

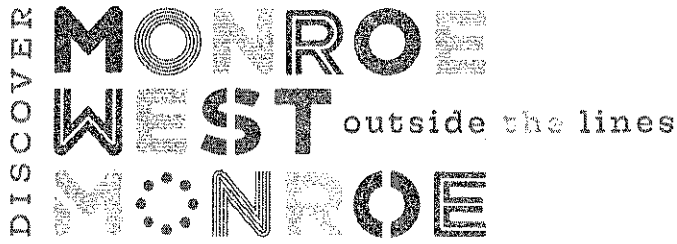
MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU
OF OUACHITA PARISH
WEST MONROE, LOUISIANA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 DECEMBER 31, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish (the Bureau) provides an overview of the Bureau's activities for the year ended December 31, 2023. Please read it in conjunction with the Bureau's financial statements.

USING THIS ANNUAL REPORT:

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Bureau as a whole.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES:

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Bureau's net position and changes in it. The Bureau's net position - the difference between assets and liabilities - measures the Bureau's financial position. The increases or decreases in the Bureau's net position are an indicator of whether its financial position is improving or deteriorating.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

THE BUREAU AS A WHOLE:

Net position December 31, 2023

| | <u>2023</u> | <u>2022</u> | <u>Variance</u> |
|----------------------------------|-------------------|-------------------|--------------------|
| Current Assets | 10,741,690 | 15,156,895 | (4,415,205) |
| Non-Current Assets | 945,442 | 1,502,662 | (557,220) |
| Deferred Outflows of Resources | 534,449 | 143,729 | 390,720 |
| Total Assets | <u>12,221,581</u> | <u>16,803,286</u> | <u>(4,581,705)</u> |
| Current and Other Liabilities | 854,742 | 1,522,216 | (667,474) |
| Deferred Inflows of Resources | 43,859 | 470,215 | (426,356) |
| Non-Current Liabilities | 4,496,574 | 4,531,596 | (35,022) |
| Total Liabilities | <u>5,395,175</u> | <u>6,524,027</u> | <u>(1,128,852)</u> |
| Net Position | | | |
| Net Investment in Capital Assets | 913,616 | 989,581 | (75,965) |
| Unrestricted | <u>5,912,790</u> | <u>9,289,678</u> | <u>(3,376,888)</u> |
| Total Net Position | <u>6,826,406</u> | <u>10,279,259</u> | <u>(3,452,853)</u> |

For the year ended December 31, 2023, net position changed as follows:

| | <u>2023</u> | <u>2022</u> | <u>Variance</u> |
|--------------------------|------------------|-------------------|--------------------|
| Beginning Net Position | 10,279,259 | 10,733,732 | (454,473) |
| Increase in Net Position | (3,452,853) | (454,473) | (2,998,380) |
| Ending Net Position | <u>6,826,406</u> | <u>10,279,259</u> | <u>(3,452,853)</u> |

THE BUREAU'S FUNDS:

The following schedule presents a summary of revenues and expenditures for the fiscal year ended December 31, 2023.

| | <u>2023</u> | <u>Percent</u> | <u>2022</u> | <u>Variance</u> |
|---------------------------|------------------|-----------------|------------------|------------------|
| <u>Revenue</u> | <u>Amount</u> | <u>Of Total</u> | <u>Amount</u> | |
| Hotel-Motel Occupancy Tax | 2,055,506 | 40.41 % | 1,982,511 | 72,995 |
| Hotel-Motel Sales Tax | 1,800,000 | 35.39 % | 1,592,347 | 207,653 |
| Intergovernmental | 713,637 | 14.03 % | 585,476 | 128,161 |
| Interest Earned | 434,821 | 8.55 % | 157,688 | 277,133 |
| Special Events | 27,379 | 0.54 % | 57,284 | (29,905) |
| Miscellaneous | 54,893 | 1.08 % | 113,674 | (58,781) |
| <u>Total Revenues</u> | <u>5,086,236</u> | <u>100.00 %</u> | <u>4,488,980</u> | <u>597,256</u> |
| <u>Expenses</u> | | | | |
| Personal Services | 1,117,937 | | 888,344 | 229,593 |
| Travel | 81,793 | | 57,152 | 24,641 |
| Operating Expenses | 682,890 | | 890,255 | (207,365) |
| Supplies | 76,363 | | 61,512 | 14,851 |
| Professional Services | 143,136 | | 152,942 | (9,806) |
| Other Charges | 6,178,012 | | 2,726,719 | 3,451,293 |
| Interest | 165,480 | | 73,607 | 91,873 |
| Depreciation | 93,478 | | 92,922 | 556 |
| <u>Total Expenditures</u> | <u>8,539,089</u> | <u>100.00 %</u> | <u>4,943,453</u> | <u>3,595,636</u> |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

BUDGETARY HIGHLIGHTS:

The President/CEO 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 Directors. 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.

The Bureau's total revenues in 2023 were more than the final budget by \$103,214. Actual expenditures for the Bureau in 2023 were less than the final budget by \$965,113. This variance reflects a moderate decrease in sales tax revenue during the last quarter and a decrease in special promotions and community improvements.

During 2021, the Bureau received a Tourism Revival Grant from the Louisiana Division of Administration administered through the Coronavirus State Fiscal Recovery Fund of the American Rescue Plan (ARP) in the amount of \$1,611,627. During 2023, \$713,637 of these funds were expended.

CAPITAL ASSET AND DEBT ADMINISTRATION:

Capital Assets

At December 31, 2023, the Bureau had \$2,199,895 invested in capital assets including land, buildings and improvements, furniture and fixtures, equipment, and vehicles (see table below).

| | <u>2023</u> | <u>2022</u> | <u>Variance</u> |
|-----------------------------------|------------------|------------------|-----------------|
| Land | 50,000 | 50,000 | -0- |
| Building | 1,138,068 | 1,138,068 | -0- |
| Furniture, Fixtures and Equipment | 229,844 | 227,857 | 1,987 |
| Vehicles | 76,822 | 76,822 | -0- |
| Improvements | <u>705,161</u> | <u>705,161</u> | <u>-0-</u> |
| <u>Total</u> | <u>2,199,895</u> | <u>2,197,908</u> | <u>1,987</u> |

Additions to Capital Assets during 2023 include a \$1,987 increase in Furniture, Fixtures and Equipment for office equipment.

Accumulated depreciation increased from \$1,208,327 at December 31, 2022 to \$1,286,278 at December 31, 2023.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Debt

On July 28, 2022, the Bureau issued a \$5,000,000 Bond Series 2022. As of December 31, 2023, the balance of bonds outstanding was \$4,563,000 and bears interest at 3.33%. The bonds have a maturity date of July 1, 2023 with principal due July 1st and interest due January 1st and July 1st of each year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES:

The Bureau's revenues are derived mainly from Hotel-Motel Occupancy and Sales Taxes. The Bureau does not anticipate any major increases or decreases in the taxes collected.

CONTACTING THE BUREAU'S FINANCIAL MANAGEMENT:

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Bureau's finances and to show the Bureau's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish, 601 Constitution Avenue, West Monroe, Louisiana.

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

VIOLET M. ROUSSEL, CPA, APC
JAY CUTHBERT, CPA, APAC
DAWN WHITSTINE, CPA, APC



America Counts on CPAs®

Certified Public Accountants

3007 Armand Street
Monroe, Louisiana 71201
Telephone (318) 322-5156
Facsimile (318) 323-6331

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PAM BATTAGLIA, CPA
JOHN R. FORSELL, IV, CPA
NICK RICHARDSON, CPA

ROWLAND H. PERRY, CPA-Retired
CHARLES JOHNSON, JR., CPA-Retired

INDEPENDENT AUDITORS' REPORT

To the Board Members of the
Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish
West Monroe, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish (the Bureau), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements as listed in the Table of Contents.

In our opinion, the 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 Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish and to meet our other ethical responsibilities, in accordance with the relevant

ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability and schedule of contributions - retirement plan on pages 1 through 4 and 45 through 47 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is fairly stated, in all material respects, to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2024, on our consideration of the Bureau's internal control over financial reporting and on our 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 our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bureau's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bureau's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 17, 2024, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on

those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Monroe, Louisiana

June 17, 2024

GOVERNMENT-WIDE FINANCIAL STATEMENTS

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 STATEMENT OF NET POSITION
 DECEMBER 31, 2023

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| <u>ASSETS</u> | |
| <u>CURRENT ASSETS</u> | |
| Cash | 8,605,316 |
| Accounts Receivable | 2,086,355 |
| Prepaid Expenses | <u>50,019</u> |
| <u>TOTAL CURRENT ASSETS</u> | <u>10,741,690</u> |
| <u>NON-CURRENT ASSETS</u> | |
| Capital Assets (Net) | 913,617 |
| Right of Use Assets (Net) | <u>31,825</u> |
| <u>TOTAL NON-CURRENT ASSETS</u> | <u>945,442</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | |
| Pension Related Deferrals | <u>534,449</u> |
| <u>TOTAL DEFERRED OUTFLOWS OF RESOURCES</u> | <u>534,449</u> |
| <u>TOTAL ASSETS</u> | <u>12,221,581</u> |

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 STATEMENT OF NET POSITION (CONTINUED)
 DECEMBER 31, 2023

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| <u>LIABILITIES AND NET POSITION</u> | |
| <u>CURRENT LIABILITIES</u> | |
| Accounts Payable | 38,326 |
| Accrued Expenses | 47,929 |
| Unearned Revenues | 312,513 |
| Current Portion of Bonds Payable | 443,000 |
| Current Portion of Financing Lease Payable | <u>12,974</u> |
| <u>TOTAL CURRENT LIABILITIES</u> | <u>854,742</u> |
| <u>NON-CURRENT LIABILITIES</u> | |
| Bonds Payable, Non-Current | 4,087,478 |
| Net Pension Liability | 389,959 |
| Financing Lease Payable, Non-Current | <u>19,137</u> |
| <u>TOTAL NON-CURRENT LIABILITIES</u> | <u>4,496,574</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | |
| Pension Related Deferrals | <u>43,859</u> |
| <u>TOTAL DEFERRED INFLOWS OF RESOURCES</u> | <u>43,859</u> |
| <u>TOTAL LIABILITIES</u> | <u>5,395,175</u> |
| <u>NET POSITION</u> | |
| Net Investment in Capital Assets, Unrestricted | 913,616 |
| Unrestricted | <u>5,912,790</u> |
| <u>TOTAL NET POSITION</u> | <u>6,826,406</u> |
| <u>TOTAL LIABILITIES AND NET POSITION</u> | <u>12,221,581</u> |

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

| <u>Function/Program</u> | <u>Expenses</u> | <u>Charges</u> | <u>Program Revenues</u> | <u>Capital</u> | <u>Net (Expense)</u> |
|----------------------------------|------------------|-----------------|-------------------------|----------------------|----------------------|
| <u>Activities</u> | | <u>for</u> | <u>Operating</u> | <u>Grants and</u> | <u>Revenue and</u> |
| <u>Government</u> | | <u>Services</u> | <u>Grants and</u> | <u>Grants and</u> | <u>Changes in</u> |
| <u>Activities:</u> | | | <u>Contributions</u> | <u>Contributions</u> | <u>Net Position</u> |
| <u>Personal Services</u> | 1,117,937 | - | - | - | (1,117,937) |
| <u>Travel</u> | 81,793 | - | - | - | (81,793) |
| <u>Operating Expenses</u> | 682,890 | - | - | - | (682,890) |
| <u>Supplies</u> | 76,363 | - | - | - | (76,363) |
| <u>Professional Services</u> | 143,136 | - | - | - | (143,136) |
| <u>Other Charges</u> | 6,178,012 | - | - | - | (6,178,012) |
| <u>Interest on Long-Term</u> | | | | | |
| <u>Debt</u> | 165,480 | - | - | - | (165,480) |
| <u>Unallocated</u> | | | | | |
| <u>Depreciation and</u> | | | | | |
| <u>Amortization</u> | <u>93,478</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(93,478)</u> |
| <u>Total Governmental</u> | <u>8,539,089</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>(8,539,089)</u> |
| <u>Activities</u> | | | | | |
| <u>General Revenues:</u> | | | | | |
| <u>Hotel-Motel Occupancy Tax</u> | | | | | 2,055,506 |
| <u>Hotel-Motel Sales Tax</u> | | | | | 1,800,000 |
| <u>Miscellaneous</u> | | | | | 54,893 |
| <u>Intergovernmental</u> | | | | | 713,637 |
| <u>Special Events - Sports</u> | | | | | 27,379 |
| <u>Interest Earned</u> | | | | | <u>434,821</u> |
| <u>Total General Revenues</u> | | | | | <u>5,086,236</u> |
| <u>Changes in Net Position</u> | | | | | <u>(3,452,853)</u> |
| <u>Net Position - Beginning</u> | | | | | <u>10,279,259</u> |
| <u>Net Position - Ending</u> | | | | | <u>6,826,406</u> |

See Independent Auditors' Report and accompanying notes.

FUND FINANCIAL STATEMENTS

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 BALANCE SHEET-GOVERNMENTAL FUNDS
 DECEMBER 31, 2023

| | <u>General Fund</u> |
|--|-----------------------|
| <u>ASSETS</u> | |
| Cash | 8,605,316 |
| Receivables (Net of Allowances for Uncollectibles) | 2,086,355 |
| Prepaid Expenses | <u>50,019</u> |
| <u>TOTAL ASSETS</u> | <u>10,741,690</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | |
| Accounts Payable | 38,326 |
| Accrued and Withheld Payroll Taxes | 47,929 |
| Unearned Revenues | <u>312,513</u> |
| <u>TOTAL LIABILITIES</u> | <u>398,768</u> |
| <u>FUND BALANCE</u> | |
| Nonspendable | 50,019 |
| Committed Funds | 2,791,107 |
| Unassigned Funds | <u>7,501,796</u> |
| <u>TOTAL FUND BALANCE</u> | <u>10,342,922</u> |
| <u>TOTAL LIABILITIES AND FUND BALANCE</u> | <u>10,741,690</u> |

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
 TO NET POSITION OF GOVERNMENTAL ACTIVITIES
 DECEMBER 31, 2023

| | |
|--|------------|
| <u>Total Governmental Fund Balances at December 31, 2023</u> | 10,342,922 |
|--|------------|

Amounts reported for governmental activities in the statement of net assets are different because:

The following used in Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet:

| | |
|--------------------------------|--------------|
| Capital Assets | 2,199,895 |
| Less, Accumulated Depreciation | (1,286,278) |
| Right of Use Assets | 61,235 |
| Less, Accumulated Amortization | (29,410) |
| Deferred Outflows of Resources | 534,449 |

The following are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet:

| | |
|-------------------------------|--------------|
| Bonds Payable | (4,563,000) |
| Unamortized Bond Cost | 32,522 |
| Financing Lease Payable | (32,111) |
| Deferred Inflows of Resources | (43,859) |
| Net Pension Liability | (389,959) |

| | |
|--|------------------|
| <u>Net Position of Governmental Activities</u> | <u>6,826,406</u> |
|--|------------------|

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

| <u>REVENUES</u> | <u>General Fund</u> |
|---------------------------------------|---------------------|
| Taxes | |
| Occupancy Tax | 2,055,506 |
| Sales Tax | 1,800,000 |
| Intergovernmental | 713,637 |
| Other | 54,893 |
| Special Events - Sports | 27,379 |
| Interest | 434,821 |
| <u>TOTAL REVENUES</u> | <u>5,086,236</u> |
| <u>EXPENDITURES</u> | |
| Personal Services | |
| Salaries - Regular | 803,752 |
| FICA Taxes | 14,559 |
| Retirement Fund Expense | 87,373 |
| Unemployment Benefits | 404 |
| Other Related Benefits | 139,768 |
| Travel | |
| Travel and Convention Solicitation | 71,271 |
| Gasoline and Related Expenses | 8,201 |
| Auto Repairs and Maintenance | 2,321 |
| Operating Expenses | |
| Advertising | 195,068 |
| Convention Services | 92,992 |
| Research and Development | 23,709 |
| Printing | 39,470 |
| Insurance, Other Than Personal | 47,023 |
| Maintenance of Property and Equipment | 43,303 |
| Rentals and Related Expense | 42,183 |
| Dues and Subscriptions | 93,334 |
| Postage | 3,939 |
| Telephone | 29,720 |
| Other Operating Expenses | 3,844 |
| Utilities | 10,682 |
| Professional Organizations | 57,623 |
| Supplies | |
| Office Supplies | 14,856 |
| Operating Supplies | 61,507 |
| Professional Services | |
| Accounting and Auditing | 39,809 |
| Legal and Other Professional Services | 103,327 |

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>General Fund</u> |
|--|---------------------|
| <u>EXPENDITURES (Continued)</u> | |
| Other Charges | |
| Miscellaneous Charges | 6,159 |
| Collection Fees (Statutory Charges) | 3,849 |
| Special Promotions and Community Improvement | 6,019,182 |
| Cost of Special Events (Sports) | 85,354 |
| Christmas on the River | 63,468 |
| Capital Outlays | |
| Furniture, Fixtures and Equipment | 1,987 |
| Vehicles | - |
| Debt Service | |
| Bond Principal Payments | 437,000 |
| Financing Lease Payments | 15,745 |
| Interest | <u>161,685</u> |
| <u>TOTAL EXPENDITURES</u> | <u>8,824,467</u> |
| <u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</u> <u>EXPENDITURES</u> | <u>(3,738,231)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | |
| Proceeds from Bond Issue | <u>-</u> |
| <u>NET OTHER FINANCING SOURCES (USES)</u> | <u>-0-</u> |
| <u>NET CHANGE IN FUND BALANCE</u> | <u>(3,738,231)</u> |
| <u>FUND BALANCE - BEGINNING OF YEAR</u> | <u>14,081,153</u> |
| <u>FUND BALANCE - END OF YEAR</u> | <u>10,342,922</u> |

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2023

Net Changes in Total Governmental Fund (3,738,231)

*Amounts reported for governmental activities in the Statement
 Of Activities are different because:*

Amounts reported for Governmental Activities in the
 Statement of Activities are different because: The
 Governmental Fund Reports Capital Outlays and Right-of-Use
 Assets as expenditures. However, in the Statement of
 Activities, the cost of these assets is allocated over their
 estimated useful lives as depreciation and amortization
 expense. The current year amounts for these items were:

| | |
|--------------------------------------|-----------|
| Capital Assets Purchases Capitalized | 1,987 |
| Depreciation Expense | (77,951) |
| Amortization Expense | (19,322) |

Repayment of debt principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 debt liabilities in the statement of net assets.

Some revenues reported in the Statement of Activities do not
 provide current financial resources and these are not
 reported as revenues in governmental fund. Some expenses
 reported in the Statement of Activities do not require the
 use of current financial resources and, therefore, are not
 reported as expenditures in governmental funds. These timing
 differences are summarized below:

| | |
|-------------------------------------|---------------|
| Pension expense | (72,081) |
| Principal Payment on Long-Term Debt | 437,000 |
| Financing Lease Payments | <u>15,745</u> |

Total Changes in Net Position (3,452,853)

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity Information:

The Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish (the Bureau) was formed and created as a tourist commission for the purpose of the promotion of tourism within the Parish of Ouachita by an ordinance of the Police Jury of the Parish of Ouachita in 1976. There are eleven board members appointed by the Ouachita Parish Police Jury. The board members are not compensated or paid a per diem. On June 8, 1995 pursuant to Article VI, Section 19 and 30 of the Constitution of Louisiana, the Bureau was specifically created as a special district and shall from that point on be a political subdivision of the State of Louisiana.

The Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish was a component unit of the Ouachita Parish Police Jury, the governing body of the Parish until June 8, 1995 as noted above. The accompanying financial statements present information only on the funds maintained by the Bureau and do not present information on the police jury, or any other governmental unit.

The major sources of revenue for the Bureau are from hotel - motel sales taxes collected in Ouachita Parish.

The Bureau complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

The Bureau is an entity administered by a Board of Directors (Board) that acts as the authoritative and legislative body of the entity. The Board is comprised of eleven board members. Officers are elected by the Board. Each officer serves a term of one year; there are no term limits for reappointment. No board members receive compensation for serving on the Board, except for the President/CEO.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Reporting Entity Information: (Continued)

The Board of Directors annually appoints the Chairperson of the Board from existing board members. The Chair responsibilities are to preside at all meetings of the Board, be the chief officer of the Bureau, perform all duties commonly incident to the position of presiding officer of a board or business organization and exercise supervision over the business of the Bureau, its officers and employees.

The Bureau has determined that it has no potential component units that should be included in its financial statements. The Bureau also believes it is not a component unit of any other government.

Government-Wide Financial Statements - The government-wide financial statements display information on all the financial activities of the Bureau. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when they are both measurable and available and expenses are recorded when a liability is 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 are considered to be available when they are collectible within the current period, the Bureau considers revenues to be available if they are collected within sixty days of the end of the current fiscal year end.

Governmental Fund Financial Statements - The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period; the Bureau considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Principal revenue sources considered susceptible to accrual are interest on investments and sales taxes. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the Bureau's present appropriation system. These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered to be measurable and available only when cash is received by the Bureau. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The Bureau does not use encumbrance accounting. Modifications to the accrual basis of accounting include:

- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.
- Claims, judgments and compensated absences are recorded when the payment is due.

Fund Accounting

The Bureau reports the following fund types:

Governmental Funds

Governmental Funds are those through which governmental functions of the Bureau are financed. The acquisition, use and balances of the Bureau's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial
Statement Presentation (Continued)

Governmental Funds (Continued)

upon net income determination. The following is the Governmental Fund of the Bureau:

General Fund - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those that are required to be accounted for in another fund. The General Fund is the Bureau's only major fund.

Net Position and Fund Equity

GASB Statement No. 34, *Basic Financial-Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position** - The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial
Statement Presentation (Continued)

Net Position and Fund Equity (Continued)

- **Net Investment in Capital Assets Component of Net Position** (Continued) attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

Restricted Component of Net Position - The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

- **Unrestricted Component of Net Position** - The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial
Statement Presentation (Continued)

Net Position and Fund Equity (Continued)

In the fund statements, governmental fund equity is classified as fund balance. Fund balances of governmental funds are classified as follows:

- **Nonspendable** - These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** - These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed** - These are amounts that can be used only for specific purposes determined by a formal vote of the Board, which is the highest level of decision-making authority for the Bureau.
- **Assigned** - These are amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes based on the discretion of the Board.
- **Unassigned** - These are all other spendable amounts. This also includes expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed or assigned to those purposes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial
Statement Presentation (Continued)

Net Position and Fund Equity (Continued)

The Bureau's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order.

Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in governmental funds. General Fixed Assets purchased are recorded at time of purchase. Such assets are capitalized at cost. Gifts or contributions are recorded at fair market value at the time received. Depreciation has been provided on general fixed assets using the straight-line method of depreciation over their estimated useful lives, ranging from five to eight years for furniture and equipment, five years for vehicles, five to fifteen years for improvements, and thirty-nine years for buildings.

All capital assets are capitalized at cost and updated for additions and retirements during the year. The Bureau maintains a capitalization threshold of \$1,000. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not.

Cash and Cash Equivalents

Cash received by the Bureau is mainly deposited in local financial institutions with excess cash invested in short-term investments.

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased are considered to be cash

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Cash and Cash Equivalents (Continued)

equivalents. Investments with an original maturity of more than three months are reported as investments.

Compensated Absences

Only permanent full-time employees are entitled to vacation and sick leave. Vacation not taken during a calendar year cannot be carried forward to the following year. Sick leave not taken can be carried forward for one year.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Budget

The Bureau utilizes the following budgetary practices:

The President/CEO 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. 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 lapse at the end of each year.

Budgets for the general fund are adopted on a basis consistent with generally accepted accounting principles (GAAP) and presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Budget (Continued)

present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. The budget was amended once during the year.

Leases

The Bureau is a lessee of property. Since the contract provides the Bureau with the right to substantially all the economic benefits and the right to direct use of the identified asset, it is considered to be or contains a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. ROU assets are also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred. There were no adjustments for 2023.

Future lease payments are discounted using the interest rate implicit in the lease. If the discount rate is not readily determined, the estimated incremental borrowing rate should be used. The Bureau used an estimated incremental borrowing rate when discounting future lease payment.

Lease liabilities are reduced as payments are made and the Bureau recognizes an outflow of resources, and an expense for interest on the lease liability. ROU assets are amortized in a systematic and rational method over the shorter term of the lease term or the useful life of the underlying asset.

The right-of-use assets and lease liability as of December 31, 2023 are presented as separate line items on the Bureau's statement of net position.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Bureau's pension plan and additions to/deductions from the plan's fiduciary net position have been determined on the accrual basis, which is the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 - DEPOSITS AND INVESTMENTS:

At December 31, 2023, the Bureau had cash and cash equivalents totaling \$8,605,316 as follows:

| | |
|--------------|------------------|
| Category 1 | 827,660 |
| Category 2 | - |
| Category 3 | <u>7,777,656</u> |
| <u>TOTAL</u> | <u>8,605,316</u> |

Deposits with financial institutions are classified into one of the following three categories:

1. Category 1 - Insured or collateralized, with securities held by the entity or by its agent in the entity's name.
2. Category 2 - Collateralized, with securities held by the pledging financial institution's trust department or agent in the entity's name.
3. Category 3 - Uncollateralized. Includes any bank balance collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the entity's name.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS: (Continued)

These deposits are stated at cost, which approximates market and are secured from risk by federal deposit insurance. At December 31, 2023, the Bureau had \$-0- in the bank that was insured with additional coverage through pledged securities. Time deposits include an investment of \$2,882 in the Louisiana Asset Management Pool (LAMP).

LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana (such as parishes, school boards, police juries and sheriffs, among others) to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. LAMP is a cooperative endeavor formed, in part, in reliance upon Opinion No. 92-192 (March 31, 1992) issued by the Attorney General of the State of Louisiana. That opinion provides, in part, that public entities may pool funds for investment purposes.

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Bureau will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Bureau's investment policy requires that all investments be fully collateralized and held by the counterparty's trust department or agent. Investments in external investment pools, mutual funds, and other pooled investments are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Bureau. The Bureau had no investment balances exposed to custodial credit risk at December 31, 2023.

The Bureau manages its exposure to interest rate risk and declines in fair market values by limiting investments to "money market investments", which are defined as creditworthy, highly liquid investments of one year or less. The general use of long-term securities is limited.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 - RECEIVABLES:

The following is a summary of receivables at December 31, 2023:

| <u>Class of Receivable</u> | <u>General Fund</u> |
|-------------------------------|---------------------|
| Hotel-Motel Sales Tax Rebate | 1,800,000 |
| Hotel-Motel Sales Tax Revenue | 285,355 |
| Miscellaneous | <u>1,000</u> |
| <u>TOTAL</u> | <u>2,086,355</u> |

Management has determined that all receivables are deemed collectible and no allowance for doubtful accounts is necessary. Management reviews receivables monthly for any doubtful receivables.

NOTE 4 - FIXED ASSET ACTIVITY:

Capital asset activity for the year ended December 31, 2023 is as follows:

| | December 31, 2022 <u>Balance</u> | <u>Additions</u> | <u>Disposals</u> | December 31, 2023 <u>Balance</u> |
|---------------------------------------|--|------------------|------------------|--|
| Non-Depreciable Assets: | | | - | |
| Land | 50,000 | - | - | 50,000 |
| Depreciable Assets: | | | - | |
| Building | 1,138,068 | - | - | 1,138,068 |
| Office Equipment and Furniture | 222,832 | 1,987 | - | 224,819 |
| Furniture & Fixtures | 5,025 | - | - | 5,025 |
| Vehicles | 76,822 | - | - | 76,822 |
| Improvements | <u>705,161</u> | - | - | <u>705,161</u> |
| Totals at Historical Cost | <u>2,197,908</u> | <u>1,987</u> | <u>-0-</u> | <u>2,199,895</u> |
| Less Accumulated Depreciation For: | | | | |
| Building | 656,577 | 29,181 | - | 685,758 |
| Office Equipment & Furniture | 209,357 | 5,135 | - | 214,492 |
| Furniture & Fixtures | 5,025 | - | - | 5,025 |
| Vehicles | 76,822 | - | - | 76,822 |
| Improvements | <u>260,546</u> | <u>43,635</u> | <u>-</u> | <u>304,181</u> |
| Total Accumulated Depreciation | <u>1,208,327</u> | <u>77,951</u> | <u>-0-</u> | <u>1,286,278</u> |
| <u>CAPITAL ASSETS, NET</u> | <u>989,581</u> | <u>(75,964)</u> | <u>-0-</u> | <u>913,617</u> |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 4 - FIXED ASSET ACTIVITY: (Continued)

Depreciation expense for the depreciable capital assets was \$77,951.

NOTE 5 - PENSION PLAN:

Employees of the Bureau are provided retirement through Parochial Employees' Retirement System. All employees are members of Plan A.

A. Parochial Employees' Retirement System (PERS)

Plan Description

Parochial Employees' Retirement System of Louisiana is the administrator of a cost-sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

Eligibility Requirements

All permanent parish government employees, except those employed by Orleans, Lafouche, and East Baton Rouge parishes, who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Benefits Provided

The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Retirement Benefits

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty or more years of creditable service.
2. Age 55 with twenty-five years of creditable service.
3. Age 60 with a minimum of ten years of creditable service.
4. Age 65 with a minimum of seven years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with thirty years of service.
2. Age 62 with ten years of service.
3. Age 67 with seven years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Deferred Retirement Option Plan (DROP) Benefits

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in the DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Deferred Retirement Option Plan (DROP) Benefits (Continued)

The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Disability Benefits (Continued)

by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 or later.

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Cost-of-Living Increases

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937).

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Cost-of-Living Increases (Continued)

Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost-of-living adjustment commencing at age 55.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2022, the actuarially determined contribution rate was 7.10% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2022, was 11.50% for Plan A. According to state statute, the System also receives 1/4 of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

The Bureau's contractually required contribution rate for the year ended December 31, 2023, was 11.50% from January 1, 2023 to December 31, 2023, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the Bureau were \$87,373, \$79,044, and \$87,102, for the years ended December 31, 2023, 2022, and 2021, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the Bureau reported a liability of \$389,959 for its proportionate share of the Net Pension

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Liability. The Net Pension Liability was measured as of December 31, 2022, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Bureau's proportion of the Net Pension Liability was based on a projection of the Bureau's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the Bureau's proportion was .1013%, which was a decrease of .0047 percentage points from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Bureau recognized pension expense of \$168,990 net of employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$2,447.

| | <u>Business-type Activities</u> Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|-------------------------------------|
| Differences between expected and actual experience | 14,418 | 42,964 |
| Net difference between projected and actual earnings on pension plan investments | 411,672 | - |
| Change in Assumption | 12,445 | - |
| Change in proportion and differences between employer contributions and proportionate share of contributions | 8,541 | 895 |
| Employer contributions subsequent to the measurement date | <u>87,373</u> | <u>-</u> |
| <u>Total</u> | <u>534,449</u> | <u>43,859</u> |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Deferred outflows of resources of \$87,373 related to PERS resulting from the Bureau's contributions subsequent to the measurement date are recognized as a change of the Net Pension Liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS will be recognized as an increase (decrease) in pension expense as follows:

| <u>Year Ended</u> <u>December 31</u> | |
|---|----------------|
| 2024 | 15,867 |
| 2025 | 70,393 |
| 2026 | 132,405 |
| 2027 | <u>184,552</u> |
| <u>Total</u> | <u>403,217</u> |

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension asset of PERS as of December 31, 2023 are as follows:

| | |
|----------------------------------|---|
| Valuation date | December 31, 2022 |
| Actuarial cost method | Entry Age Normal |
| Expected remaining service lives | 4 years |
| Actuarial assumptions: | |
| Investment rate of return | 6.40%, net of investment expense, including inflation |
| Inflation rate | 2.30% |
| Projected salary increases | 4.75% (2.45% merit and 2.30% inflation) |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Actuarial Assumptions (Continued)

| | |
|----------------------------|---|
| Mortality rates | Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants. |
| Cost-of-living adjustments | The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees. |

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions,

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Actuarial Assumptions (Continued)

the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022, are summarized in the following table:

| <u>Asset Class</u> | <u>Target Asset Allocation</u> | <u>Long-Term Expected Portfolio Real Rate of Return</u> |
|--------------------|--------------------------------|---|
| Fixed Income | 33% | 1.17% |
| Equity | 51% | 3.58% |
| Alternatives | 14% | 0.73% |
| Real assets | <u>2%</u> | <u>0.12%</u> |
| Totals | <u>100%</u> | <u>5.60%</u> |
| Inflation | | 2.10% |
| Expected | | 7.70% |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Actuarial Assumptions (Continued)

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Bureau's proportionate share of the PERS net pension liability(asset) calculated using the discount rate of 6.40%, as well as what the Bureau's proportionate share of the net pension liability(asset) would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of December 31, 2022:

| | One Percentage Point Decrease <u>5.40%</u> | Current Discount Rate <u>6.40%</u> | One Percentage Point Increase <u>7.40%</u> |
|----------------------------------|--|--|--|
| Net Pension Liability (Asset) | 964,383 | 389,959 | (91,621) |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - PENSION PLAN: (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org or www.lla.state.la.us.

NOTE 6 - COMMITTED NET ASSETS:

The Board of Directors, the Bureau's highest level of decision-making authority, has committed net assets, by adoption of a board resolution, for use in future years for tourism in Ouachita Parish. The breakdown of the committed amounts is as follows:

| | |
|--|-----------|
| 2024 National Crappie League | 25,000 |
| 2024 Sun Belt Track & Field | 15,000 |
| 2024 USA Table Tennis Olympics | 30,000 |
| 2025 NCBA Div I WS | 5,000 |
| 2025-2027 NJCAA Track & Field | 15,000 |
| 2025-2027 NJCAA Tennis | 25,000 |
| 2024-2027 NJCAA Volleyball | 47,000 |
| 2025 Angus Eastern Regional | 6,000 |
| 2025 National Brangus Junior Show | 10,500 |
| 2024 All American Brahman Breeders | 10,000 |
| 2024 BASS Nation Championship | 60,000 |
| 2024 National Cutting Horse Association | 50,000 |
| 2025 Red River Athletic Conference | 11,000 |
| 2024 BMX Cajun Nationals | 12,000 |
| 2024 NJCAA Division I Outdoor Track & Field | 5,000 |
| 2024 Red River Athletic Conference | 8,000 |
| 2025 Fishers of Men | 7,500 |
| 2025 USSSA National All-State | 18,500 |
| 2026 Red River Athletic Conference | 11,000 |
| 2026 All American Brahman Breeders | 10,000 |
| City of Monroe - LA Purchase Gardens | 403,000 |
| Forsythe Park Tennis Courts | 1,800,000 |
| Sterlington Sports Complex - Batting Cages | 60,706 |
| Friends of Chennault Airpark | 25,989 |
| West Monroe Sports & Events Facility | 98,162 |
| DWMRG - 4 th of July Fireworks 2023 | 5,500 |
| 2024 Fluffy Butt Rabbit Club | 1,250 |
| 2024 Twin Cities Krewe of Janus - Bands 2023 | 2,000 |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 6 - COMMITTED NET ASSETS: (Continued)

| | |
|---|------------------|
| 2024 Twin Cities Krewe de Riviere - Bands | 2,000 |
| 2027 Red River Athletic Conference | <u>11,000</u> |
| <u>Total</u> | <u>2,791,107</u> |

NOTE 7 - EMPLOYMENT CONTRACT:

The Board of Directors voted to grant the President/CEO a three-year employment contract in December of 2021. The three-year contract offers an annual raise of not less than 4% per year.

NOTE 8 - RISK MANAGEMENT:

The Bureau is exposed to various risks of loss related to torts, theft, damage or destruction of assets, employee injuries, natural disaster and other claims in its normal course of business. The Bureau has obtained insurance coverage to reduce its risk in the event of a loss. The Bureau has had no significant reduction in insurance coverage from prior years and has had no settlement that exceeds insurance coverage during the past three years.

NOTE 9 - SPECIAL EVENTS:

Special events held during the year consisted of the Dixie World Series, LHSAA Event, and Louisiana State Games. Details of these events are as follows:

| | <u>Dixie World Series</u> | <u>LHSAA Event</u> | <u>Louisiana State Games</u> |
|------------|-----------------------------------|------------------------|----------------------------------|
| Income | 9,539 | -0- | 17,840 |
| Expenses | <u>(45,077)</u> | <u>(7,680)</u> | <u>(32,596)</u> |
| <u>Net</u> | <u>(35,538)</u> | <u>(7,680)</u> | <u>(14,756)</u> |

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 10 - IMPAIRMENT OF LONG-LIVED ASSETS:

In accordance with the accounting guidance for the impairment or disposal of long-lived assets, the Bureau reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized to date.

NOTE 11 - SUBSEQUENT EVENTS:

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Bureau through June 17, 2024, the date the report was available for issue, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

NOTE 12 - LEASES:

The Bureau has two agreements to lease vehicles. The first lease term began on June 29, 2021, and covers three years with an option to continue month-to-month for an unlimited time period. The lease calls for monthly payments of \$830. The lease interest rate is approximated at the incremental borrowing rate of 4.85%. The second lease term began on February 27, 2023, and covers four years. The lease calls for monthly payments of \$824. The lease interest rate is approximated at the incremental borrowing rate of 5.25%. Interest expense was \$2,461 for the year ended December 31, 2023, and was charged to the Tourism function.

Right-of-use assets and amortization activity as of and for the year ended December 31, 2023, is as follows:

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 12 - LEASES: (Continued)

| <u>Governmental Activities</u> | <u>Balance</u> <u>1/01/2023</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>12/31/2023</u> |
|--------------------------------|------------------------------------|------------------|------------------|-------------------------------------|
| Right-of-Use Assets: | | | | |
| Vehicles | 27,765 | 33,470 | - | 61,235 |
| Less, Accumulated | | | | |
| Amortization: | | | | |
| Vehicles | (13,882) | (15,528) | - | (29,410) |
| <u>Net Right-of-Use Assets</u> | <u>13,883</u> | <u>17,942</u> | <u>-0-</u> | <u>31,825</u> |

Amortization expense of \$15,527 was charged to the Tourism function.

The following is a schedule by years of future minimum lease payments under the financing leases, together with the present value of the net minimum future lease payments as of December 31, 2023:

| <u>Year Ending</u> <u>December 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|------------------|-----------------|---------------|
| 2024 | 12,974 | 1,901 | 14,875 |
| 2025 | 8,241 | 1,652 | 9,893 |
| 2026 | 9,291 | 602 | 9,893 |
| 2027 | 1,605 | 44 | 1,649 |
| <u>Total</u> | <u>32,111</u> | <u>4,199</u> | <u>36,310</u> |

The Bureau has an agreement to lease storage space in the amount of \$2,500 per month. This operating lease expired on December 31, 2023.

NOTE 13 - TOURISM REVIVAL FUND:

During 2021, the Bureau was awarded a grant related to the Coronavirus State Fiscal Recovery Fund of the American Rescue Plan Act (ARP) allocated by the Louisiana Division of Administration (DOA) in the amount of \$1,611,627. The grant is for marketing and promoting Louisiana as a tourism destination for in-state and out-of-state travel activity. During the year ended December 31, 2023, \$713,637 of the tourism revival funds were expended. The Bureau submits

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 13 - TOURISM REVIVAL FUND: (Continued)

biannual reports to the Louisiana DOA no later than 15 days after the end of the quarter. The balance of the unearned revenues at December 31, 2023 was \$312,513.

NOTE 14 - LONG-TERM DEBT:

The terms of the Bureau's long-term debt are as follows:

| | Interest Rate | Maturity Date | Amount Issued |
|--------------------|------------------|------------------|------------------|
| Bonds, Series 2022 | 3.33% | 7/01/2032 | 5,000,000 |

The annual debt service requirements to maturity for the bonds as of December 31, 2023 is as follows:

| <u>Year Ending December 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------------------------------|------------------|-----------------|------------------|
| 2024 | 443,000 | 151,948 | 594,948 |
| 2025 | 458,000 | 137,196 | 595,196 |
| 2026 | 473,000 | 121,945 | 594,945 |
| 2027 | 489,000 | 106,194 | 595,194 |
| 2028 | 505,000 | 89,910 | 594,910 |
| 2029 | 522,000 | 73,094 | 595,094 |
| 2030 | 540,000 | 55,710 | 595,710 |
| 2031 | 557,000 | 37,729 | 594,729 |
| 2032 | <u>576,000</u> | <u>19,181</u> | <u>595,181</u> |
| <u>Total</u> | <u>4,563,000</u> | <u>792,907</u> | <u>5,355,907</u> |

Excess of annual revenues of the Bureau above statutory, necessary, and usual charges are pledged to the Bond Series 2022. Interest expense was \$159,224 for the year ended December 31, 2023, and was charged to the Tourism function.

OTHER REQUIRED SUPPLEMENTAL INFORMATION

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2023

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| <u>Resources (Inflows):</u> | | | | |
| Hotel-Motel Occupancy Tax | 1,800,000 | 1,980,620 | 2,055,506 | 74,886 |
| Hotel-Motel Sales Tax Rebate | 1,552,486 | 1,800,000 | 1,800,000 | - |
| Intergovernmental | 700,000 | 713,637 | 713,637 | - |
| Miscellaneous Revenues | 55,000 | 54,666 | 54,893 | 227 |
| Special Events | 21,000 | 27,089 | 27,379 | 290 |
| Interest | 24,000 | 407,010 | 434,821 | 27,811 |
| Amounts Available for Appropriation | <u>4,152,486</u> | <u>4,983,022</u> | <u>5,086,236</u> | <u>103,214</u> |
| <u>Charges to Appropriations</u> (Outflows): | | | | |
| Personal Services | 1,073,589 | 1,065,891 | 1,045,856 | 20,035 |
| Travel | 98,439 | 70,446 | 81,793 | (11,347) |
| Operating Expenses | 739,667 | 669,909 | 682,890 | (12,981) |
| Supplies | 82,795 | 101,108 | 76,363 | 24,745 |
| Professional Services | 154,020 | 143,323 | 143,136 | 187 |
| Other Charges | 8,171,000 | 7,122,919 | 6,178,012 | 944,907 |
| Capital Outlays | - | - | 1,987 | (1,987) |
| Bond Principal Payments | 437,000 | 437,000 | 437,000 | - |
| Financing Lease Payments | 20,763 | 17,445 | 15,745 | 1,700 |
| Interest on Long-Term Debt | 159,224 | 161,539 | 161,685 | (146) |
| Total Charges to Appropriations | <u>10,936,497</u> | <u>9,789,580</u> | <u>8,824,467</u> | <u>965,113</u> |
| <u>Excess of Reserves</u> <u>Over (Under) Expenditures</u> | <u>(6,784,011)</u> | <u>(4,806,558)</u> | <u>(3,738,231)</u> | <u>1,068,327</u> |
| <u>Other Financing Sources</u> (Uses) | | | | |
| Proceeds of Bond | - | - | - | - |
| Asset | - | - | - | - |
| <u>Net Other Financing</u> <u>Sources (Uses)</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| <u>Excess of Revenues and</u> <u>Sources Over (Under)</u> <u>Expenditures and Uses</u> | <u>(6,784,011)</u> | <u>(4,806,558)</u> | <u>(3,738,231)</u> | <u>1,068,327</u> |
| <u>Fund Balance at Beginning</u> <u>of Year</u> | <u>14,081,153</u> | <u>14,081,153</u> | <u>14,081,153</u> | <u>-0-</u> |
| <u>FUND BALANCE AT END OF</u> <u>YEAR</u> | <u>7,297,142</u> | <u>9,274,595</u> | <u>10,342,922</u> | <u>1,068,327</u> |

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>12/31/2023</u> | <u>12/31/2022</u> | <u>12/31/2021</u> | <u>12/31/2020</u> | <u>12/31/2019</u> |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>Parochial Employees Retirement System of Louisiana</u> | | | | | |
| Employers' Proportion of the Net Pension Liability (Asset) | .101320 | .105977 | .093076 | .095346 | .096564 |
| Employer's Proportionate Share of the Net Pension Liability (Asset) | 389,959 | (499,198) | (163,201) | 4,488 | 428,586 |
| Employer's Covered- Employee Payroll | 759,757 | 687,339 | 711,036 | 621,665 | 604,551 |
| Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll | 51.33% | (72.63%) | (22.95%) | .72% | 70.89% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 91.74% | 110.46% | 104.00% | 99.89% | 88.86% |
| | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>12/31/2016</u> | <u>12/31/2015</u> | |
| <u>Parochial Employees Retirement System of Louisiana</u> | | | | | |
| Employers' Proportion of the Net Pension Liability (Asset) | .096035 | .086994 | 0.085482 | 0.079823 | |
| Employer's Proportionate Share of the Net Pension Liability (Asset) | (71,282) | 179,165 | 225,013 | 21,824 | |
| Employer's Covered- Employee Payroll | 593,637 | 591,110 | 515,920 | 490,119 | |
| Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll | (12.00%) | 30.30% | 43.61% | 4.45% | |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 101.98% | 94.15% | 92.23% | 99.15% | |

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented have a measurement date of the previous fiscal year end.

See Independent Auditors' Report and accompanying notes.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN
 FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>12/31/2023</u> | <u>12/31/2022</u> | <u>12/31/2021</u> | <u>12/31/2020</u> | <u>12/31/2019</u> |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <u>Parochial Employees Retirement System of Louisiana</u> | | | | | |
| Contractually Required Contribution | 87,373 | 79,044 | 87,102 | 76,154 | 69,523 |
| Contributions in Relation to the Contractually Required Contribution | <u>87,373</u> | <u>79,044</u> | <u>87,102</u> | <u>76,154</u> | <u>69,523</u> |
| Contribution Deficiency (Excess) | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| Employer's Covered-Employee Payroll | 759,757 | 687,339 | 711,039 | 621,665 | 604,551 |
| Contributions as a Percentage of Covered-Employee Payroll | 11.50% | 11.50% | 12.25% | 12.25% | 11.50% |
| | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>12/31/2016</u> | <u>12/31/2015</u> | |
| <u>Parochial Employees Retirement System of Louisiana</u> | | | | | |
| Contractually Required Contribution | 68,268 | 73,790 | 67,069 | 71,067 | |
| Contributions in Relation to the Contractually Required Contribution | <u>68,268</u> | <u>73,790</u> | <u>67,069</u> | <u>71,067</u> | |
| Contribution Deficiency (Excess) | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | |
| Employer's Covered-Employee Payroll | 593,637 | 591,110 | 515,920 | 490,119 | |
| Contributions as a Percentage of Covered-Employee Payroll | 11.49% | 12.48% | 13.00% | 14.50% | |

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

OTHER SUPPLEMENTAL INFORMATION

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
 WEST MONROE, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
 AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
 FOR THE PERIODS ENDED DURING FISCAL YEAR DECEMBER 31, 2023

AGENCY HEAD NAME/TITLE: ALANA COOPER, PRESIDENT/CEO

| <u>Purpose</u> | <u>Amount</u> |
|--|---------------|
| Salary | 149,259 |
| Benefits-insurance | 31,563 |
| Benefits-retirement | 17,165 |
| Benefits-other (describe) | -0- |
| Benefits-other (describe) | -0- |
| Benefits-other (describe) | -0- |
| Car allowance | -0- |
| Vehicle provided by government (enter amount reported on W-2) | -0- |
| Per diem | -0- |
| Reimbursements | 831 |
| Travel | -0- |
| Registration fees | -0- |
| Conference travel | -0- |
| Housing | -0- |
| Unvouchered expenses (example: travel advances, etc.) | -0- |
| Special meals | -0- |
| Other | -0- |

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

VIOLET M. ROUSSEL, CPA, APC
JAY CUTHBERT, CPA, APAC
DAWN WHITSTINE, CPA, APC



America Counts on CPAs®

Certified Public Accountants

3007 Armand Street
Monroe, Louisiana 71201
Telephone (318) 322-5156
Facsimile (318) 323-6331

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PAM BATTAGLIA, CPA
JOHN R. FORSELL, IV, CPA
NICK RICHARDSON, CPA

ROWLAND H. PERRY, CPA-Retired
CHARLES JOHNSON, JR., CPA-Retired

INDEPENDENT AUDITORS' 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

To the Board

Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish
West Monroe, Louisiana

We have audited, in accordance with the 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, the financial statements of the government activities of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish (the Bureau) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements and have issued our report thereon dated June 17, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bureau's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau's internal control.

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 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the information use of management, the Board members, and the Louisiana Legislative Auditor for the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
Monroe, Louisiana
June 17, 2024

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2023

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish as of and for the year ended December 31, 2023.
2. The audit disclosed no material weaknesses in internal control that are required to be reported under *Government Auditing Standards*.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and, therefore, is exempt from the audit requirements under the *Uniform Guidance*.

II. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

No findings were identified.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2023

Ms. Alana Cooper, President/CEO, is the contact person for the corrective action plan.

INTERNAL CONTROL FINDINGS

Not Applicable

COMPLIANCE FINDINGS

Not Applicable

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
WEST MONROE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
DECEMBER 31, 2023

FINANCIAL STATEMENT FINDINGS - PRIOR YEAR ENDED DECEMBER 31, 2022

There were no findings or questioned costs for the year ended December 31, 2022.

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish (the Bureau) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPS) for the fiscal period January 1, 2023 to December 31, 2023. The Bureau's management is responsible for those C/C areas identified in the SAUPS.

The Bureau has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPS for the fiscal period January 1, 2023 to December 31, 2023. Additionally, 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 findings are as follows:

1. *Written Policies and Procedures*

A. Obtain and inspect the Bureau's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

I) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

- II) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
- III) **Disbursements**, including processing, reviewing, and approving.
- IV) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- V) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- VI) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- VII) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.
- VIII) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- IX) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- X) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- XI) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a

separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

- XII) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings: The written policies on ethics do not require all employees to annually attest through signature verification that they have read the entity's ethics policy.

The written policies on travel and expense reimbursement do not include dollar thresholds by category of expense.

The written policies do not address information technology disaster recovery and business continuity.

The written policies do not address debt service.

Except as otherwise stated, no other exceptions were identified in the performance of the procedures listed above.

2. Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- I) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- II) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
- III) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the

fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

- IV) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Findings: No exceptions noted.

3. Bank Reconciliations

A. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

- I) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
- II) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was approved (e.g., initialed and dated, electronically logged); and
- III) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months at the end of the statement closing date.

Findings: No exceptions noted.

4. Collections

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Findings: We obtained the listing and management's representation.

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is

complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- I) Employees that are responsible for cash collections do not share cash drawers/registers.
- II) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- III) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit:
- IV) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Findings: No exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

Findings: No exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

- I) Observe that receipts are sequentially pre-numbered.

- II) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

III) Trace the deposit slip total to the actual deposit per the bank statement.

IV) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

V) Trace the actual deposit per the bank statement to the general ledger.

Findings: No exceptions noted.

5. *Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)*

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Findings: We obtained the listing of locations that process payments and no exceptions were noted.

B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

I) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

II) At least two employees are involved in processing and approving payments to vendors.

III) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

IV) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

V) Only employees/officials authorized to sign checks approve the electronic disbursements (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Findings: No exceptions noted.

C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- I) Observe that the disbursement matches the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
- II) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.
- III) Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., check signers) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Findings: No exceptions noted.

6. Credit Cards/Debit Cards/Fuel Cards/P-Cards

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Findings: We obtained the listing and management's representation.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

I) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original

receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

- II) Observe that finance charges and late fees were not assessed on the selected statements.

Findings: No exceptions noted.

- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Findings: No exceptions noted.

7. *Travel and Travel-Related Expense Reimbursements (excluding card transactions)*

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - I) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - II) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - III) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals

participating) and other documentation required by written policy (procedure #1A(VII)).

- IV) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: We obtained the general ledger and the Bureau's travel and related expense reimbursements. We obtained management's representation.

No exceptions noted.

8. Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- I) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- II) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- III) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).
- IV) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Findings: We obtained a list of contracts and management's representations.

No exceptions noted.

9. Payroll and Personnel

A. Obtain a listing of employees/elected employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Findings: We obtained a listing of employees and management's representation.

No exceptions were noted.

B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

I) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

II) Observe that supervisors approved the attendance and leave of the selected employees/officials.

III) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

IV) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Findings: No exceptions noted.

C. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, and the entity policy on termination payments. Agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files, and agree the termination payment to entity policy.

Findings: We obtained a listing of terminated employees and management's representation.

No exceptions noted.

D. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Findings: No exceptions noted.

10. Ethics (excluding nonprofits)

A. Using the five randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain ethics documentation from management and:

I) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

II) Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Findings: No exceptions noted.

B. Inquire and/or observe where the Bureau has appointed an ethics designee as required by R.S. 42:1170.

Findings: No exceptions noted.

11. Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Findings: No exceptions noted.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Findings: No exceptions noted.

12. Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Findings: We noted that there were no misappropriations of public funds or assets reported to the Bureau.

- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings: No exceptions noted.

13. Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- I) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week, was not stored on the Bureau's local server or network and was encrypted.

- II) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

- III) Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Findings: We performed the procedures and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees

obtained in procedures #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Findings: We performed the procedures and discussed the results with management.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267⁴. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Findings: We performed the procedures and discussed the results with management.

14. *Prevention of Sexual Harassment*

A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Findings: No exceptions noted.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Findings: No exceptions noted.

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

- I) Number and percentage of public servants in the agency who have completed the training requirements;
- II) Number of sexual harassment complaints received by the agency;

III) Number of complaints which resulted in a finding that sexual harassment occurred;

IV) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

V) Amount of time it took to resolve each complaint.

Findings: This procedure is not applicable to the Bureau.

We were engaged by the Bureau 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 standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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 Bureau and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
Monroe, Louisiana
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