

**RECREATION DISTRICT NO. 1**

**OF THE PARISH OF ST. MARTIN  
Stephensville, Louisiana**

**Financial Statement**

**For the Year Ended December 31, 2023**

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a corporation of  
certified public accountants  
The Board of Commissioners  
Recreation District No. 1 of the Parish of St. Martin  
Stephensville, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of Recreation District No. 1 of the Parish of St. Martin (District), a component unit of the Parish of St. Martin, as of and for the year ended December 31, 2023, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The District has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The District has omitted the management's discussion and analysis and the budgetary comparison schedule that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

**Supplementary Information**

The supplemental information on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

*P. Pitts & Matte*

CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana  
July 1, 2024

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN  
STATE OF LOUISIANA**

**Statement of Net Position  
December 31, 2023**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets	
Cash and interest bearing deposits	\$ 88,038
Ad valorem taxes receivable	125,287
Deposits	<u>365</u>
Total current assets	213,690
Capital assets:	
Not being depreciated	345,650
Net of accumulated depreciation	2,745,234
Construction in process	<u>39,000</u>
Total net capital assets	<u>3,129,884</u>
 Total assets	 <u>3,343,574</u>
<b>LIABILITIES</b>	
Accounts and other payables	6,468
Long term liabilities:	
Due within one year	70,000
Due in more than one year	<u>563,000</u>
Total liabilities	<u>639,468</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,496,884
Restricted for debt service	87,504
Unrestricted	<u>119,718</u>
 Total net position	 <u>\$ 2,704,106</u>

See accountant's compilation report.

**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN**  
**Stephensville, Louisiana**

**Statement of Activities**  
**For the Year Ended December 31, 2023**

<u>Functions/Programs</u>	<u>Total</u>
Expenses	
Culture and recreation	\$ 193,433
Interest and fiscal charges on debt	<u>19,562</u>
Total program expenses	<u>212,995</u>
<u>Program revenues</u>	
Charges for services	
Facility rental	<u>2,360</u>
Net program revenue (expense)	<u>(210,635)</u>
<u>General revenues</u>	
Taxes:	
Property taxes, levied for maintenance & debt service	142,332
Intergovernmental	2,741
Interest and investment earnings	<u>708</u>
Total general revenues	<u>145,781</u>
Change in net position	(64,854)
Net position - beginning of year	<u>2,768,960</u>
Net position - end of year	<u>\$ 2,704,106</u>

See accountant's compilation report.

FUND FINANCIAL STATEMENTS



**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN**  
**Stephensville, Louisiana**

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2023**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and interest bearing deposits	\$ 70,751	\$ 13,109	\$ 4,178	88,038
Ad valorem tax receivable	43,892	81,395	-	125,287
Due from other funds	46,000	-	-	46,000
Deposits	365	-	-	365
Total assets	161,008	94,504	4,178	259,690
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accrued Payables	5,714	-	-	5,714
Due to General Fund		7,000	39,000	46,000
Due to other	754	-	-	754
Total liabilities	6,468	7,000	39,000	52,468
<b>Fund balance:</b>				
Restricted	-	87,504	-	87,504
Unassigned	154,540	-	(34,822)	119,718
Total fund balances	154,540	87,504	(34,822)	207,222
Total liabilities, deferred inflows of resources and Fund balances	\$ 161,008	\$ 94,504	\$ 4,178	\$ 259,690

See accountant's compilation report.

**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN  
Stephensville, Louisiana**

**Balance Sheet (continued)  
Governmental Funds  
December 31, 2023**

Reconciliation of the Governmental Funds at December 31, 2023

Total fund balances for governmental funds at December 31, 2023 \$ 207,222

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets consist of:

Land	345,650	
Buildings and improvements, net of \$1,174,269 accumulated depreciation	2,745,234	
Construction in process	<u>39,000</u>	
		3,129,884

Deferred inflows of resources are not considered current financial resources and are reported as a liability in the funds

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:

Bonds payable	(633,000)	<u>(633,000)</u>
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Net position at December 31, 2023 \$ 2,704,106

**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN**  
**Stephensville, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2023**

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>				
Ad valorem taxes	\$ 56,267	\$ 86,065		\$ 142,332
Intergovernmental	1,500			1,500
State revenue sharing	1,241			1,241
Rental income	2,360			2,360
Interest Income	279	429	-	708
Total revenues	61,647	86,494	-	148,141
<u>Expenditures</u>				
Current:				
Culture and recreation				
Insurance	5,748			5,748
Office supplies	711			711
Professional services	17,366			17,366
Repairs and maintenance	12,394			12,394
Utilities and telephone	7,913			7,913
Capital Outlay			39,000	39,000
Debt service				
Interest and fees		19,562	-	19,562
Principal	-	68,000	-	68,000
Total expenditures	44,132	87,562	39,000	170,694
Excess (deficit) of revenues over expenditures	17,515	(1,068)	(39,000)	(22,553)
Other financing sources (uses)				
Transfers In/Out	(4,178)	-	4,178	-
Fund balances, beginning	141,203	88,572	-	229,775
Fund balances, ending	154,540	87,504	(34,822)	207,222

See accountant's compilation report.

**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN  
Stephensville, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)  
Governmental Funds  
For the Year Ended December 31, 2023**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities

Total net changes in fund balance for the year ended December 31, 2023 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$	(22,553)
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The change in net position reported for governmental activities in the statement of  
activities is different because:

The issuance of long-term debt provides current financial resources to governmental  
funds, while the repayment of the principal of long-term debt consumes the  
current financial resources of governmental funds. Neither transaction, however, has  
any effect on net position. Also, governmental funds report the effect of premiums,  
discounts, and similar items when debt is first issued, whereas these amounts are  
deferred and amortized in the statement of activities.

Principal payment	68,000	
		68,000

Governmental funds report capital outlays as expenditures. However, in the statement  
of activities, the cost of those assets is allocated over their estimated useful lives  
as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures, and Changes in Fund Balances	39,000	
Depreciation expense for the year ended December 31, 2023	(149,301)	(110,301)

Total changes in net position for the year ended December 31, 2023 per Statement of Activities	\$	<u>(64,854)</u>
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## **MAJOR FUND DESCRIPTION**

### **General Fund**

The General Fund is used to accounting for resources traditionally associated with governments which are not required to be accounting for in another fund.

### **Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal, interest, and related costs.

### **Capital Projects Fund**

The Capital Projects Fund is used to account for the accumulation of grant revenues and expenditures for capital projects.

SUPPLEMENTARY INFORMATION

**RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN**  
Stephensville, Louisiana

Schedule of Compensation Paid to Agency Head

Year Ended December 31, 2023

Act 706 of the 2014 Legislative Session amended R.S. 24:513A requiring additional disclosure of total compensation, benefits, reimbursements, or other payments made to agency head or chief officer. Expenses paid to Chairperson, Charlotte Ratcliff, for the year ended December 31, 2023 are as follows:

Reimbursements-Office Supplies	\$ <u>137</u>
	\$ <u>137</u>

REQUIREMENTS OF THE  
LOUISIANA GOVERNMENTAL AUDIT GUIDE



RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN  
Stephensville, Louisiana

Schedule of Findings  
For the Year Ended December 31, 2023

The following finding is related to the compilation of the District's December 31, 2023 financial statements.

2023-001 Inadequate Segregation of Accounting Functions

Condition: Due to the small number of accounting personnel, the District did not have adequate segregation of functions within its accounting system.

Criteria: A strong internal control system requires the segregation of responsibilities between different individuals responsible for separate major areas of the accounting system.

Cause: The failure to design and implement policies and procedures necessary to achieve adequate internal control led to this condition.

Effect: The likelihood that a material misstatement will not be prevented or detected and corrected on a timely basis is increased. The perpetration of fraudulent activity is easier to achieve under this condition.

Recommendation: An analysis of the benefits that would be obtained by adequately segregating functions within the accounting system and the costs to employ additional individuals to achieve adequate segregations should be performed.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN  
Stephensville, Louisiana

Management's Corrective Action Plan for Current Year Findings  
For the Year Ended December 31, 2023

2023-001 Inadequate Segregation of Accounting Functions

Management's Response and Planned Corrective Action: The District is aware of the condition and has determined that based upon the size of the District and the negative cost-benefit consideration of employing additional personnel, it is not feasible to take the steps necessary to achieve complete segregation of duties.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN  
Stephensville, Louisiana

Summary Schedule of Prior Findings  
For the Year Ended December 31, 2022

2022-001 Inadequate Segregation of Accounting Functions

Condition: Due to the small number of accounting personnel, the District did not have adequate segregation of functions within its accounting system.

Recommendation: An analysis of the benefits that would be obtained by adequately segregating functions within the accounting system and the costs to employ additional individuals to achieve segregation should be performed.

Current Status: See Schedule of Findings, item 2023-001.

2022-002 Late Report Submission Subject to Approval Extension

Condition: The District failed to submit its annual financial statement to the Legislative Auditor's Office by the statutory due date.

Recommendation: The District should take the necessary steps to ensure its' financial statements will be timely filed.

Current Status: This has been corrected.