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LIVINGSTON PARISH TOURIST COMMISSION

REPORT ON AUDIT OF
COMPONENT UNIT FINANCIAL STATEMENTS

DECEMBER 31, 1999

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

Release Date 7-12-00

CONTENTS

INDEPENDENT AUDITOR'S REPORT	Page 1
COMPONENT UNIT FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	2
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - General Fund	3
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund	4
Notes to the Financial Statements	5 - 10
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of the Component Unit Financial Statements Performed in Accordance with <u>Government</u> <u>Auditing Standards</u>	11 - 12



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April 28, 2000

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Livingston Parish Tourist Commission
Livingston, Louisiana

We have audited the accompanying component unit only financial statements of the Livingston Parish Tourist Commission, a component unit of the Livingston Parish Council, as of and for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the component unit financial statements referred to in paragraph one present fairly, in all material respects, the financial position of the Livingston Parish Tourist Commission, as of December 31, 1999, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated April 28, 2000, on our consideration of Livingston Parish Tourist Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Respectfully submitted,

1 *Hannis T. Bourgeois, L.L.P.*

COMPONENT UNIT FINANCIAL STATEMENTS

Livingston Parish Tourist Commission
COMBINED BALANCE SHEET - ALL FUND TYPES
AND ACCOUNT GROUPS

December 31, 1999

ASSETS	<u>GOVERNMENTAL FUND TYPE</u>	<u>ACCOUNT GROUP</u>
	<u>GENERAL</u>	<u>GENERAL FIXED ASSETS</u>
Cash and Cash Equivalents	\$ 4,046	\$ -
Investments	132,920	-
Due From Other Government	6,693	-
Other Receivables	3,554	-
Fixed Assets	<u>-</u>	<u>179,458</u>
Total Assets	<u>\$ 147,213</u>	<u>\$ 179,458</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts Payable	\$ <u>1,890</u>	\$ <u>-</u>
Total Liabilities	1,890	-
Fund Equity:		
Investments in General Fixed Assets	-	179,458
Fund Balance:		
Unreserved - Undesignated	<u>145,323</u>	<u>-</u>
Total Fund Equity	<u>145,323</u>	<u>179,458</u>
Total Liabilities and Fund Equity	<u>\$ 147,213</u>	<u>\$ 179,458</u>

The accompanying notes constitute an integral part of this statement.

TOTAL
(MEMORANDUM ONLY)

<u>1999</u>	<u>1998</u>
\$ 4,046	\$ 135,270
132,920	51,885
6,693	15,345
3,554	3,419
<u>179,458</u>	<u>-</u>
\$ 326,671	\$ 205,919
<u>-----</u>	<u>-----</u>
\$ 1,890	\$ -
1,890	-
179,458	-
<u>145,323</u>	<u>205,919</u>
324,781	205,919
<u>-----</u>	<u>-----</u>
\$ 326,671	\$ 205,919
<u>-----</u>	<u>-----</u>

Livingston Parish Tourist Commission

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GENERAL FUND

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Improvement Fund - State of Louisiana	\$ 69,026	\$ 66,001
Tourist Tax	49,447	40,132
Interest	8,630	5,725
Advertisement Revenue	<u>1,300</u>	<u>-</u>
Total Revenues	128,403	111,858
 Expenditures:		
Advertising and Publications	2,976	-
Capital Outlay	179,458	-
Dues	775	163
Office Supplies	1,221	-
Postage	24	70
Professional Services	2,569	600
Telephone	1,001	-
Travel	<u>975</u>	<u>1,224</u>
Total Expenditures	<u>188,999</u>	<u>2,057</u>
Excess (Deficiency) of Revenues over Expenditures	(60,596)	109,801
Fund Balance at Beginning of Year	<u>205,919</u>	<u>96,118</u>
Fund Balance at End of Year	<u>\$ 145,323</u>	<u>\$ 205,919</u>

The accompanying notes constitute an integral part of this statement.

Livingston Parish Tourist Commission

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 1999

	<u>GENERAL FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Improvement Fund - State of Louisiana	\$ 39,000	\$ 69,026	\$ 30,026
Tourist Tax	38,000	49,447	11,447
Interest	-	8,630	8,630
Advertisement Revenue	-	1,300	1,300
Total Revenues	<u>77,000</u>	<u>128,403</u>	<u>51,403</u>
Expenditures:			
Advertising and Publications	2,967	2,976	(9)
Capital Outlay	175,000	179,458	(4,458)
Dues	775	775	-
Maintenance of Property	1,220	-	1,220
Office Supplies	-	1,221	(1,221)
Postage	24	24	-
Professional Services	1,069	2,569	(1,500)
Telephone	864	1,001	(137)
Travel	975	975	-
Total Expenditures	<u>182,894</u>	<u>188,999</u>	<u>(6,105)</u>
Excess (Deficiency) of Revenues over Expenditures	(105,894)	(60,596)	45,298
Fund Balance at Beginning of Year	<u>205,919</u>	<u>205,919</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 100,025</u>	<u>\$ 145,323</u>	<u>\$ 45,298</u>

The accompanying notes constitute an integral part of this statement.

Livingston Parish Tourist Commission

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1999

(1) Summary of Significant Accounting Policies -

The Livingston Parish Tourist Commission (the Commission) is a body corporate created by the Louisiana Legislative Revised Statutes, R.S. 33:4574. The Commission is governed by a board of seven commissioners who are appointed by the Livingston Parish Council.

The financial statements of the Commission have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB), is the standard-setting body for governmental accounting and financial reporting. On June 30, 1999, the GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Commission's Board of Commissioners. Control by or dependence on the board was determined on the basis of taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

In conformance with Governmental Accounting Standards Board, Statement 14, the Commission is a component unit of the Livingston Parish Council, the governing body of the parish. The accompanying financial statements present information only on the fund maintained by the Commission and do not present information on the Council and the general government services provided by that governmental unit.

B. Fund Accounting

The accounts of the Commission are organized on the basis of a fund and an account group, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues,

Livingston Parish Tourist Commission

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(1) Summary of Significant Accounting Policies - (Continued) -

and expenditures or expenses, as appropriate. The account group is only concerned with the measurement of financial position. It is not involved with the measurement of results of operations. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund of the Commission is grouped, in the financial statements in this report, into one generic fund type and one broad fund category as follows:

General Fund - The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund. At December 31, 1999, this is the only fund of the Livingston Parish Tourist Commission.

In addition to the generic fund type, the Commission maintains an account group. The account group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

General Fixed Asset Account Group - The fixed assets used in the governmental fund type operations of the Commission are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost. Donated assets are recorded at their fair market value at date of donation. At December 31, 1999, there were no donated assets.

C. Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Livingston Parish Tourist Commission

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(1) Summary of Significant Accounting Policies - (Continued) -

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchase of various operating supplies are regarded as expenditures at the time purchased.

D. Budgetary Practices

The Commission utilizes the following budgetary practices:

The Chairperson of the Board prepares the annual budget which is based on what is expected to be collected during the fiscal year and is approved by the Board of Commissioners. The adopted budget constitutes the authority of the Commission 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 the annual budget during the year. Appropriations, except encumbrances, lapse at the end of each year.

E. Encumbrances

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

The actual results of operations are presented in accordance with GAAP and the Commission's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred. Encumbrances are presented as a reservation for encumbrances on the Balance Sheet of the governmental fund. At December 31, 1999, the Commission had no outstanding encumbrances.

Livingston Parish Tourist Commission

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(2) Cash and Cash Equivalents -

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit with maturities of three months or less from the date of acquisition. Under state law the Commission may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the Commission may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As confirmed by the fiscal agent, the Commission had cash totaling \$4,827 with a carrying amount of \$4,046 at December 31, 1999. Cash and certificates of deposit are stated at cost, which approximates market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank.

The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. The following is a summary of cash at December 31, 1999, with the related federal deposit insurance and pledged securities, if any. The cash at December 31, 1999 was secured as follows:

	<u>CONFIRMED BANK BALANCE DECEMBER 31, 1999</u>	<u>FDIC INSURANCE</u>	<u>BALANCE UNINSURED</u>
Cash	\$ <u>4,827</u>	\$ <u>100,000</u>	\$ <u>-</u>
Total	\$ <u>4,827</u>	\$ <u>100,000</u>	\$ <u>-</u>

Livingston Parish Tourist Commission

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(3) Investments -

The Commission has invested monies into LAMP. LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest.

Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purposes of determining participants' shares, investments are valued at amortized cost. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. At December 31, 1999 the Commission has \$132,920 invested in LAMP which is stated at amortized cost in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. In accordance with GASB Codification Section I50.165, these investments are not categorized because they are not evidenced by securities that exist in physical or book entry form.

(4) Due From Other Government -

Due From Other Government consisted of the following at December 31, 1999:

State of Louisiana - Improvement Fund	\$ 6,693
	<u> </u>

(5) Other Receivables -

Other Receivables consisted of the Tourist Tax collected by the hotels and motels for the month of December 1999, in the amount of \$3,554.

Livingston Parish Tourist Commission

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(6) Litigation -

There is no litigation pending against the Commission.

(7) Related Party Transactions -

The records of the Commission are maintained by the Director of Finance of the Livingston Parish Council. At December 31, 1999 no monies were paid for these services.

(8) Schedule of Compensation Paid Board Members -

Gail Sanders, Chairperson	\$ -
Kenny Morrison	-
Travis Clark	-
Louis Bartus	-
Wm. A. "Monte" Moncrief, Jr.	-
Gwen Vicknair	-
Bill Eisenrath	-
	-
	\$ -

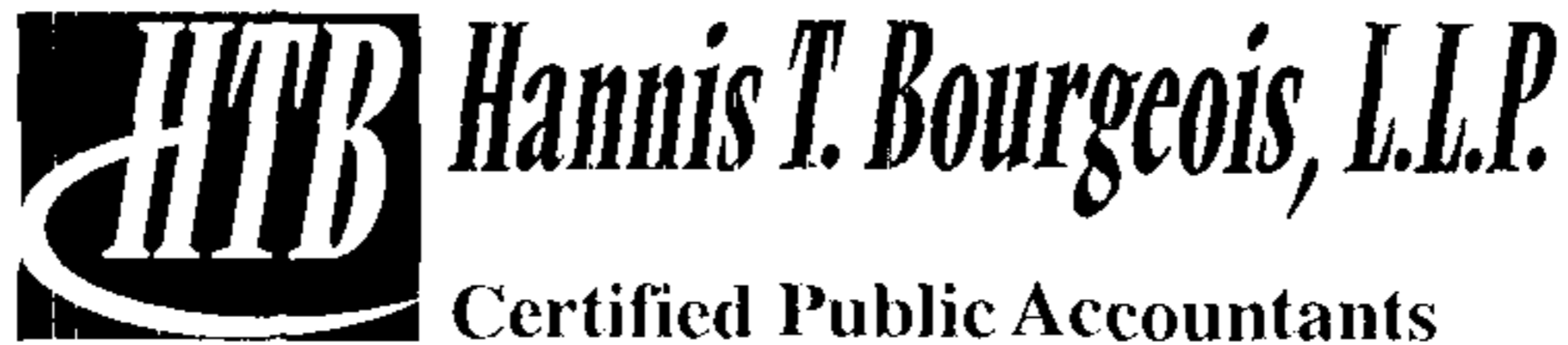
The term of each board member is three years.

(9) Changes in General Fixed Assets -

A summary of changes in general fixed assets is as follows:

	<u>LAND AND BUILDING</u>
General Fixed Assets at Beginning of Year	\$ -
Additions: General Fund Revenues	<u>179,458</u>
General Fixed Assets at End of Year	<u>\$179,458</u>

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF THE COMPONENT UNIT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS



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April 28, 2000

Board of Commissioners
Livingston Parish Tourist Commission
Livingston, Louisiana

We have audited the component unit financial statements of the Livingston Parish Tourist Commission, a component unit of the Livingston Parish Council, as of and for the year ended December 31, 1999, and have issued our report thereon dated April 28, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components

does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the use of management and the Office of the Legislative Auditor, State of Louisiana, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Livingston Parish Tourist Commission is a matter of public record.

Respectfully submitted,

Harris J. Bourgeois, LLP