

**LIVINGSTON PARISH CONVENTION
AND VISITORS BUREAU**

Annual Financial Statements

**As of and for the Year Ended December 31, 2010
With Supplemental Information Schedules**

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

Release Date 6/22/11



**LIVINGSTON PARISH CONVENTION
AND VISITORS BUREAU**

Annual Financial Statements

**As of and for the Year Ended December 31, 2010
With Supplemental Information Schedules**

**Livingston Parish Convention and Visitors Bureau
Annual Financial Statements
As of and for the Fiscal Year Ended December 31, 2010
With Supplemental Information Schedules**

TABLE OF CONTENTS

| | Statement | Page |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------|
| Independent Auditor's Report on the Basic Financial Statements..... | | 4 |
| Required Supplemental Information (Part I): | | |
| Management's Discussion and Analysis..... | | 8 |
| Basic Financial Statements: | | |
| Government-Wide Financial Statements: | | |
| Statement of Net Assets..... | A | 14 |
| Statement of Activities..... | B | 15 |
| Governmental Funds Financial Statements: | | |
| Balance Sheet..... | C | 17 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets..... | D | 18 |
| Statement of Revenues, Expenditures and Changes in Fund Balances. . | E | 19 |
| Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities..... | F | 20 |
| Notes to the Financial Statements..... | | 22 |
| Required Supplemental Information (Part II): | | |
| Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Governmental Funds..... | | 33 |
| Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> | | 34 |
| Schedule of Findings and Questioned Costs..... | | 36 |
| Schedule of Prior Year Findings and Questioned Costs..... | | 38 |
| Governance Letter..... | | 39 |

This Page Intentionally Left Blank



Independent Auditor's Report on the Basic Financial Statements

**Board Members of
Livingston Parish Convention and Visitors Bureau
Albany, Louisiana**

I have audited the accompanying financial statements of the governmental activities and each major fund of the Livingston Parish Convention and Visitors Bureau (the "Bureau"), a component unit of the Parish of Livingston, Louisiana, as of and for the year ended December 31, 2010, which collectively comprise the Bureau's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Bureau's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bureau as of December 31, 2010, and the respective changes in financial position as of and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated May 19, 2011, on my consideration of the Bureau's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 8 through 12 and budget comparison information on pages 33 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Sincerely,

BRANDY WESTCOTT, LLC

B. Garcia, CPA

Brandy Westcott Garcia, CPA
Member

May 19, 2011

This Page Intentionally Left Blank

Required Supplemental Information
Management's Discussion and Analysis

**Livingston Parish Convention and Visitors Bureau
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2010**

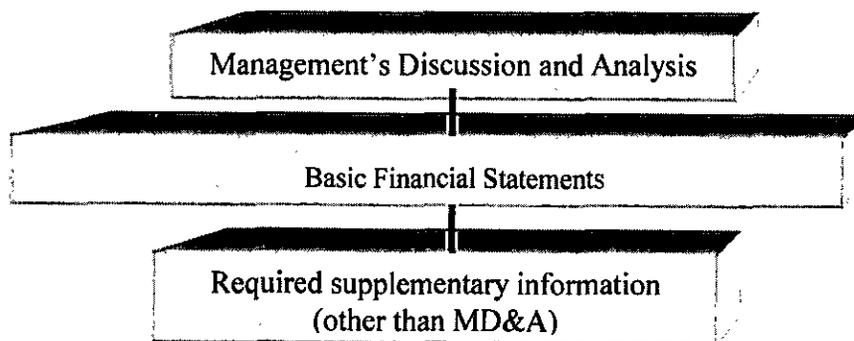
The following Management's Discussion and Analysis (MD&A) of the Livingston Convention and Visitors Bureau provides the reader with an introduction and overview to the financial statements of the Livingston Convention and Visitors Bureau (the Bureau) for the fiscal year ended December 31, 2010. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements that follow this section.

Following this MD&A are the basic financial statements of the Bureau together with the notes thereto which are essential to a full understanding of the data contained in the financial statements.

FINANCIAL HIGHLIGHTS

- The Bureau's total assets increased by \$36,512 or approximately 3.9%. Likewise, total net assets increased by \$31,563 or approximately 3.4%.
- Total cash and investments at December 31, 2010 represents approximately 73.4% of the Bureau's total assets and net capital assets represents approximately 23.6% of total assets. The remaining 3.0% consists of amounts due from other governments.
- Operating revenues increased by approximately \$23,000 in 2010. The revenue increase was caused by, an increase in the allocation from the State of Louisiana Improvement Fund of \$50,000 and a decrease in the Parish Tourist Tax of \$22,500 coupled with a decrease in Miscellaneous Income and Interest Income of approximately \$4,500.
- Operating expenses in 2010 increased over the prior year by approximately \$43,000. The increases in expenses were mainly caused by increases in salaries and benefits expenses of approximately \$6,000 due to normal salary and benefit increases, and an increase in intergovernmental expenses and grants of approximately \$15,300, an increase in advertising and publishing expense of approximately \$30,000, a decrease in promotion expense of approximately \$15,500, and an increase in other expenses of approximately \$7,200.
- At the end of the current year, unreserved fund balance was \$742,220 or 190% of the total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS



The preceding graphic illustrates the minimum requirements for Basic Financial Statements established by the Governmental Accounting Standards Board Statement 34, Basic Financial Statements— and Management’s Discussion and Analysis—for State and Local Governments.

These financial statements consist of three sections: Management’s Discussion and Analysis; the basic financial statements; and the required supplementary information. The basic financial statements also include notes that explain in more detail some of the information in the financial statements.

Basic Financial Statements

The Bureau’s Basic Financial Statements include the Government Wide Financial Statements (GWFS), the Fund Financial Statements (FFS), and the Required Supplemental Information. These statements are prepared in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB).

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Bureau.

The GWFS were prepared using 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*.

The *Statement of Net Assets* presents information on all of the Bureau’s assets and liabilities, with the difference between the two reported as *Net Assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Bureau is improving or deteriorating.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements. The bureau uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain governmental functions or activities. A fund is defined as a separate accounting entity with a self-balancing set of accounts. The Bureau operates with one General Fund that is classified as governmental fund. The governmental fund accounts for the Bureau’s general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of capital assets. The General Fund is the general operating fund of the Bureau and accounts for all financial resources and forms the basis of the Fund Financial Statements.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The *Required Supplemental Information* section of the Basic Financial Information includes the Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual Major Governmental Funds. This statement illustrates the original and final budget and the variance between the final budget and actual final results of the Bureau.

FINANCIAL ANALYSIS OF THE BUREAU

The following is a condensed Statement of Net Assets at December 31, 2010 and 2009:

| | 2010 | 2009 | Increases (Decreases) |
|-----------------------------------------|--------------------------|--------------------------|--------------------------|
| Current Assets | \$ 687,334 | \$ 711,417 | \$ (24,083) |
| Noncurrent Assets | 70,000 | - | 70,000 |
| Net Capital Assets | <u>210,086</u> | <u>219,491</u> | <u>(9,405)</u> |
| Total Assets | <u>\$ 967,420</u> | <u>\$ 930,908</u> | <u>\$ 36,512</u> |
| Current Liabilities | <u>\$ 15,114</u> | <u>\$ 10,165</u> | <u>\$ 4,949</u> |
| Total Liabilities | <u>\$ 15,114</u> | <u>\$ 10,165</u> | <u>\$ 4,949</u> |
| Net Assets | | | |
| Invested in Capital Assets, Net of Debt | \$ 210,086 | \$ 219,491 | \$ (9,405) |
| Unrestricted | <u>742,220</u> | <u>701,252</u> | <u>40,968</u> |
| Total Net Assets | <u><u>\$ 952,306</u></u> | <u><u>\$ 920,743</u></u> | <u><u>\$ 31,563</u></u> |

One of the most important questions asked about the Bureau's finances is "Is the Bureau as a whole better off or worse off as a result of the years activities?" The Statement of Net Assets, and the Statement of Activities report information about the Bureau's activities in a way that will help answer this question. These two statements report the net assets of the Bureau and changes in them. You can think of the Bureau's net assets - the difference between assets and liabilities - as one way to measure financial health or financial position.

The following is a condensed Statement of Activities for the fiscal year ending December 31, 2010 and 2009:

| | <u>2010</u> | <u>2009</u> | <u>Increases (Decreases)</u> |
|-------------------------|------------------|------------------|----------------------------------|
| General Revenues | \$ 431,490 | \$ 408,797 | \$ 22,693 |
| Governmental Activities | <u>(399,927)</u> | <u>(357,212)</u> | <u>42,715</u> |
| | | | |
| Increase in Net Assets | <u>\$ 31,563</u> | <u>\$ 51,585</u> | <u>\$ (20,022)</u> |

As detailed in the above summary, the Bureau's net assets increased by \$31,563 in fiscal year 2010 and \$51,585 in fiscal year 2009, a decrease of approximately \$20,000. Revenues increased by approximately \$23,000 or 5.6%, while expenditures increased by approximately \$43,000 or 12.0%.

BUDGETING

The Executive Director prepares the annual budget which is based on what is expected to be collected during the fiscal year and is then approved by the Board of Commissioners. The adopted budget constitutes the authority of the Bureau to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment.

As indicated on the Statement of Revenues, Expenditures, and Changes in Fund Balance Budget to Actual for the fiscal year ending December 31, 2010 on page 33 of the Financial Statements, the Bureau had a net favorable variance of \$34,763 between the final amended budget and the final results. This favorable net variance was due mainly to holding most all expenditures to below budgeted amounts and by receiving approximately \$12,000 more than budgeted from Tourist Tax Revenue.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

As of December 31, 2010, the Bureau had \$311,069 invested in capital assets consisting mainly of land and building, furniture and fixtures, and vehicle. The Bureau had minimal additions and no deletions in 2010.

Debt:

The Bureau had no outstanding debt as of December 31, 2010 and 2009.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Bureau does not anticipate major changes in results for the December 31, 2011 fiscal year budget and no substantial changes have been projected. Following is a schedule of the December 31, 2011 projected budget that has been approved by the Board of Commissioners:

| | |
|-----------------|------------------------|
| Revenues | \$ 419,575 |
| Expenditures | <u>(415,279)</u> |
| Excess Revenues | <u><u>\$ 4,296</u></u> |

CONTACTING THE BUREAU'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens of Livingston Parish and visitors with a general overview of the Bureau's finances and to show the Bureau's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Livingston Parish Convention and Visitors Bureau's Executive Director at P.O. Box 1057, Albany, Louisiana 70711.

Basic Financial Statements
Government-Wide Financial Statements

**Livingston Parish Convention and Visitors Bureau
Statement of Net Assets
December 31, 2010**

Statement A

ASSETS

Current Assets

| | | |
|---------------------------------------------------------------------|----|-------------------|
| Cash and Cash Equivalents | \$ | 364,842.82 |
| Certificates of Deposit (with maturities greater than three months) | | 281,997.60 |
| Due from Other Governments | | 37,369.19 |
| Advertising Deposits | | 3,125.00 |
| Total Current Assets | | <u>687,334.61</u> |

Noncurrent Assets

| | | |
|-----------------------------------------------------------------|--|-------------------|
| Certificates of Deposit (with maturities greater than one year) | | 70,000.00 |
| Capital Assets, Net | | 210,085.94 |
| Total Noncurrent Assets | | <u>280,085.94</u> |

Total Assets

967,420.55

LIABILITIES

Current Liabilities

| | | |
|----------------------------------|--|------------------|
| Accounts Payable | | 8,743.60 |
| Accrued Payroll | | 2,999.74 |
| Accrued Payroll Taxes | | 3,371.02 |
| Total Current Liabilities | | <u>15,114.36</u> |

Total Liabilities

15,114.36

NET ASSETS

Net Assets

| | | |
|-------------------------------------------------|----|--------------------------|
| Invested In Capital Assets, Net of Related Debt | | 210,085.94 |
| Unrestricted | | 742,220.25 |
| Total Net Assets | \$ | <u><u>952,306.19</u></u> |

The accompanying notes are an integral part of these financial statements

**Livingston Parish Convention and Visitors Bureau
Statement of Activities
For the Year Ended December 31, 2010**

| | | <u>Program Revenues</u> | | <u>Net Revenue (Expense) and Changes in Net Assets</u> |
|------------------------------------------|-------------------|---------------------------------|---------------------|--------------------------------------------------------------------|
| Expenses | <u>Expenses</u> | <u>Charges for Services</u> | <u>Governmental</u> | <u>Activities</u> |
| Governmental Activities - | | | | |
| Salaries and Wages | \$ 121,844.06 | \$ - | \$ | 121,844.06 |
| Advertising and Publications | 67,503.10 | - | | 67,503.10 |
| Depreciation Expense | 11,066.50 | - | | 11,066.50 |
| Professional Services | 26,191.97 | - | | 26,191.97 |
| Utilities | 6,797.92 | - | | 6,797.92 |
| Telephone | 5,988.58 | - | | 5,988.58 |
| Taxes, License and Permits | 118.80 | - | | 118.80 |
| Insurance | 6,652.00 | - | | 6,652.00 |
| Payroll Tax Expense | 9,295.92 | - | | 9,295.92 |
| Automotive Expense | 9,785.43 | - | | 9,785.43 |
| Conference Expense | 8,406.01 | - | | 8,406.01 |
| Collection Cost | 7,507.68 | - | | 7,507.68 |
| Office Supplies | 7,335.55 | - | | 7,335.55 |
| Promotions | 39,758.19 | - | | 39,758.19 |
| Dues | 2,200.00 | - | | 2,200.00 |
| Maintenance of Property | 8,703.89 | - | | 8,703.89 |
| Uniforms | 849.99 | - | | 849.99 |
| Postage | 715.79 | - | | 715.79 |
| Intergovernmental Payments | 39,000.00 | - | | 39,000.00 |
| Meals | 4,578.62 | - | | 4,578.62 |
| Travel | 585.40 | - | | 585.40 |
| Equipment Rental | 6,441.37 | - | | 6,441.37 |
| Grants | 8,600.00 | - | | 8,600.00 |
| Capital Outlay | 1,661.44 | - | | 1,661.44 |
| Total Governmental Activities | <u>399,926.77</u> | <u>-</u> | | <u>399,926.77</u> |
| General Revenues | | | | |
| Improvement Fund - State of Louisiana | | | | 175,000.00 |
| Tourist Tax | | | | 252,228.78 |
| Miscellaneous Revenue | | | | 1,775.00 |
| Interest Earned | | | | 2,486.18 |
| Total General Revenues | | | | <u>431,489.96</u> |
| Increase (Decrease) In Net Assets | | | | <u>31,563.19</u> |
| Net Assets, Beginning of Year | | | | <u>920,743.00</u> |
| Net Assets, End of Year | | | \$ | <u><u>952,306.19</u></u> |

The accompanying notes are an integral part of these financial statements

Basic Financial Statements
Governmental Funds Financial Statements

**Livingston Parish Convention and Visitors Bureau
Balance Sheet
Governmental Funds
December 31, 2010**

Statement C

| | <u>General Fund</u> |
|---------------------------------------------------------------------|-------------------------|
| Assets | |
| Cash and Cash Equivalents | \$ 364,842.82 |
| Certificates of Deposit (with maturities greater than three months) | 351,997.60 |
| Due from Other Governments | 37,369.19 |
| Other Receivables | <u>3,125.00</u> |
| Total Assets | <u>757,334.61</u> |
| Liabilities and Fund Balance | |
| Liabilities: | |
| Accounts Payable | 8,743.60 |
| Accrued Payroll | 2,999.74 |
| Accrued Payroll Taxes | <u>3,371.02</u> |
| Total Liabilities | <u>15,114.36</u> |
| Fund Balance: | |
| Unreserved | <u>742,220.25</u> |
| Total Fund Balance | <u>742,220.25</u> |
| Total Liabilities and Fund Balance | <u>\$ 757,334.61</u> |

The accompanying notes are an integral part of these financial statements

**Livingston Parish Convention and Visitors Bureau
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2010**

Statement D

Total Fund Balances, Governmental Funds (Statement C) **\$ 742,220.25**

Amounts reported for Governmental Activities in the Statement of Net Assets are different because:

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Accumulated Depreciation 210,085.94

Net Assets, Governmental Activities (statement A) **\$ 952,306.19**

The accompanying notes are an integral part of these financial statements

Livingston Parish Convention and Visitors Bureau
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2010

Statement E

| | General Fund |
|------------------------------------------|----------------------|
| Revenues | |
| Improvement Fund - State of Louisiana | \$ 175,000.00 |
| Tourist Tax | 252,228.78 |
| Miscellaneous Revenue | 1,775.00 |
| Interest Earned | 2,486.18 |
| Total Revenues | 431,489.96 |
| Expenditures | |
| Current Expenditures: | |
| Salaries and Wages | 121,844.06 |
| Advertising and Publications | 67,503.10 |
| Professional Services | 26,191.97 |
| Utilities | 6,797.92 |
| Telephone | 5,988.58 |
| Taxes, License and Permits | 118.80 |
| Insurance | 6,652.00 |
| Payroll Tax Expense | 9,295.92 |
| Automotive Expense | 9,785.43 |
| Conference Expense | 8,406.01 |
| Collection Cost | 7,507.68 |
| Office Supplies | 7,335.55 |
| Promotions | 39,758.19 |
| Dues | 2,200.00 |
| Maintenance of Property | 8,703.89 |
| Uniforms | 849.99 |
| Postage | 715.79 |
| Intergovernmental Payments | 39,000.00 |
| Meals | 4,578.62 |
| Travel | 585.40 |
| Equipment Rental | 6,441.37 |
| Grants | 8,600.00 |
| Capital Outlay | 1,661.44 |
| Total Expenditures | 390,521.71 |
| Excess Revenues Over Expenditures | 40,968.25 |
| Net Change in Fund Balance | 40,968.25 |
| Fund Balance, Beginning of Year | 701,252.00 |
| Fund Balance, End of Year | \$ 742,220.25 |

The accompanying notes are an integral part of these financial statements

**Livingston Parish Convention and Visitors Bureau
 Reconciliation of the Change in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended December 31, 2010**

Statement F

Total Net Change in Fund Balances, Governmental Funds (Statement E) **\$ 40,968.25**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

| | | |
|---------------------------------|--------------------|------------|
| Expenditures for capital assets | \$ 1,661.44 | |
| Less: | | |
| Current year depreciation | <u>(11,066.50)</u> | (9,405.06) |

Change in Net Assets, Governmental Activities (Statement B) **\$ 31,563.19**

Basic Financial Statements
Notes to the Financial Statements

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of an for the Year Ended December 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Introduction

The Livingston Parish Convention and Visitors Bureau (the "Bureau"), formerly the Livingston Tourism Commission, is a body corporate, created by the Livingston Parish Police Jury, now the Parish Council, by Ordinance 79-12-1 as provided for by Louisiana Revised Statutes, R.S. 33:4574. The Bureau is governed by a board of seven commissioners who are appointed by the Livingston Parish Council.

The financial statements of the Bureau have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. On June 30, 2002, the GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governments units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, Livingston Parish Convention and Visitors Bureau is considered a component unit of the Parish of Livingston, Louisiana. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as discrete component units.

1. Government-Wide and Fund Financial Statements

The government-wide financial statements (*i.e.*, the *Statement of Net Assets and the Statements of Activities*) report information on all of the nonfiduciary activities of the Bureau. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Bureau has only one fund.

The Statement of Activities demonstrates the degree to which the direct expenses of 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: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, and other items not properly included among program revenues, are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements. The Bureau has one governmental fund and no proprietary fund.

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
December 31, 2010

2. Fund Accounting

The accounts of the Bureau are organized on the basis of a fund, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The account group is only concerned with the measurement of results of operations. The fund of the Bureau is grouped, in the financial statements in this report, into one generic fund type and one broad category as follows:

General Fund - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for in another fund. At December 31, 2010, this is the only fund of the Bureau and is considered a major fund.

3. Measurement Focus and Basis of Accounting

Measurement Focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

On the government-wide Statement of Net Assets and the Statement of Activities, government activities are presented using the *economic resources* measurement focus and the *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded when the liabilities are incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange transactions are recognized when the exchange takes place.

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 only considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the government considers revenues to be available if they are collected within sixty one days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under the accrual accounting. However debt service expenditures, as well as any expenditures related to compensated absences and claims and judgements, are recorded only when the payment is due.

4. Budgetary Practices

The Bureau utilizes the following budgetary practices:

**Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010**

The Executive Director of the Bureau prepares the annual budget, which is based on what is expected to be collected during the fiscal year, and the budget is approved by the Board of Commissioners. The adopted budget constitutes the authority of the Bureau to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment. All budget amounts presented in the financial statements have been adjusted for legally authorized revisions of annual budget during the year. Appropriations, except encumbrances, lapse at the end of each year.

5. Encumbrances

Encumbrances outstanding at the year end do not represent GAAP expenditures or liabilities, but represent budgetary accounting controls. The Government's Fund's budget is maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and contracts (encumbrances) issued for goods and services not received at the year end.

The actual results of operations are presented in accordance with GAAP and the Bureau's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred.

Encumbrances are presented as a reservation for encumbrances on the Balance Sheet of the Government fund. At December 31, 2010, the Bureau had no outstanding encumbrances.

B. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the Bureau. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Fund Financial Statements

Fund financial statements of the Bureau are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures and expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary.

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Bureau or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures and expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010

2. Total assets, liabilities, revenues, or expenditures and expenses of the individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The fund of the Bureau is described below:

General Fund:

The General Fund is the primary operating fund of the Bureau and is classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

C. Deposits and Investments

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the entity to only invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

D. Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectible. The Bureau periodically evaluates the collectibility of delinquent accounts. The Bureau's experience has been that receivable write-offs have been very low.

E. Restricted Assets

Certain proceeds of specific revenue sources that are legally restricted to expenditures for a specified purpose are classified as restricted assets because their use is limited to specific expenditures.

When both restricted and unrestricted resources are available for use, it is the Bureau's policy to use restricted resources first, then unrestricted resources as they are needed.

F. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

G. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

**Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010**

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

I. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

2. CASH AND CASH EQUIVALENTS

At December 31, 2010, the District has cash and cash equivalents (book balances) as follows:

| | |
|---------------------------------------|----------------------|
| Interest Bearing Demand Deposits | \$ 169,003.00 |
| Louisiana Asset Management Pool Funds | <u>195,839.82</u> |
| Total Cash and Cash Equivalents | <u>\$ 364,842.82</u> |

For reporting purposes, cash and cash equivalents include cash, demand deposits and time certificates of deposit with maturities of three months or less from the date of acquisition. In addition, the Bureau also has \$351,997.60 in certificates of deposit with maturities greater than 90 days, which are included under the financial statements heading of Certificates of Deposits.

These deposits are stated at cost, which approximates market. Custodial credit risk, as it relates to cash deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties

At December 31, 2010, the Bureau has \$ 171,038.39 in demand deposits (bank balances other than LAMP). The demand deposits are secured by \$250,000 of federal deposit insurance.

The certificates of deposit are also secured by \$250,000 of federal deposit insurance.

**Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010**

The investment in the Louisiana Asset Management Pool (LAMP), an external investment pool, is stated at the value of the pool shares, which is the same as the fair value, and has been categorized as cash equivalents. LAMP is administered by LAMP, Inc. a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The Corporation is governed by a board of directors comprised of the State treasurer, representatives from various organizations of local government, the Government Finance Office Association of Louisiana, and the Society of Louisiana CPAs. Only local government entities 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. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. 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 value is determined on a weekly basis by LAMP and the value of the position in the pool is the same as the value of the pool shares.

LAMP is subject to the regulator oversight of the State Treasurer and the Board of Directors. LAMP is not registered with the SEC as an investment company.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. 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 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest 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 investment pools:

1. Credit risk: LAMP is rated AAAM by Standard and Poor's
2. 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 pool, not the securities that make up the pool; therefore no disclosure is required.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement per paragraph 15 of the GASB 40 statement.
5. Foreign currency risk: Not applicable to 2a7-like pools.

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 value 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 the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with SEC as an investment company. LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by writing to LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, Louisiana 70130, or by calling (800)249-5267.

3. DUE FROM OTHER GOVERNMENTS

Due from Other Governments consisted of the following at December 31, 2010:

| | |
|----------------------------------------------|--------------------|
| Livingston Parish School Board - Tourist Tax | \$37,999.16 |
| Less Collection Fees | <u>(629.97)</u> |
| Total Due From Other Governments | <u>\$37,369.19</u> |

4. XEROX COPIER LEASE

The Bureau entered into an operating lease agreement with the Xerox Corporation for a copier on April 24, 2007. The life of the lease is five years (sixty months) and payments began on June 30, 2007. The Bureau made a monthly minimum lease payment of \$466.87 regardless of the number of copies used that month. However, if the Bureau used more than 2,000 copies in a month, there is an additional charge per page over 2,000. Rental expense under this lease were \$5,919.03 for the year ended December 31, 2010. On October 25, 2010 the Bureau signed a lease on a new copier with trade in of the previous copier and cancellation of the previous lease. The lease term is 5 years and the minimum lease payment is \$392.30. Additional charges for printing are stipulated in the lease. The cancellation notice on the previous copier was November 20, 2010 and payments began in December 2010 on the new lease. Rental expense under this lease was \$522.34 for the year ended December 31, 2010.

Future minimum lease payments under this lease are as follows:

| | Minimum Lease Payment |
|-----------------------------|--------------------------|
| 2011 | \$ 4,707.60 |
| 2012 | 4,707.60 |
| 2013 | 4,707.60 |
| 2014 | 4,707.60 |
| 2015 | <u>4,707.60</u> |
| Total Minimum Lease Expense | <u>\$ 23,538.00</u> |

**Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010**

5. CAPITAL ASSETS AND DEPRECIATION

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

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost or donated value of \$1,000 or more are recorded at historical cost, or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to December 31, 2002.

Prior to December 31, 2002, infrastructure assets owned by governments were not capitalized. Infrastructure assets acquired prior to December 31, 2002, have been valued at estimated historical cost. Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets estimated useful lives using the straight line method of depreciation.

The Bureau uses the following range of estimated useful lives by type of assets:

| Type of Assets | Useful Lives |
|-------------------------|--------------|
| Buildings | 40 |
| Furniture and Fixtures | 7 |
| Vehicles | 5 |
| Infrastructure | 20 |
| Machinery and Equipment | 5-7 |

Capital Assets activity for the year ended December 31, 2010, was as follows:

| | Balance at 1/1/2010 | Increases | Decreases | Balance at 12/31/2010 |
|---------------------------------------------------|---------------------------|-----------|-----------|-----------------------------|
| Capital Assets Not Being Depreciated | | | | |
| Land | \$ 120,350.00 | - | - | \$ 120,350.00 |
| Total Capital Assets Not Being Depreciated | 120,350.00 | - | - | 120,350.00 |
| Capital Assets Being Depreciated: | | | | |
| Buildings | 84,458.00 | - | - | 84,458.00 |
| Infrastructure | 60,000.00 | - | - | 60,000.00 |
| Furniture & Fixtures | 12,246.00 | - | - | 12,246.00 |

**Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010**

| | | | | |
|----------------------------------------|----------------------|----------------------|-------------|----------------------|
| Vehicles | 18,080.00 | - | - | 18,080.00 |
| Machinery & Equipment | <u>14,274.00</u> | <u>1,661.00</u> | - | <u>15,935.00</u> |
| Total Capital Assets Being Depreciated | <u>189,058.00</u> | <u>1,661.00</u> | - | <u>190,719.00</u> |
| Less: Accumulated Depreciation For: | | | | |
| Buildings | (23,224.00) | (2,111.45) | - | (25,335.45) |
| Infrastructure | (33,000.00) | (3,000.00) | - | (36,000.00) |
| Furniture & Fixtures | (12,247.00) | - | - | (12,247.00) |
| Vehicles | (14,766.00) | (3,314.63) | - | (18,080.63) |
| Machinery & Equipment | <u>(6,680.00)</u> | <u>(2,640.42)</u> | - | <u>(9,320.42)</u> |
| Total Accumulated Depreciation | <u>(89,917.00)</u> | <u>(11,066.50)</u> | - | <u>(100,983.50)</u> |
| Capital Assets Being Depreciated, Net | <u>99,141.00</u> | <u>(9,405.50)</u> | - | <u>89,735.50</u> |
| Total Capital Assets, Net | <u>\$ 219,491.00</u> | <u>\$ (9,405.50)</u> | <u>\$ -</u> | <u>\$ 210,085.50</u> |

Fund Financial Statements

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

6. BOARD PER DIEM

The Board members of the Bureau are not financially compensated in any way. As of December 31, 2010, the Board Members are as follows:

Denise Martin, Chairperson

Ricky Goff, Co-Chairperson

Donna Jennings, Secretary

Kenny Morrison

Julius Prokop

Bridgette Rushing

Gail Sanders

The term of each board member is three years. Each board member was reappointed in 2011 with their present term ending February 2014.

7. RISK MANAGEMENT

The Bureau is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Bureau maintains commercial insurance policies for the claims related to the aforementioned risks. The Commission's payment of the insurance policy deductible is the only liability associated with these policies and bonds.

**Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010**

7. CONTINGENT LIABILITIES

At December 31, 2010, the bureau was not involved in any outstanding litigation or claims.

8. SUBSEQUENT EVENTS

Subsequent events have been reviewed by management through May 19, 2011.

Required Supplemental Information (Part II)

Livingston Parish Convention and Visitors Bureau
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Governmental Funds
For the Year Ended December 31, 2010

Schedule 1

| | General Fund Budgeted Amounts | | Actual Amounts: GAAP Basis | Variance With Final Budget: Favorable (Unfavorable) |
|------------------------------------------|----------------------------------|-------------------|-------------------------------------|--------------------------------------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Tourist Tax Revenue | \$ 295,000 | \$ 240,000 | \$ 252,229 | \$ 12,229 |
| Interest Income | 6,000 | 3,000 | 2,486 | (514) |
| Improvement Fund | 125,000 | 175,000 | 175,000 | 0 |
| Miscellaneous Income | - | 1,575 | 1,775 | 200 |
| Total Revenues | <u>426,000</u> | <u>419,575</u> | <u>431,490</u> | <u>11,915</u> |
| Expenditures | | | | |
| Salaries and Wages | 122,720 | 122,720 | 121,844 | 876 |
| Advertising and Publications | 60,000 | 60,000 | 67,503 | (7,503) |
| Professional Services | 31,000 | 28,500 | 26,192 | 2,308 |
| Utilities | 7,000 | 7,000 | 6,798 | 202 |
| Telephone | 6,000 | 7,000 | 5,989 | 1,011 |
| Taxes, License and Permits | 200 | 200 | 119 | 81 |
| Insurance | 7,000 | 7,000 | 6,652 | 348 |
| Payroll Tax Expense | 9,000 | 9,000 | 9,296 | (296) |
| Automotive Expense | 6,000 | 8,000 | 9,785 | (1,785) |
| Conference Expense | 13,000 | 8,000 | 8,406 | (406) |
| Collection Cost | 9,000 | 9,000 | 7,508 | 1,492 |
| Office Supplies | 7,500 | 7,500 | 7,336 | 164 |
| Promotions | 50,000 | 50,000 | 39,758 | 10,242 |
| Dues | 2,000 | 2,000 | 2,200 | (200) |
| Maintenance of Property | 7,000 | 10,000 | 8,704 | 1,296 |
| Uniforms | 750 | 750 | 850 | (100) |
| Postage | 1,000 | 1,000 | 716 | 284 |
| Intergovernmental Payments | 16,000 | 39,000 | 39,000 | 0 |
| Meals | 4,500 | 4,500 | 4,579 | (79) |
| Travel | 6,000 | 2,000 | 585 | 1,415 |
| Equipment Rental | 5,500 | 7,000 | 6,441 | 559 |
| Grants | 10,000 | 12,000 | 8,600 | 3,400 |
| Capital Outlay | 25,000 | 10,000 | 1,661 | 8,339 |
| Bank Charges | 100 | 100 | - | 100 |
| Interest Expense | 100 | 100 | - | 100 |
| Miscellaneous | 1,000 | 1,000 | - | 1,000 |
| Total Expenditures | <u>407,370</u> | <u>413,370</u> | <u>390,522</u> | <u>22,848</u> |
| Excess Revenues Over Expenditures | <u>18,630</u> | <u>6,205</u> | <u>40,968</u> | |
| Net Change in Fund Balance | <u>18,630</u> | <u>6,205</u> | <u>40,968</u> | |
| Fund Balance, Beginning of Year | <u>701,252</u> | <u>701,252</u> | <u>701,252</u> | |
| Fund Balance, End of Year | <u>\$ 719,882</u> | <u>\$ 707,457</u> | <u>\$ 742,220</u> | |

See Independent Auditor's Report



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Board Members of
Livingston Parish Convention and Visitors Bureau
Albany, Louisiana**

I have audited the financial statements of the governmental activities and each major fund of the Livingston Parish Convention and Visitors Bureau (the "Bureau"), a component unit of the Parish of Livingston, Louisiana, as of and for the year ended December 31, 2010, which collectively comprise the Bureau's basic financial statements and have issued my report thereon dated May 19, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Bureau's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Bureau's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed one instances of noncompliance that

is required to be reported under *Government Auditing Standards* and which is reported on the accompanying Schedule of Findings and Questioned Costs as Finding 2010-1.

The Bureau's response to the finding identified in my audit is described in the accompanying Schedule of Findings and Questioned Costs. I did not audit the Bureau's response and, accordingly, I express no opinion on it.

This report is intended solely for the information and use of management, the Bureau's Board of Directors, others within the entity, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana revised Statute 24:513, this report is distributed to the Legislative Auditor as a public document.

Sincerely,

BRANDY WESTCOTT, LLC



Brandy Westcott Garcia, CPA

Member

May 19, 2011

**Livingston Parish Convention and Visitors Bureau
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2010**

I have audited the basic financial statements of the Livingston Parish Convention and Visitors Bureau, a component unit of the Parish of Livingston, Louisiana, as of and for the year ended December 31, 2010, and have issued my report thereon dated May 19, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2010, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards Not Applicable

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Type of Opinion On Compliance Unqualified Qualified
 For Major Programs Disclaimer Adverse

Are there findings required to be reported in accordance with Circular A-133, Section .510(a)?
 Yes No

Was a management letter issued? Yes No

c. Identification of Major Programs:

| | |
|-----------------------|---------------------------------------------|
| CFDA Number(s) | Name of Federal Program (or Cluster) |
|-----------------------|---------------------------------------------|

Dollar threshold used to distinguish between Type A and Type B Programs: \$ _____

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?

Yes No

Section II Financial Statement Findings

Finding 2010-1 Local Budget Act (Noncompliance)

Criteria: LRS 39:1305 required a budget be completed for the General Fund and each Special Revenue Fund. The budget must include a budget message and a statement.

Condition: The Bureau did not include a budget message in the 2010 budget.

Cause: The budget message was verbally communicated by the Executive Director. However, it was not written and signed due to an oversight.

Effect: Noncompliance with a provision of the Local Budget Act (Specifically LRS 39:1303).

Recommendation: The Bureau should prepare and have the preparer sign the budget message as part of the budget preparation process.

Management's Response: The Bureau is in agreement with this finding and intends to comply in the future.

Section III Federal Award Findings and Questioned Costs

No Section III Findings.

**Livingston Parish Convention and Visitors Bureau
Schedule of Prior Year Findings and Questioned Costs
For The Year Ended December 31, 2010**

Section I Internal Control and Compliance Material to the Financial Statements

No Section I Findings

Section II Internal Control and Compliance Material to Federal Awards

No Section II Findings.

Section III Management Letter

No Section III Findings.



To the Board Members of
Livingston Parish Convention and Visitors Bureau

I have audited the financial statements of the governmental activities and each major fund of Livingston Parish Convention and Visitors Bureau (the "Bureau"), a component unit of the Parish of Livingston, Louisiana, as of and for the year ended December 31, 2010, and have issued my report thereon dated May 19, 2011. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of my audit. Professional standards also require that I communicate to you the following information related to my audit.

My Responsibility under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in my engagement letter dated October 7, 2010, my responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. My audit of the financial statements does not relieve you or management of your responsibilities.

As a part of my audit, I considered the Bureau's internal control over financial reporting. Such considerations were solely for the purpose of determining my audit procedures and not to provide any assurance concerning such internal control.

As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Bureau's compliance with certain provisions of laws, regulations, contracts and grant agreements. However, the objective of my tests was not to provide an opinion on compliance with such provisions.

My responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

I am responsible for communicating significant matters related to the audit that are, in my professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, I am not required to design procedures specifically to identify such matters.

My responsibility for other information in documents containing the entity's financial statements and report does not extend beyond the financial information identified in the report. I do not have an obligation to perform any procedures to corroborate other information contained in these documents, such as Management's Discussion and Analysis and supplementary budgetary statements.

Planned Scope and Timing of the Audit

I performed the audit according to the planned scope and timing previously communicated to you

in my Engagement Letter on October 7, 2010 and in my Entrance Memorandum about planning matters on March 1, 2011.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Bureau are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. I noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the depreciation expense and useful life of capital assets is based on policy guidelines. I evaluated the key factors and assumptions used to develop the capital asset policy in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There was one uncorrected misstatement identified in the course of my audit that would have a net effect of \$0 on net assets in the current year (\$655 reclassification entry). Management has determined that the effect of this misstatement is immaterial to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations

I have requested certain representations from management that are included in the management representation letter dated May 19, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the government unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

During procedures described in the *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*, I identified one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is reported in the accompanying Schedule of Findings and Questioned Costs as Finding 2010-1.

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Bureau's auditor. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

This information is intended solely for the use of the members of the Board of Supervisors of Livingston Parish Convention and Visitors Bureau and its management, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

BRANDY WESTCOTT, LLC



Brandy Westcott Garcia, CPA
Member

May 19, 2011