

**RECREATION DISTRICT NO. 4
OF THE PARISH OF ST. MARY**
Patterson, Louisiana

Financial Statements

Year Ended September 30, 2025

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KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel
C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

Report on the Financial Statements

We have reviewed the accompanying financial statements of the governmental activities and the major fund of Recreation District No. 4 of the Parish of St. Mary, (hereinafter "District"), a component unit of the Parish of St. Mary, as of and for the year ended September 30, 2025, 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 the management of the District. 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, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison schedules to be presented to supplement the basic financial statements. Such 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. Such information is the responsibility of management.

We have not audited or reviewed the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it. Management has omitted management's discussion and analysis 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
January 28, 2026

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Statement of Net Position
September 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 28,405
Investments	138,839
Prepaid expenses	26,480
Capital assets:	
Land	22,000
Other, net of accumulated depreciation	<u>752,028</u>
Total assets	<u>967,752</u>
LIABILITIES	
Accounts payable	1,442
Rental deposits	<u>9,765</u>
Total liabilities	<u>11,207</u>
NET POSITION	
Net investment in capital assets	774,028
Unrestricted	<u>182,517</u>
Total net position	<u>\$ 956,545</u>

The accompanying notes to financial statements are an integral part of this statement.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Statement of Activities
Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Culture and recreation	\$ 419,473	\$ 154,580	\$ 23,100	\$ (241,793)
				General revenues:
				Ad valorem taxes
				119,787
				Miscellaneous
				10,398
				<u>Total general revenues</u>
				<u>130,185</u>
				Change in net position
				(111,608)
				Net position, beginning
				<u>1,068,153</u>
				Net position, ending
				<u>\$ 956,545</u>

The accompanying notes to financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Balance Sheet
Governmental Fund
September 30, 2025

	<u>General</u>
ASSETS	
Cash and interest-bearing deposits	\$ 28,405
Investments	138,839
Prepaid expenditures	<u>26,480</u>
Total assets	<u>\$ 193,724</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 1,442
Rental deposits	<u>9,765</u>
Total liabilities	<u>11,207</u>
Fund balance:	
Nonspendable	26,480
Assigned	80,853
Unassigned	<u>75,184</u>
Total fund balance	<u>182,517</u>
Total liabilities and fund balance	<u>\$ 193,724</u>

(continued)

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Balance Sheet (continued)
Governmental Fund
September 30, 2025

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

Total fund balances for governmental funds at September 30, 2025	\$ 182,517
Cost of capital assets:	
Land	22,000
Other, net of accumulated depreciation	<u>752,028</u>
Net position at September 30, 2025	<u>\$ 956,545</u>

The accompanying notes to financial statements are an integral part of this statement.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance
Governmental Fund
Year Ended September 30, 2025

	General
Revenues:	
Ad valorem taxes	\$ 119,787
Charges for services	79,143
Intergovernmental	11,900
Interest income	5,473
Miscellaneous	2,120
Recreation leagues	
Concessions	15,855
Donations	11,200
Interest income	2,805
Registration and sponsor fees	33,381
Tournaments	26,201
Total revenues	307,865
Expenditures:	
Current -	
Culture and recreation	
Ad valorem tax deductions	3,931
Advertising	903
General administrative	1,441
Insurance	53,887
Intergovernmental	4,000
Meetings	3,855
Miscellaneous	676
Personal services	23,601
Professional services	85,636
Recreation leagues	
Concessions	12,061
Insurance	2,799
Sports officials	10,994
Supplies and materials	27,986
Tournaments	18,105
Repairs and maintenance	23,094
Supplies and materials	4,024
Utilities	47,662
Capital outlay	17,433
Total expenditures	342,088
Net change in fund balance	(34,223)
Fund balance, beginning	216,740
Fund balance, ending	\$ 182,517

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance (continued)
Governmental Fund
Year Ended September 30, 2025

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

Total net change in fund balance for the year ended September 30, 2025 per Statement of Revenues, Expenditures and Change in Fund Balance	\$ (34,223)
Cost of capital assets	17,433
Depreciation expense	<u>(94,818)</u>
Total change in net position for the year ended September 30, 2025 per Statement of Activities	<u>\$ (111,608)</u>

The accompanying notes to financial statements are an integral part of this statement.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements

INTRODUCTION

Recreation District No. 4 of the Parish of St. Mary, State of Louisiana was created by an ordinance of the St. Mary Parish Council on July 27, 1990. The District encompasses Ward Five of the Parish. The District is governed by a Board of Commissioners appointed by the St. Mary Parish Council. The purpose of the District is to provide for cultural and recreational activities in that portion of the Parish.

(1) Summary of Significant Accounting Policies

The more significant of the District's accounting policies are described below.

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. Mary Parish Government is the financial reporting entity for St. Mary Parish. The financial reporting entity consists of (a) the primary government (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended, established criteria for determining which component units should be considered part of the St. Mary Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

- Appointing a voting majority of an organization's governing body, and the ability of the Parish Council to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parish Government.
- Organizations for which the Parish Council does not appoint a voting majority but are fiscally dependent on the Parish Government.
- Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Parish Council appoints the governing body and has the ability to significantly impose its will, the District is a component unit of the St. Mary Parish Government, the financial reporting entity. The accompanying financial statements present information only on the fund maintained by the District and do not present information on the parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

B. Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as amended.

The Statement of Activities presents a comparison between direct expenses and program revenues for the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the District, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The fund of the District is classified as governmental. The emphasis on fund financial statements is on major funds. The District's fund, the General Fund, is major by definition and is described below:

Governmental Funds –

General Fund – the general fund is the general operating fund of the District. It is used to account for all financial resources and operations of the District.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

C. Capital Assets

Capital assets are capitalized at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing assets.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings	40 years
Equipment	5-12 years
Improvements	15-20 years

D. Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. 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. Revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. The District uses the following practices in recording certain revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year taxes are assessed.

Other major revenues that are considered susceptible to accrual include earned grant and other intergovernmental revenues and interest on investments.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on long-term debt is recognized when due.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

E. Cash

Cash includes amounts in demand deposits and interest bearing demand deposits.

Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. Investments

State statutes authorize the District to invest in United States bonds, treasury notes or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Local governments in Louisiana are also authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended, investments meeting the criteria specified in the statement are stated at fair value. Investments that do not meet the requirements are stated at cost. These investments include amounts invested in the Louisiana Asset Management Pool (LAMP).

G. Prepaid Items

Insurance payments made to insurance agencies that will benefit periods beyond the current period are recorded as prepaid items.

H. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The District may report deferred inflows arising from unavailable revenues. Unavailable revenue occurs under a modified accrual basis of accounting and is reported only in the governmental fund's balance sheet.

I. Equity Classifications

Government-wide financial statements

Equity is classified as net position and displayed in three components:

1. Net investment in capital assets – consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by the outstanding balances of any bonds, certificates of indebtedness, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

3. Unrestricted – all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District considers restricted resources to have been spent first.

Fund financial statements

Fund balance for the District’s governmental fund is displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of Commissioners. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through formal actions approved by the Board of Commissioners.
4. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District’s adopted policy, only the Board of Commissioners may assign amounts for specific purposes.
5. Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Commissioners have provided otherwise in its commitment or assignment actions.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results may differ from these estimate

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

(2) 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, 2025, the District has cash (book balances) totaling \$28,405 as follows:

Cash on hand	\$ 150
Cash and interest bearing deposits	<u>28,255</u>
Total	<u>\$ 28,405</u>

Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security 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 District in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or the District will not be able to recover collateral securities that are in the possession of outside parties. The District does not have a policy to monitor or attempt to reduce exposure to custodial credit risk. At September 30, 2025, the District has \$29,744 in deposits (bank balances). These deposits are fully secured from risk by federal deposit insurance and are, therefore, not exposed to custodial credit risk.

(3) Investments

Investments held at September 30, 2025 consist of \$138,839 in the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB Statements No. 40, *Deposit and Investment Risk Disclosure*, requires the disclosure of credit risk, custodial credit risk, concentration of credit risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investments pools:

Credit risk – LAMP is rated AAAM by Standard & Poor's.

Custodial credit risk – LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not with the securities that make up the pool; therefore, no disclosure is required.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
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Notes to Financial Statements (continued)

Concentration of credit risk – pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk – 2a7-like investment pool are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.

Foreign currency risk – not applicable to 2a7-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair market value of investments is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Fair Value Measurements

To the extent available, the District's investments are recorded at fair value as of September 30, 2025. GASB Statement No. 72, *Fair Value Measurements and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The District measures and records its investments using fair value guidelines established by GASB 72, which recognizes a three-tiered fair value hierarchy as follows:

- Level 1 – quoted prices for identical investments in active markets
- Level 2 – observable inputs other than quoted market prices
- Level 3 – unobservable inputs

The District's investments in LAMP are measured using observable inputs other than quoted market prices (Level 2 inputs). The investments in LAMP are valued using quoted market prices of the underlying investment of LAMP on a weekly basis and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

(4) Ad Valorem Taxes

The District's ad valorem tax is levied in October of each year on the assessed value of property within the District's taxing area. Taxes are due and payable by December 31 and an enforceable lien attaches to the property on January 1. The taxes are collected on behalf of the District by the St. Mary Parish Sheriff and then remitted to the District.

On November 13, 2021, the voters of the District approved the District's proposed 10-year tax levy of 2.24 mills. The millage is expected to generate approximately \$128,000 in revenues for the District annually. For the year ended September 30, 2025, taxes of 2.20 mills were levied on property with assessed valuations totaling \$54,282,749. Total taxes collected were \$119,787.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

The District is subject to certain property tax abatements granted by the Louisiana Board of Commerce and Industry ("LBCI"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the District may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). In addition, local governments have the authority to grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program. For the year ended September 30, 2025, the District incurred abatements of ad valorem taxes through ITEP.

ITEP is authorized by Article 7, Section 21(F) of the Louisiana Constitution. Companies qualifying as manufacturers can apply to the LBCI for a property tax exemption on all new property, as defined, used in the manufacturing process. Under ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5 year term and are renewable for an additional 5 year term upon approval by LBCI. These state-granted abatements have resulted in reductions of property taxes, which the tax entity administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement. For the year ended September 30, 2025, \$5,175 of the District's ad valorem tax revenues were abated by the State of Louisiana through ITEP.

(5) Capital Assets

Capital asset activity for the year ended September 30, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 22,000	\$ -	\$ -	\$ 22,000
Capital assets being depreciated:				
Buildings	2,616,869	4,388	-	2,621,257
Equipment	<u>195,802</u>	<u>13,045</u>	-	<u>208,847</u>
Total	<u>2,812,671</u>	<u>17,433</u>	-	<u>2,830,104</u>
Less: accumulated depreciation				
Buildings	1,800,760	86,725	-	1,887,485
Equipment	<u>182,498</u>	<u>8,093</u>	-	<u>190,591</u>
Total	<u>1,983,258</u>	<u>94,818</u>	-	<u>2,078,076</u>
Total capital assets being depreciated, net	<u>829,413</u>	<u>(77,385)</u>	-	<u>752,028</u>
Governmental activities capital assets, net	<u>\$ 851,413</u>	<u>\$ (77,385)</u>	<u>\$ -</u>	<u>\$ 774,028</u>

Depreciation expense in the amount of \$94,818 was charged to culture and recreation.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

(6) Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental fund. The constraints placed on the fund balance for the District's governmental fund is presented as follows:

	<u>General</u>
Fund balances:	
Nonspendable:	
Prepaid expenditures	\$ 26,480
Assigned:	
Youth baseball/softball	80,853
Unassigned	75,184
Total fund balances	\$ 182,517

(7) Compensation of Board Members

The schedule of compensation paid to the Board of Commissioners for the period ended September 30, 2025 in compliance with Louisiana Revised Statute 33:4564.8 follows:

	<u>Per Diem Received</u>
Edward Austin	715
LaGenia Bradford	780
Terrance Johnson	650
Vincent Byrd	780
William Miller	780
Total	\$ 3,705

Act 706 of the 2014 Legislative Session amended RS 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. With the exception of per diem, no other payments which would require disclosure were made to the District's chief officer, William Miller.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Financial Statements (continued)

(8) Related Party Transactions

The St. Mary Parish Government (Parish) may reimburse the District for the operation of the recreation leagues, the operation and maintenance of facilities, the purchase of equipment, and also pays for the District's utilities and labor for the general upkeep of the recreation facilities. For the year ended September 30, 2025, parish reimbursements totaled \$3,000 and are recognized as a component of intergovernmental revenue in the District's fund financial statements.

(9) 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 coverage, retentions, or limits during the year ended September 30, 2025. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years.

(10) New Accounting Pronouncements

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) scheduled to be implemented in the future that may affect the District's financial report:

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This standard is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This standard is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended September 30, 2025

	Budget		Actual	Variance -
	Original	Final		Favorable (Unfavorable)
Revenues:				
Ad valorem taxes	\$ 128,000	\$ 119,783	119,787	\$ 4
Charges for services	65,000	81,508	79,143	(2,365)
Intergovernmental	-	11,900	11,900	-
Interest income	5,000	5,579	5,473	(106)
Miscellaneous	800	2,120	2,120	-
Recreation Leagues				
Admissions	500	-	-	-
Concessions	5,000	16,005	15,855	(150)
Donations	-	11,200	11,200	-
Interest Income	150	2,769	2,805	36
Registration and sponsor fees	13,500	29,031	33,381	4,350
Tournaments	-	26,201	26,201	-
Total revenues	<u>217,950</u>	<u>306,096</u>	<u>307,865</u>	<u>1,769</u>
Expenditures:				
Current -				
Culture and recreation				
Ad valorem tax deductions	4,200	3,931	3,931	-
Advertising	1,500	1,062	903	159
General administrative	3,500	3,446	1,441	2,005
Insurance	60,000	59,781	53,887	5,894
Intergovernmental	4,000	4,000	4,000	-
Meetings	3,900	3,855	3,855	-
Miscellaneous	800	1,775	676	1,099
Personal services	40,000	36,292	23,601	12,691
Professionals services	85,000	90,743	85,636	5,107
Recreation Leagues				
Concessions	8,000	12,061	12,061	-
Insurance	3,000	2,799	2,799	-
Miscellaneous	3,500	-	-	-
Sports officials	5,000	10,994	10,994	-
Supplies and materials	10,000	30,605	27,986	2,619
Tournaments	-	18,105	18,105	-
Repairs and maintenance	35,000	30,741	23,094	7,647
Supplies and materials	6,000	4,280	4,024	256
Utilities	60,000	50,363	47,662	2,701
Capital outlay	-	17,433	17,433	-
Total expenditures	<u>333,400</u>	<u>382,266</u>	<u>342,088</u>	<u>40,178</u>
Net change in fund balance	(115,450)	(76,170)	(34,223)	41,947
Fund balance, beginning	<u>159,267</u>	<u>216,740</u>	<u>216,740</u>	<u>-</u>
Fund balance, ending	<u>\$ 43,817</u>	<u>\$ 140,570</u>	<u>182,517</u>	<u>\$ 41,947</u>

See accompanying notes to budgetary comparison schedule and independent accountant's review report.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Notes to Budgetary Comparison Schedule

(1) Basis of Accounting

The District prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as finally amended by the District.

(2) Budgetary Practices

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

1. The District prepares a proposed budget and submits it to the Board of Commissioners for approval.
2. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in the expenditures resulting from revenue exceeding amount estimated require the approval of the Board of Commissioners.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. Level of budgetary control is exercised at the fund level.

REQUIREMENTS OF THE *LOUISIANA GOVERNMENTAL AUDIT GUIDE*

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel
C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below on the compliance of Recreation District No. 4 of the Parish of St. Mary (hereinafter "District") with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A) during the year ended September 30, 2025, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The management of the District is responsible for its financial records and compliance with applicable laws and regulations.

An agreed-upon procedures engagement involves the performing of specific procedures that the District has agreed to and acknowledged to be appropriate to meet the intended purpose of understanding the District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A) and report on exceptions based upon the procedures performed. Additionally, the Louisiana Legislative Auditor (LLA) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated exceptions, if any, are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable, and report whether the expenditures were made in accordance with these laws.

No expenditures for materials and supplies were made during the year that exceeded \$60,000, nor were there any expenditures for public works made during the year that exceeded \$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 R.S. 42:1101-1124 (the ethics law).

A list of immediate family members was obtained for one (1) of the five (5) board members.

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

The District asserted they had no employees during the fiscal year.

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

Not applicable.

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.

Obtained a listing of all disbursements made during the year and a listing of outside business interests of the District's board members and board members' immediate families. No vendors appeared on both lists.

Budgeting

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

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

7. Trace documentation for the adoption of the budgets and approval of any amendments to the minutes book, and report whether there are any exceptions.

No exceptions were identified as a result of applying this procedure.

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

Actual revenues did not fail to meet budgeted amounts by 5% or more. Actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six 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 the payee in the supporting documentation.

No exceptions were identified as a result of applying this procedure.

- (b) Report whether the six disbursements were coded to the correct fund and general ledger account.

No exceptions were identified as a result of applying this procedure.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

No exceptions were identified as a result of applying this procedure.

Meetings

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

No exceptions were identified as a result of applying this procedure.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that 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

We obtained copies of all bank deposit slips for the year and identified no deposits that appeared to be proceeds of bank loans, bonds, or like indebtedness.

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, advances, or gifts.

Not applicable – the District had no payroll disbursements for the fiscal year.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District provided for a timely report in accordance with R.S. 24:513.

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).

The District did not enter into any such contracts while not in compliance with R.S. 24:513.

Prior Comments and Recommendations

15. Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved

Our prior year report, dated March 14, 2025, did not include any comments or unresolved matters with regard to the foregoing agreed upon procedures.

We were engaged by the Board of Commissioners of the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Compliance Questionnaire (Exhibit A), as required Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the results of that testing, and not to provide an opinion on control or compliance. This report is intended solely for the information of and use by the management of the District and the LLA and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose. In accordance with Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
January 28, 2026

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Schedule of Findings
Year Ended September 30, 2025

Findings reported in accordance with *Government Auditing Standards*:

A. Internal Control

2025-001- Inadequate Segregation of Duties

Year Initially Occurring: September 30, 2012

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The District’s internal control over financial reporting includes those policies and procedures that pertain to the District’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in financial statements.

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: 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.

B. Compliance

No findings are reported under this section.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Summary Schedule of Prior Findings
Year Ended September 30, 2025

2024-001- Inadequate Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

RECOMMENDATION: 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.

CURRENT STATUS: See schedule of findings, item 2025-001.

RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. MARY
Patterson, Louisiana

Corrective Action Plan for Current Findings
Year Ended September 30, 2025

2025-001- Inadequate Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT'S RESPONSE: Not considered necessary.

LOUISIANA ATTESTATION QUESTIONNAIRE

Exhibit A

Recreation District No. 4 of the Parish of St. Mary

LOUISIANA ATTESTATION QUESTIONNAIRE

November 19, 2025

Kolder, Champagne, Slaven & Company LLC
P O Box 3438
Morgan City, LA 70381

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of September 30, 2025 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 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 [X] 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 [X] No [] N/A []

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

_____	Secretary	_____	Date
<u>Gabrielle G. J.</u>	Treasurer	<u>11/19/25</u>	Date
<u>L. Gen. Branch</u>	President	<u>11/19/25</u>	Date