u>	<u>3,139</u>	<u>(43,091)</u>
<b>Other financing sources (uses):</b>				
Proceeds of refunding bonds	-	-	-	1,045,000
Payment of refund bonds escrow agent	-	-	-	<u>(1,024,845)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,155</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(984)	2,155	3,139	(22,936)
Fund balance, beginning	<u>29,740</u>	<u>29,740</u>	<u>-</u>	<u>52,676</u>
Fund balance, ending	<u>\$ 28,756</u>	<u>\$ 31,895</u>	<u>\$ 3,139</u>	<u>\$ 29,740</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, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General fixed assets at cost:		
Property and equipment	<u>\$1,642,507</u>	<u>\$1,627,723</u>
Investment in general fixed assets	<u>\$1,642,507</u>	<u>\$1,627,723</u>

## 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  
Years Ended September 30, 1999 and 1998

	1999	1998
<b>AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT</b>		
Amount available in debt service fund for debt retirement	\$ 31,895	\$ 29,740
Amount to be provided from - ad valorem taxes	<u>1,053,105</u>	<u>1,120,260</u>
Total available and to be provided	<u>\$1,085,000</u>	<u>\$1,150,000</u>
 <b>GENERAL LONG-TERM DEBT PAYABLE</b>		
Bonds payable	<u>\$1,085,000</u>	<u>\$1,150,000</u>

**INTERNAL CONTROL  
AND  
COMPLIANCE**



# Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

## 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  
Recreation District No. 4  
of the Parish of St. Mary,  
State of Louisiana  
Patterson, Louisiana

We have audited the 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, 1999, and have issued our report thereon dated October 26, 1999, which was qualified due to the omission of the year 2000 disclosures that are required by Governmental Auditing Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*. 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 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 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. The

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA  
Danny P. Frederick, CPA  
Clayton E. Darnall, CPA  
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Paula D. Bibb, CPA  
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA  
Chris A. Miller, CPA  
John P. Armato, CPA

Kathleen T. Darnall, CPA  
Stephen R. Dischler, MBA, CPA  
Alan M. Taylor, CPA  
Christine A. Raspbetry, CPA  
Steven G. Moosa, CPA  
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Erich G. Loewer, III, CPA  
Danny P. Pontiff, CPA  
Tamera T. Landry, CPA  
Carla R. Fontenot, CPA  
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125 Rue Beauregard  
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1231 E. Laurel Avenue  
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1201 Brashear Avenue  
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reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

*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, as defined above. However, we believe the reportable condition described above as 99-1 is a material weakness.*

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than those specified parties.

*Dannall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
October 26, 1999

**OTHER SUPPLEMENTARY INFORMATION**

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

Summary Schedule of Prior Year Findings  
September 30, 1999

98-1 Finding: Inadequate Segregation of Accounting Functions

Status: This finding is unresolved. See current year finding 99-1.

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

Schedule of Findings and Questioned Costs  
September 30, 1999

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

A qualified opinion has been issued on Recreation District No. 4's financial statements as of and for the year ended September 30, 1999.

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 99-1 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

99-1 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, 1999

Response to Finding 99-1:

No response is considered necessary.