

SOUTHWEST LODICLANA CONVENTION AND VISITORS BUREAU

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE--
ALL GOVERNMENTAL FUND TYPES--SPECIAL REVENUE
Year Ended December 31, 1978
(Continued)

	<u>ACTUAL</u>
Expenditures (Cont.):	
Arts Tourism Partnership	
Grants	29,168
Total expenditures	<u>341,038</u>
Excess of receipts over expenditures	387,507
Fund balance at beginning of year	557,488
Adjustment for change in accounting method (Note 10)	<u>184,116</u>
Revised fund balance at beginning of year	<u>741,604</u>
Fund balance at end of year	<u>1,129,111</u>

See notes to financial statements.

Significant accounting policies.

The Board is a governmental fund type. The Board's records are maintained on a cash basis of accounting. However, the year end financial statements are converted to a modified accrual basis of accounting employing accounting principles established for governmental funds as set out by the Governmental Accounting Standards Board and pertinent authoritative pronouncements from other organizations. Revenues are recognized when they become measurable and available as net current assets. Generally, uncollected revenues that is expected to be collected within 60 days after year end is recorded in the year earned. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Management judgments and accounting estimates.

Accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Significant estimates considered in preparing the Bureau's financial statements include the possibility of loss contingencies after considering opinion of legal counsel.

Significant audit adjustments.

Adjustments arising from the audit aggregated approximately \$10,419. The net effect on fund equity of these adjustments was to increase current year's income as a result of presenting the financial statements on the modified accrual basis of accounting rather than the cash basis and to record capital repairs and debt payments as expenditures in accordance with government accounting standards.

Disagreements with management.

There were no disagreements with management during the conduct of the audit, or at any other time.

Consultation with other accountants.

In some cases, management may decide to consult with other accountants about auditing and accounting matters. When the auditor is aware that such consultation has occurred, he should discuss with the oversight group his views about significant matters that were the subject of such consultation. We are not aware of any such consultation.

NOTES TO FINANCIAL STATEMENTS

Major revenue sources susceptible to accrual include: occupancy tax, interest, dividends, and intergovernmental transfers.

The Bureau's records are maintained on a cash basis of accounting. However, the funds reported in the accompanying financial statements have been converted to a modified accrual basis of accounting utilizing the following practices:

Revenues:

Revenues collected in the current period that were measurable and available as net current assets of the prior period are adjusted out of current revenue. Uncollected revenues that are measurable and available as net current assets of the current period are recognized as revenue.

Expenditures:

Expenditures are adjusted to record in the current period only those expenditures for which the related fund liability was incurred in the current period.

Advertising:

The Bureau elects to expense advertising cost as incurred. The advertising cost for December 31, 1996 amounted to \$157,989.

Estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

Cash equivalents are readily convertible to known amounts of cash, and at the date of purchase, they have a maturity of no longer than three months.

INDEX TO FINANCIAL STATEMENTS

The financial statements of the Bureau include all operations and activities of the Bureau under control and authority of the Board of Directors and it was determined that no other agency should be included in this reporting entity.

B. Fund Accounting

The Southwest Louisiana Convention and Visitors Bureau uses a fund and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The financial statements in this report are grouped into the following fund types and account group:

One governmental fund type, a special revenue fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

One fiduciary fund type, an agency fund used to account for the deferred compensation plan. Agency funds are custodial in nature and do not involve measurement of operations.

One account group, the general fixed assets account group. All fixed assets used in governmental fund operations are accounted for in this account group.

C. Basis of Accounting

The Bureau uses the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when both "measurable and available". Measurable means the amount can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred.

SOUTHWEST LOUISIANA CONVENTION AND VISITORS BUREAU

NOTES TO FINANCIAL STATEMENTS

NOTE 1. Nature of Business

The operations of the Southwest Louisiana Convention and Tourist Bureau are to promote conventions and tourism in the Calcasieu Parish area.

NOTE 2. Summary of Significant Accounting Policies

The financial statements of the Southwest Louisiana Convention and Visitors Bureau have been prepared according to generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Bureau's more significant accounting policies are described below.

A. Reporting Entity

The Southwest Louisiana Convention and Visitor's Bureau was created in 1972 by an Act of the Louisiana Legislature. That Act was amended and reenacted by Act 47 to create the Bureau as a political subdivision of the State of Louisiana effective for 1974 with the purpose of promoting conventions and tourism in the Calcasieu Parish area. It is governed by a seven person Board of Directors. The following governmental bodies and civic organizations appoint members to and are represented on the Board:

Calcasieu Parish Police Jury-one member
The City of Lake Charles-one member
The Chamber Southwest Louisiana-one member
West Calcasieu Association of Commerce-one member
Lake Charles Hotel/Motel Association-three members
Cameron Parish Police Jury-one advisory member

The Bureau derives its income primarily from a tax on the occupancy of hotels and motel rooms in Calcasieu Parish. The Bureau has the authority to impose an occupancy tax at the current rate of three percent without a popular vote. During 1994, the occupancy tax rate imposed was three percent. Any increases over three percent must be submitted for public vote.

We noted certain immaterial instances of noncompliance as further explained in the following paragraphs.

Louisiana Revised Statute 18:1228 requires that financial institutions secure deposits with the posting as collateral of a like amount of their own investments. The Northwest Louisiana Convention and Visitors Bureau investments in the financial institutions were under collateralized as of the audit date. Management has contacted each of the bank depositories about this matter and is changing its monitoring procedures to prevent future noncompliance.

This report is intended for the information of management and other state audit agencies. However, this report is a matter of public record and its distribution is not limited.

McClary, Brink & Lamb

Lake Charles, Louisiana
May 4, 1991

SEVENTH LUISIANA CONVENTION AND VISITING BUREAU

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE--ALL
 GOVERNMENTAL FUND TYPES--BUDGET AND ACTUAL, (NON-GRANT SUBSIDIARY BASIS)--
 SPECIAL REVENUE
 YEAR ENDED DECEMBER 31, 1980

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES:			
Motel-hotel tax	\$ 824,840	\$ 750,000	\$ 74,840
Interest, dividends	16,344	-	16,344
Intergovernmental	289,328	-	289,328
Grants	27,500	-	27,500
Membership receipts	868	-	868
	<u>1,488,880</u>	<u>750,000</u>	<u>738,880</u>
EXPENDITURES:			
Advertising, sales and promotions:			
Ad applications	15,873	8,500	16,373
Audio-visual productions	4,383	5,000	657
Media advertising	70,110	81,000	1,890
Newsletter/public affairs	10,600	10,000	600
Outdoor advertising	18,500	17,500	1,000
Printed literature	12,482	48,000	35,518
Total advertising, sales and promotions	<u>134,958</u>	<u>170,000</u>	<u>35,042</u>
Personnel services:			
Salaries-fellows	148,132	178,400	30,268
Salaries-associates	18,342	28,800	10,458
Contract labor	14,478	2,000	12,478
Payroll taxes	17,028	18,800	1,772
Group insurance	28,182	28,400	218
Total personnel services	<u>226,162</u>	<u>258,400</u>	<u>32,238</u>
Special items:			
Accounting	6,687	6,800	113
Automobile	8,180	12,800	4,620
Building maintenance	6,821	7,800	1,979
Business promotion	17,000	68,800	51,800
Convention services	6,800	7,800	1,000
Conferences and seminars	22,388	32,800	10,412
Copied output	48,431	34,800	13,631
Equipment contracts	18,855	9,800	9,055
Insurance-general	5,964	5,800	164
Legal fees	8,880	8,800	80

(continued on next page)

SOUTHWEST LOUISIANA CONVENTION AND VISITORS BUREAU

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1998

ASSETS	Total Governmental	Fiduciary	Account Group	Total
	Special Revenue	Fund Type Revenue	General Fund Revenue	Other Funds Total
Cash	\$ 494,184	\$ -	\$ -	\$ 494,184
Investments	419,898	27,812	-	447,710
Accrued interest	1,887	-	-	1,887
Accounts receivable	113,208	-	-	113,208
Prepaid expenditures	3,908	-	-	3,908
General fund assets			218,208	218,208
TOTAL ASSETS	\$ 1,135,085	\$ 27,812	\$ 218,208	\$ 1,381,105
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 11,405	\$ -	\$ -	\$ 11,405
Accrued salaries	8,254	-	-	8,254
Payroll taxes payable	1,418	-	-	1,418
Retirement withholding payable	343	-	-	343
Deferred compensation benefits	12,023	27,812	-	39,835
	35,443	27,812	-	63,255
Fund equity:				
Investment in general fund assets	-	-	218,208	218,208
Fund balances:				
Unassigned:				
Designated for special projects	208,785	-	-	208,785
Undesignated	128,828	-	-	128,828
Total fund equity	337,613	-	218,208	555,821
Total liabilities and fund equity	\$ 1,381,105	\$ 27,812	\$ 218,208	\$ 1,381,105

See Notes to Financial Statements.

GOVERNMENT LODGING, CONFERENCE AND VISITOR BUREAU

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE--
ALL GOVERNMENTAL FUND TYPES--SPECIAL ACCOUNT
Year Ended December 31, 1954

	<u>Actual</u>	
REVENUES:		
Hotel-motel tax	\$ 838,454	
Interest, dividends	10,998	
Intergovernmental	108,100	
Grants	17,000	
Membership receipts	<u> </u> 250	
TOTAL REVENUES	<u>1,082,802</u>	
EXPENDITURES:		
Advertising, sales and promotions:		
Ad agencies	15,873	
Audio-visual/production	4,293	
Media advertising	85,891	
Manufacturer/public affairs	7,800	
Outdoor advertising	18,308	
Printed literature	<u> </u> 31,882	
TOTAL advertising, sales and promotions	<u>187,707</u>	
Personnel services:		
Salaries-fulltime	155,100	
Salaries-employees	39,555	
Contract labor	24,478	
Payroll taxes	37,806	
Group insurance	<u> </u> 22,121	
TOTAL personnel services	<u>289,060</u>	
Operations:		
Accounting	8,847	
Automobile	8,177	
Building maintenance	8,438	
Business processes	37,486	
Communication services	4,344	
Conferences and seminars	22,189	
Capital outlay	48,431	
Equipment contracts	14,855	
Insurance-general	3,844	
Legal fees	8,976	
Membership	8,800	
Miscellaneous	2,191	
Office	15,157	
Postage	28,129	
Telephone	22,109	
Travel	62,082	
Utilities	<u> </u> 8,888	
TOTAL operations	<u>599,511</u>	

(Continued on next page)

NOV 13 11 05 AM



NATIONAL LEGISLATIVE CONVENTION AND VISITORS BUREAU

FINANCIAL REPORT

DECEMBER 14, 1966

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

Release Date NOV 26 1967

Major issues discussed with management prior to retention.

The auditor should discuss with the oversight group any major issues that were discussed with management in connection with the initial or recurring retention of the auditor including, among other matters, any discussions regarding the application of accounting principles and auditing standards. No major issues were discussed with management prior to the recurring retention of this firm to perform your annual audit.

Difficulties encountered in performing the audit.

We encountered no difficulties in dealing with management related to the performance of the audit. To the contrary, we take this opportunity to recognize the excellent assistance and cooperation rendered to us by management and staff during the performance of the audit and completion of our reports thereon.

This communication is intended solely for the information and use of the Board of Directors, management, and others within the organization as considered appropriate by the Board.

Orlano, Smith & Loral

Lake Charles, Louisiana
May 28, 1987

SOUTHWEST LOUISIANA COMMISSION AND VISITORS BUREAU

Lake Charles, Louisiana

C O N T E N T S

	Page
FINANCIAL SECTION	
Independent Auditor's Report	1
Combined Balance Sheet - All Fund Types and Account Groups	2
Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types - Special Revenue	3-4
Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types - Budget and Actual (Non-SMF Budgetary Basis) - Special Revenue	5-6
Notes to financial statements	7-18
INDEPENDENT AUDITOR'S REPORTS ON INTERNAL CONTROL STRUCTURE AND COMPLIANCE	
Independent Auditor's Report on Internal Control Structure based on an Audit performed in Accordance with Government Auditing Standards	15-17
Independent Auditor's Report on Compliance based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	18-19

NOTES TO FINANCIAL STATEMENTS

Under state law, the Board may deposit funds within a fiscal agent bank in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Further, the Board may invest in United States bonds, treasury notes, or certificates, time deposits of state banks organized under Louisiana law and national banks, or any other federally insured investment.

E. Budgets and Budgetary Accounting

The Director and two budget committees submit to the Board of Directors a proposed budget prior to the beginning of the fiscal year. The operating budget includes proposed expenditures and the means of financing them. The budget is prepared using the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP).

After a complete review the budget is approved. Any revisions that affect total expenditures must be approved by the Board. Formal budgetary integration is employed as a management control device during the year. All budgetary appropriations lapse at the end of each fiscal year.

Memoranda accounting is not used.

F. Fixed Assets

Fixed assets used in special revenue fund type operations are recorded as expenditures at the time purchased and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

G. Total Column in Combined Statements - Overview

Total column on the Combined Statements - Overview are captioned Memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

SOUTHWEST LOUISIANA COMMISSION AND HISTORIC BUREAU

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE--ALL
 GOVERNMENTAL FUND TYPES--BUDGET AND ACTUAL (NON-CALIP BUDGETARY BASIS)--
 SPECIAL REVENUES

YEAR ENDED DECEMBER 31, 1996
 (CONTINUED)

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Expenditures (cont'd):			
Operations (cont'd):			
Memberships	4,028	7,800	3772
Miscellaneous	8,150	4,500	3,650
Office	14,874	15,000	126
Postage	38,128	23,000	15,128
Telephone	22,838	24,000	1,162
Travel	87,173	88,000	827
Utilities	4,253	4,800	547
Total operations	<u>209,644</u>	<u>188,100</u>	<u>21,544</u>
Area Tourism Partnership (AMTP)	<u>22,500</u>	-	<u>22,500</u>
Contributions to reserves	-	20,000	20,000
Total expenditures	<u>232,144</u>	<u>208,100</u>	<u>24,044</u>
Balance of revenues over expenditures (Budget basis)	381,408	\$ -	\$ 381,408
ADJUSTMENTS: (PAGE 2)			
To adjust revenues for accruals	(454)		
To adjust expenditures for accruals	<u>(1,648)</u>		
Balance of revenues over expenditures (MMP basis)	379,307		
Fund balance at beginning of year	517,888		
Adjustment for change in accounting method (Note 10)	<u>(204,228)</u>		
Revised fund balance at beginning of year	<u>313,660</u>		
Fund balance at end of year	<u>\$ 312,353</u>		

See Notes to Financial Statements.

This report is intended for the information of the Board of directors, managers and the Legislative Bodies of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

McClary, Davis & Corral

Lake Charles, Louisiana
May 8, 1987

In planning and performing our audit of the general purpose financial statements of the Southwest Louisiana Convention and Visitors Bureau for the year ended December 31, 1994, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express an opinion.

We noted certain matters, as described below, involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Because of the entity's size and the limited number of accounting personnel, it is not feasible to segregate duties to achieve effective internal accounting control. Management of the Bureau has considered this weakness and determined that it would not be most effective to employ sufficient personnel to obtain adequate segregation of duties. Management has attempted to mitigate this weakness by the supervision and review procedures.

The auditor's review process did not identify the fact that the bank depositories had not adequately secured the board's public deposits in accordance with state law. Management has contacted each of the bank depositories about this matter and is changing its monitoring procedures to prevent future noncompliance.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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.

Our ²consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above are material weaknesses.

McELROY, QUINN & BUBB

LA PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOUTH OF LOUISIANA
CORPORATION OF THE STATE OF LOUISIANA

P.O. BOX 607
LAKE CHARLES, LOUISIANA
70601-0007

MONROE STREET
TERREBOISE, LA 70564
PHONE 836-8111

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Southwest Louisiana Convention and Visitors Bureau
Lake Charles, Louisiana

We have audited the general purpose financial statements of the Southwest Louisiana Convention and Visitors Bureau as of and for the year ended December 31, 1994, and have issued our report thereon dated May 8, 1995.

We conducted our audit in accordance with generally accepted auditing standards and Government Audit Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Southwest Louisiana Convention and Visitors Bureau is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

INDEPENDENT AUDITOR'S REPORTS ON
INTERNAL CONTROL STRUCTURE
AND COMPLIANCE

NOTES TO FINANCIAL STATEMENTS

A model Rabbi trust agreement has been established for Shelly Johnson, Executive Director. This plan is a nonqualified deferred compensation plan.

All amounts of compensation deferred under the Section 407 plan, all property and rights purchased with these amounts, and all income attributable to these amounts, property, or rights are held in trust and are available to the employee or other beneficiary solely the property and rights of the Bureau without being restricted to the provisions of benefits under the plan, subject only to the claims of the Bureau's general creditors.

Participants' rights under the Section 407 plan are equal to those of general creditors of the Bureau in an amount equal to the fair market value of the deferred account for each participant.

The Bureau's legal counsel believes that the Bureau has no liability for losses under the Section 407 plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Bureau believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Investments are managed by Siberia Trust Department. The choice of the investment options for the Section 407 plan is made by the employee.

Note 10. Effect of Change in Accounting Methods

Prior year financial statements were issued according to the cash basis method of accounting. The financial statements for the year ended December 31, 1996 have been prepared in accordance with the modified accrual basis of accounting. The 1996 fund balance was increased \$104,334 for the effect of this change in accounting methods.

Note 11. Budgetary - GASP Reconciliation

The accompanying statement of revenues, expenditures and changes in fund balance-budget and actual presents comparisons of the legally adopted budget were fully described in Note 2 with actual data on a budgetary basis. This statement also includes a reconciliation of residual basis, timing, perspective and entity differences in excess deficiency of revenues and other sources of financial resources over expenditures and other uses of financial resources for the year ended December 31, 1996.

NOTES TO FINANCIAL STATEMENTS

Note 4. Compensation for Board of Directors

THE BOARD OF DIRECTORS RECEIVED NO COMPENSATION FOR THE YEAR ENDED DECEMBER 31, 1996.

Note 5. Unreserved-Designated Funds

THE BOARD OF DIRECTORS HAS RESTRICTED FUND BALANCES TO PROVIDE FOR THE FOLLOWING PROJECTS:

Orleans Museum Trail	\$ 22,512
Costume Fund	4,432
Religious Fund	1,705
Building Fund	440,545
Building Furnishings Contingency Fund	157,500
Orleans History (Gammecy match)	3,000
Bookshop Fund	3,000
Accommodation/OMB Brochures	1,844
Computer/Relic Fund	1,000
Visitor Enterprise Fund	444,443
	<u>\$ 1,119,981</u>

Note 6. Intergovernmental Revenue

Intergovernmental revenue is composed of \$280,000 from the State of Louisiana. The Louisiana Legislature created in the State Treasury a "Louisiana Visitor Enterprise Fund". Monies in the fund are appropriated to the Southwest Louisiana Convention and Visitors Bureau to be used for tourism development purposes, including, but not limited to, support for historic preservation and arts and humanities.

Note 7. Deferred Compensation Plan

The Bureau offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 407. The plan, available to all Bureau employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

NOTES TO FINANCIAL STATEMENTS

	Cash and Demand Deposits	Certificates of Deposit
Carrying amount	\$ 328,394	\$ 428,923
Bank balances:		
A. Insured or collateralized with securities held by the entity or its agent in the entity's name	\$ 328,394	\$ 148,159
B. Collateralized with securities held by a depository financial institution's trust department or agent in the entity's name	18,782	219,923
C. Uncollateralized, including any securities held for the entity but not in the entity's name	81,218	140,841
Total bank balances	\$ 428,394	\$ 428,923

The carrying amount of pledged securities is not materially different from market value. An additional \$27,823 from a noted Rabbi Trust have been recorded in Special Revenue Investments and \$27,000 from the Reversion of Plan are recorded in the Fiduciary Fund.

NOTE 4. LEASE AGREEMENT

The Bureau occupies property it has leased from the City of Lake Charles. The lease expired on December 31, 1994. Management is currently negotiating a new lease.

NOTE 5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in fixed assets follows:

	Balance 1/1/95	Additions	Reductions	Balance 12/31/95
Buildings	\$ 42,709	\$ -	\$ -	\$ 42,709
Office furniture and equipment	37,882	3,426	-	41,308
Transportation equipment	62,997	27,475	-	90,472
Computer equipment	21,900	8,149	-	30,049
Construction	8,622	-	-	8,622
	\$ 174,110	\$ 39,050	\$ -	\$ 213,160

MCELROY, QUIRK & BURSH

LA PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF MISSISSIPPI
CERTIFIED PUBLIC ACCOUNTANTS

415 BIRCHWOOD
LAKE CHARLES, LOUISIANA
70601

MEMBER FIRM
FEDERAL REGISTER
FOLLOWING FIRM'S

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Southwest Louisiana Convention and Visitors Bureau
Lake Charles, Louisiana

We have audited the general purpose financial statements of Southwest Louisiana Convention and Visitors Bureau as of and for the year ended December 31, 1996, and have issued our report thereon dated May 8, 1997.

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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Southwest Louisiana Convention and Visitors Bureau is the responsibility of Southwest Louisiana Convention and Visitors Bureau's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Bureau's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

NOTES TO FINANCIAL STATEMENTS

B. Compensated Absences

The Bureau has the following policy related to vacation and sick leave:

The cost of current leave and sick pay are recognized as current year expenditures when leave is actually taken. Vacation and sick pay do not accrue from year to year.

C. Fund Equity

Designated fund balances:

Designated fund balances represent tentative plans for future use of financial resources. The Bureau has designated \$798,788 of its Special Revenue Fund equity for various special projects as explained in Note 7.

Note 3. Cash and Certification of Deposits

The Southwest Louisiana Commission and Finance Bureau maintains demand and time deposits through local depository banks which are members of the Federal Reserve System.

Deposits in names of Federally Insured Accounts are required by Louisiana State statute to be protected by collateral of equal market value. Authorized collateral includes general obligations of the U.S. government, obligations issued or guaranteed by an agency established by the U.S. government, general obligation bonds of any state of the U.S., or of any Louisiana parish, municipality, or school district.

The Bureau's cash demand and time deposits at December 31, 1998 classified to give an indication of the level of risk assumed by the Bureau are as follows:

McELROY, QUIRK & BURCH

A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

MEMPHIS
AMERICAN BRANCHES OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMPHIS OFFICE BRANCH
CERTIFIED PUBLIC ACCOUNTANTS

MEMPHIS OFFICE
LAKESHORE BUILDING, LOUISIANA
FLOOR 200

MEMPHIS OFFICE
TELEPHONE 529-2210
FAX 529-2210

MEMPHIS OFFICE

INDEPENDENT AUDITOR'S REPORT

BOARD OF DIRECTORS
SOUTHWEST LOUISIANA CONVENTION AND VISITORS BUREAU
Lake Charles, Louisiana

We have audited the accompanying general purpose financial statements of the Southwest Louisiana Convention and Visitors Bureau as of and for the year ended December 31, 1996, as listed in the table of contents. These financial statements are the responsibility of the Bureau'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 Governmental 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 general purpose financial statements are free of material misstatement. An audit includes examination, on a test basis, evidence supporting the accounts and disclosures in the general purpose 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 general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Southwest Louisiana Convention and Visitors Bureau as of December 31, 1996, and the results of its 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 May 8, 1997 on our consideration of the Southwest Louisiana Convention and Visitors Bureau's internal control structure and a report dated May 8, 1997 on its compliance with laws and regulations.

McElroy, Quirk & Burch

Lake Charles, Louisiana
May 8, 1997