

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

FINANCIAL REPORT

For the Year Ended December 31, 2024

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1 - 2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	5
Statement of Activities	6
Fund Financial Statements:	
Balance Sheet - Governmental Funds	8
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	9
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Notes to the Financial Statements	12 - 20
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule - General Fund	22
Notes to the Required Supplementary Information	23
SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and other payments to Agency Head	24
REQUIREMENTS OF THE <i>LOUISIANA GOVERNMENTAL AUDIT GUIDE</i>	
Independent Accountant's Report on Applying Agreed-upon Procedures	26-28
Louisiana Attestation Questionnaire	29-31
OTHER INFORMATION	
Summary Schedule of Prior Year Findings Schedule of Findings and Responses Management's Corrective Action Plan for Current Year Findings	32-35



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners
Recreation District No. 1 of the Parish of St. Martin
Stephensville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of Recreation District No. 1 of the Parish of St. Martin (District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 22 be presented to supplement the basic financial statements. Such information, although not a required 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. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the management's discussion and analysis information 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 supplementary information included on page 24 is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of the District and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statement. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statement. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana
July 8, 2025

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, 2024**

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and interest bearing deposits	\$ 106,042
Ad valorem taxes receivable	144,791
Deposits	<u>365</u>
Total current assets	251,198
Capital assets:	
Not being depreciated	345,650
Net of accumulated depreciation	<u>2,846,344</u>
Total net capital assets	<u>3,191,994</u>
 Total assets	 <u>3,443,192</u>
LIABILITIES	
Accounts and other payables	5,581
Long term liabilities:	
Due within one year	72,000
Due in more than one year	<u>491,000</u>
Total liabilities	<u>568,581</u>
NET POSITION	
Net investment in capital assets	2,628,994
Restricted for debt service	88,218
Restricted for capital projects	3,941
Unrestricted	<u>153,458</u>
 Total net position	 <u>\$ 2,874,611</u>

See the accompanying notes and independent accountants' review report.

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

Statement of Activities
For the Year Ended December 31, 2024

<u>Functions/Programs</u>	<u>Total</u>
Expenses	
Culture and recreation	\$ 206,616
Interest and fiscal charges on debt	<u>18,095</u>
Total program expenses	<u>224,711</u>
 <u>Program revenues</u>	
Charges for services	
Facility rental	<u>1,100</u>
Net program revenue (expense)	<u>(223,611)</u>
 <u>General revenues</u>	
Taxes:	
Property taxes, levied for maintenance & debt service	144,257
Intergovernmental	248,310
Interest and investment earnings	<u>1,549</u>
Total general revenues	<u>394,116</u>
 Change in net position	170,505
Net position - beginning of year	<u>2,704,106</u>
Net position - end of year	<u>\$ 2,874,611</u>

See the accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS

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

Balance Sheet
Governmental Funds
December 31, 2024

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and interest bearing deposits	\$ 93,867	\$ 8,020	\$ 4,155	106,042
Ad valorem tax receivable	54,483	90,308	-	144,791
Due from other funds	10,110			10,110
Due from Capital projects	214			214
Deposits	365			365
Other assets	-	-	-	-
Total assets	<u>159,039</u>	<u>98,328</u>	<u>4,155</u>	<u>261,522</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities				
Accrued Payables	4,826	-	-	4,826
Due to General Fund	-	10,110	214	10,324
Due to other	755	-	-	755
Total liabilities	<u>5,581</u>	<u>10,110</u>	<u>214</u>	<u>15,905</u>
Fund balance:				
Restricted	-	88,218	-	88,218
Unassigned	153,458	-	3,941	157,399
Total fund balances	<u>153,458</u>	<u>88,218</u>	<u>3,941</u>	<u>245,617</u>
 Total liabilities, deferred inflows of resources and Fund balances	 <u>\$ 159,039</u>	 <u>\$ 98,328</u>	 <u>\$ 4,155</u>	 <u>\$ 261,522</u>

See the accompanying notes and independent accountants' review report.

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

Balance Sheet (continued)
Governmental Funds
December 31, 2024

Reconciliation of the Governmental Funds at December 31, 2024

Total fund balances for governmental funds at December 31, 2024	\$ 245,617
---	------------

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 \$1,328,135 accumulated depreciation	2,846,344	
		3,191,994

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	(563,000)	<u>(563,000)</u>
---------------	-----------	------------------

Net position at December 31, 2024	\$ <u>2,874,611</u>
-----------------------------------	---------------------

See the accompanying notes and independent accountants' review report.

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, 2024

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
<u>Revenues</u>				
Ad valorem taxes	\$ 55,546	\$ 88,711		\$ 144,257
Intergovernmental	-		248,310	248,310
State revenue sharing	1,207			1,207
Rental income	1,100			1,100
Interest Income	244	98	-	342
Total revenues	<u>58,097</u>	<u>88,809</u>	<u>248,310</u>	<u>395,216</u>
<u>Expenditures</u>				
Current:				
Culture and recreation				
Insurance	6,222			6,222
Office supplies	5,197			5,197
Professional services	10,779			10,779
Repairs and maintenance	24,102			24,102
Utilities and telephone	6,337			6,337
Miscellaneous	113			113
Capital Outlay	6,429		209,547	215,976
Debt service				
Interest and fees		18,095	-	18,095
Principal	-	70,000	-	70,000
Total expenditures	<u>59,179</u>	<u>88,095</u>	<u>209,547</u>	<u>356,821</u>
Excess (deficit) of revenues over expenditures	<u>(1,082)</u>	<u>714</u>	<u>38,763</u>	<u>38,395</u>
Other financing sources (uses)				
Transfers In/Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning	<u>154,540</u>	<u>87,504</u>	<u>(34,822)</u>	<u>207,222</u>
Fund balances, ending	<u><u>153,458</u></u>	<u><u>88,218</u></u>	<u><u>3,941</u></u>	<u><u>245,617</u></u>

See the accompanying notes and independent accountants' review 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, 2024

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, 2024 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 38,395
--	-----------

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	70,000	70,000
-------------------	--------	--------

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	215,976	
Depreciation expense for the year ended December 31, 2024	<u>(153,866)</u>	<u>62,110</u>

Total changes in net position for the year ended December 31, 2024 per Statement of Activities	<u>\$ 170,505</u>
--	-------------------

See the accompanying notes and independent accountants' review report.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

INTRODUCTION

Recreation District No. 1 of the Parish of St. Martin (District) was created by the St. Martin Parish Police Jury (predecessor of the St. Martin Parish Council) on July 6, 1999. The District encompasses Ward Six of the Parish. The District is governed by a Board of Commissioners appointed by the St. Martin Parish Council. The purpose of the District is the creation of a rural recreation district within the boundaries of lower St. Martin Parish to acquire, construct, manage, and maintain recreation facilities within the boundaries of the District.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513, the *Louisiana Governmental Audit Guide*. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of certain significant accounting policies:

Financial Reporting Entity

GASB Statement No. 14, *The Financial Reporting Entity*, has established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity and other reporting relationships. The basic criterion for including a potential component unit within the reporting entity is financial accountability. GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

- I. Appointment of a voting majority of the governing board, and
 - a. The ability of the reporting entity to impose its will on the organization, or
 - b. The potential of the organization to provide specific financial benefits to or impose specific financial burdens on the reporting entity.
2. Organizations which are fiscally dependent.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

For financial reporting purposes in conformance with Governmental Accounting Standards Board Statement No. 14, the District is a component unit of the St. Martin Parish Council, the reporting entity (the Oversight Unit). The accompanying financial statements present information only on the funds maintained by the District and do not present information on the St. Martin Parish Council.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements

The District's basic financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements (individual major funds).

The government-wide financial statements report information on all of the activities of the government. Both the government-wide and the fund financial statements categorize primary activities as governmental.

The statement of activities demonstrates the degree to which the direct expenses having a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include fees and charges paid by the recipients of services offered by the District and grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Taxes and items not properly included among program revenues are reported as *general revenues*.

A separate financial statement is provided for the governmental funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Ad valorem taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenues in the year for which they are earned.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or as soon enough thereafter to pay liabilities for the current period. For this purpose, the government considers revenues to be *available* if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Ad valorem taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Ad valorem taxes are recognized as revenues in the year in which such taxes are levied and billed to the taxpayers. Other major revenues that are considered susceptible to accrual include intergovernmental revenues.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District has the following fund types:

Governmental Fund-

The focus of the governmental fund's measurement (in the fund statement) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

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. The General Fund is always a major 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 financial resources used for the construction of park improvements with the District.

Capital Assets

The accounting treatment of property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, capital assets are accounted for as noncurrent assets. All capital assets purchased or acquired with an original cost of \$500 or greater are reported at historical cost or estimated historical cost for assets for which historical cost is not available. Donated assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized while other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	20-30 years
Equipment	5 years

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Equity Classifications

Government-wide Financial Statements:

Net position represents the difference between assets and liabilities. Net position is reported in three categories, as follows:

- a. Net investment in capital assets - consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of net position items with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - consists of the net amount of assets and liabilities that do not meet the definition of the above two components and is available for general use by the District.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the District applies restricted net position first.

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balances are classified as follows:

Non-spendable - Includes amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - Includes amounts that can be used only under constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or under constraints that are imposed by law through constitutional provisions or enabling legislation.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed - Includes amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the District's Board of Commissioners. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the District's Board of Commissioners.

Assigned - Includes amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned - Includes all other spendable amounts.

For the classification of governmental fund balances, the District considers an expenditure to be made from the most restrictive classification first when there is more than one classification available.

Interfund Receivables and Payables

Short-term cash borrowings between funds are considered temporary in nature. These amounts are reported as "Due from/to other funds."

Use of Estimates

The District uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures or expenses, as appropriate.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTE 2 CASH

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 the United States bonds, notes or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The carrying value of the District's cash and interest-bearing deposits with financial institutions at December 31, 2024 totaled \$107,895 and the bank balance was \$106,934. Federal deposit insurance covered \$250,000 of the deposits. Cash and interest-bearing deposits are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Louisiana R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 AD VALOREM TAXES

Ad valorem taxes are levied in October and are actually billed to taxpayers in November or December. These taxes attach as an enforceable lien on property as of January 1st of each year. Billed taxes become delinquent on January 1st of the following year. The St. Martin Parish Tax Collector bills and collects property taxes for the District using the assessed values determined by the St. Martin Parish Assessor. The District receives most of the ad valorem taxes in January and February.

For the year ended December 31, 2024, taxes of 6.18 mills were levied on property with net assessed valuations totaling \$23,225,208 and were dedicated as follows:

Operations and maintenance	2.38 mills
Debt Service	3.80 mills

Total taxes levied during 2024 were \$144,257. Taxes receivable at December 31, 2024 consisted of \$144,791 for the 2024 assessment.

NOTE 4 - FIXED ASSETS

Capital assets activity for the year ended December 31, 2024 is as follows:

	Balance December 31, <u>2023</u>	<u>Additions</u>	<u>Reclass</u>	Balance December 31, <u>2024</u>
Capital assets not being depreciated				
Construction in process	\$ 39,000		\$ (39,000)	\$ -
Land	<u>345,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,650</u>
Total capital assets not being depreciated	<u>384,650</u>	<u>-</u>	<u>(39,000)</u>	<u>345,650</u>
Capital assets				
Equipment	\$ 709	\$ 30,132	\$ -	\$ 30,841
Land improvements	562,028	61,066		623,094
Park improvements	<u>3,356,766</u>	<u>124,778</u>	<u>39,000</u>	<u>3,520,544</u>
Total other capital assets at historical cost	<u>3,919,503</u>	<u>215,976</u>	<u>39,000</u>	<u>4,174,479</u>
Less accumulated depreciation for:				
Equipment	\$ (709)	\$ -	\$ -	\$ (709)
Land Improvements	(149,269)	(19,726)		(168,995)
Park improvements	<u>(1,024,291)</u>	<u>(134,140)</u>	<u>-</u>	<u>(1,158,431)</u>
Total accumulated depreciation	<u>(1,174,269)</u>	<u>(153,866)</u>	<u>-</u>	<u>(1,328,135)</u>
Other capital assets, net	<u>2,745,234</u>	<u>62,110</u>	<u>-</u>	<u>2,846,344</u>
Total capital assets, net	<u>\$ 3,129,884</u>	<u>\$ 62,110</u>	<u>\$ -</u>	<u>\$ 3,191,994</u>

Depreciation expense for the year totaled approximately \$154,000.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTES 5 BONDS PAYABLE

The following is a summary of bonds payable of the District as of December 31, 2024:

\$1,000,000 General Obligation Bonds, Series 2016, balance due in annual principal installments, starting March 1, 2017 of \$24,000 - \$89,000, plus semi-annual interest payments, through March 1, 2031, with interest at 1.0% -3.75%. \$ 563,000

The following is a summary of debt transactions of the District for the year ended December 31, 2024:

General Obligation Bonds	
Payable at January 1, 2024	\$ 633,000
Issued	
Retired	(70,000)
Payable at December 31, 2024	\$ <u>563,000</u>
Due within one year	\$ <u>72,000</u>

General obligations bonds are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 36:562, the District is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property in the District. At December 31, 2024, the District had not exceeded this statutory limit.

The following is a schedule of future principal debt service requirements:

Year Ending December 31,	General Obligation Bonds		
	Principal	Interest	Total
2025	\$ 72,000	\$ 16,443	\$ 88,442
2026	75,000	14,604	89,604
2027	78,000	12,537	90,537
2028	80,000	10,245	90,245
2029	83,000	7,696	90,696
2030-2031	175,000	6,511	181,511
Total	\$ 563,000	\$ 68,036	\$ 631,036

NOTE 6 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 December 31, 2024. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years.

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Financial Statements

NOTE 7 INTERGOVERNMENTAL REVENUES

Intergovernmental revenues for the year ended December 31, 2024 consisted of the following:

State of Louisiana	
Capital Outlay	\$248,310
State revenue sharing	<u>1,207</u>
Total intergovernmental revenues	<u>\$249,517</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

Budgetary Comparison Schedule (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2024

	Original Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Ad valorem taxes	\$ -	\$ 55,546	\$ 55,546
Interest income	-	244	244
Intergovernmental	-	-	-
State share revenue	-	1,207	1,207
Rental Income	-	1,100	1,100
Total revenues	-	58,097	58,097
<u>Expenditures</u>			
Current:			
Insurance	8,000	6,222	1,778
Office supplies	1,550	5,197	(3,647)
Professional services	9,500	10,779	(1,279)
Repairs & maintenance	14,000	24,102	(10,102)
Utilities& telephone	9,000	6,337	2,663
Capital outlay		6,429	
Miscellaneous	4,150	113	4,037
Total expenditures	46,200	59,179	(6,550)
Net change in fund balance	(46,200)	(1,082)	51,547
Fund balance at beginning of year	-	154,540	-
Fund balance at end of year	\$ (46,200)	\$ 153,458	\$ 51,547

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Notes to the Required Supplementary Information

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

Budgetary Information

The District prepares and adopts a budget in accordance with Louisiana Revised Statute 39:1301 et seq. The annual budget for the general fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor normal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are made.

NOTE 2 EXPENDITURES – EXCESS OF ACTUAL OVER APPROPRIATED

Actual expenditures exceeded appropriated expenditures by a significant amount in the following for 2024:

<u>Fund</u>	<u>Actual Amount</u>	<u>Budgeted Amount</u>	<u>Variance</u>	<u>Percent</u>
General Fund	\$59,179	\$46,200	\$12,979	28%

SUPPLEMENTARY INFORMATION

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

Schedule of Compensation, Benefits, and Other Payments to Agency Head

Year Ended December 31, 2024

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. No payments were made to the District's Chairperson, Darren Mayon, for the year ended December 31, 2024.

REQUIREMENTS OF THE
LOUISIANA GOVERNMENTAL AUDIT GUIDE



Independent Accountant's Report
On Applying Agreed-Upon Procedures

The Board of Commissioners
Recreation District No. 1 of the
Parish of St. Martin
Stephensville, Louisiana

We have performed the procedures enumerated below, which were agreed to by Recreation District No. 1, of the Parish of St. Martin, and the Louisiana Legislative Auditor (the specified parties), on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2024, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to LRS 38:2211-2296 (the public bid law) or RS 39:1551-1775 (state procurement code), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year for material and supplies exceeding \$60,000 and or for public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by LRS 42:1101-1124 (the ethics law).

Management provided us with the required list.

3. Obtain a list of all employees paid during the fiscal year.

The District provided a list of employees paid during the year.

4. Report whether any employees' names appear on both list obtained in Procedures 2 and 3.

The District did not have any employees per agreed-upon procedure (3) that appeared on a list in agreed-upon procedure (2).

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. No vendors appear on both lists.

Budgeting

6. Obtain a copy of legally adopted budget and all amendments.

Management provided us with a copy of the original budget and the amended budget.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute books, and report whether there are any exceptions.

We traced the adoption of the original budget to the minutes of a meeting held on January 21, 2024. We traced the adoption of the amended budget to the minutes of a meeting held in April 29, 2024.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenses. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues for 2024. Actual expenditures did exceed budgeted expenditures, by 28%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation and:

- (a.) Report whether the six disbursements agree to the amount and payee in the supporting documentation;
No exceptions.
- (b.) Report whether the six disbursements were coded to the correct fund and general ledger account
No exceptions.
- (c.) Report whether the six disbursements were approved in accordance with management's policies and procedures.
Inspection of the images of the cancelled checks indicated approval from Board Members for all invoices paid. We considered the signature of the Sec/Treas on the cancelled check as approval of disbursements paid.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by LRS 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

The District has asserted that it has complied with the open meetings laws.

Debt

11. Obtain bank deposits slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

No exceptions.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advance or gifts.

A review of payroll disbursements and a reading of the minutes of the District did not indicate approval for payments to any individuals which would constitute bonuses, advance or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513. The Agency's report was not submitted to the Legislative Auditor before statutory due date of July 8, 2025.
14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A.(2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management represented that the District did not enter into any contracts during the fiscal year that were subject to the bid law.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

P. H. L. Mather

Morgan City, Louisiana
July 8, 2025

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

June 30, 2025 (Date Transmitted)

Pitts and Matte, A Corp of CPA's (CPA
Firm Name)

PO Box 2363 (CPA Firm
Address)

Morgan City, La. 70381 (City,
State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12/31/2024 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes ☒ No ☐ N/A ☐

]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes ☒ No ☐ N/A ☐

]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes ☒ No ☐ N/A ☐

]

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes ☒ No ☐ N/A ☐

]

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐ N/A ☐

]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes ☐ No ☐ N/A ☒

]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐ N/A ☐

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes ☒ No ☐ N/A ☐

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes ☒ No ☐ N/A ☐

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes ☐ No ☐ N/A ☒

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes ☒ No ☐ N/A ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes ☒ No ☐ N/A ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐ N/A ☐

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes ☐ No ☐ N/A ☒

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes ☒ No ☐ N/A ☐

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes ☒ No ☐ N/A ☐

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes ☒ No ☐ N/A ☐

]

We have provided you with all relevant information and access under the terms of our agreement.

Yes ☒ No ☐ N/A ☐

]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes ☒ No ☐ N/A ☐

]

We are not aware of any material misstatements in the information we have provided to you.

Yes ☒ No ☐ N/A ☐

]

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes ☒ No ☐ N/A ☐

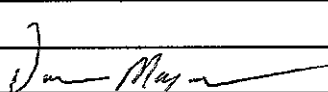
]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes ☒ No ☐ N/A ☐

]

The previous responses have been made to the best of our belief and knowledge.

_____	Secretary	_____	Date
_____	Treasurer	_____	Date
	President	_____	Date

RECREATION DISTRICT NO. 1 OF THE PARISH OF ST. MARTIN

Summary Schedule of Prior Year Findings
For the Year Ended December 31, 2024

Internal Control

Material Weakness

Item 2023-001 Segregation of Duties

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

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

RECREATION DISTRICT NO. I OF THE PARISH OF ST. MARTIN

Schedule of Findings and Responses
For the Year Ended December 31, 2024

The following findings are related to the review of the District's December 31, 2024 financial statements.

INTERNAL CONTROL

Material Weakness

ITEM 2024-001

Segregation of Duties

Auditors' Comments

Condition: While inquiring about internal control, we discovered that there is very little segregation of duties within the District's accounting function.

Criteria: Ordinarily, the accounting duties performed in an organization are segregated to reduce possible errors or irregularities that could occur in the accounting records and not be detected.

Effect: Lack of segregation of duties results in a material weakness in internal accounting controls.

Cause: The District has limited personnel.

Management's Comments

We have reviewed this situation and have decided that the additional controls derived by employing an additional person in our bookkeeping area are outweighed by the additional personnel costs.

COMPLIANCE AND OTHER MATTERS

ITEM NO. 2024-002 NONCOMPLIANCE WITH BUDGET MONITORING

Auditors' Comments

Condition: During the course of the review for the year ended December 31, 2024, it was noted that the District's operating budget needed amendments which were not made.

Criteria: State Statutes require that budgets be amended when actual revenues are less than budgeted revenues by five percent or more or actual expenditures exceed budgeted expenditures by five percent or more.

Effect: Failure to amend budgets to recognize anticipated shortfalls in funds prevents the District from effectively curtailing projects and/or services in accordance with actual available resources.

Cause: The operating budget was not amended although actual expenditures were more than budgeted expenditures by five percent or more:

<u>Fund</u>	<u>Actual Amount</u>	<u>Budgeted Amount</u>	<u>Variance</u>	<u>Percent</u>
General Fund	\$59,179	\$46,200	\$12,979	28 %

Recommendation: The District should fine tune its budget monitoring program to periodically make budget adjustment when variances exceed percentages as specified in the state statutes.

Management's Response: We will monitor budget variances on a monthly basis and budget adjustments will be made when variances exceed the percentages as specified in the state statutes.

ITEM NO. 2024-003 FAILURE TO FILE REVIEW ON TIME

Auditors' Comments

Condition: The District's review was not filed in a timely manner.

Criteria: Review reports should be filed with the Office of the Legislative Auditor no later than six months after the entity's fiscal year end.

Effect: Failure to complete and furnish the review on time violated state statutes. In addition, management should be presented with timely reviewed financial information so that they can better manage the District's operation.

Cause: Due to a delay in obtaining the necessary information for the start of the review from the District's outside accountant. They were unable to furnish the information needed to submit the review report on time.

Recommendations: The District should submit all requested information to their auditor to avoid the late submission of the review report in the future.

Management's Response: We will furnish our auditor with the information needed to submit the review on time.

St. Martin Parish Recreation District No. 1
Post Office Box 1726
Morgan City, Louisiana 70381

July 8, 2025

Pitts & Matte, A Corp of CPA's
P O Box 2363
Morgan City, La. 70381

The following is in response to the findings resulting from the review of the District's financial statements for the fiscal year ended December 31, 2024:

2024-001 - Segregation of Duties

Accounting and financial functions are not adequately segregated.

Corrective Action Plan: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties. We were advised that a response to this issue is not required.

2024-002 Noncompliance with budget monitoring

The operating budget was not amended although actual expenditures were more than budgeted expenditures by five percent or more:

<u>Fund</u>	<u>Actual Amount</u>	<u>Budgeted Amount</u>	<u>Variance</u>	<u>Percent</u>
General Fund	\$59,179	\$46,200	\$12,979	28 %

Management's Response

We will monitor budget variances monthly and budget adjustments will be made when variances exceed the percentages specified in the state statutes.

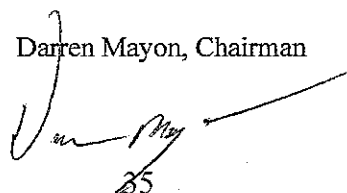
2024-003 Failure to file audit on time

Management's Response

We will take steps to ensure that the audit will be filed on time.

Sincerely,

Darren Mayon, Chairman



25