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ALLEN PARISH TOURIST COMMISSION
ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

Year Ended December 31, 1987

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

Release Date Jan. 22, 1988

Royce T. Scimemi, CPA, Inc.
Orlando, LA

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Royce T. Scimemi, CPA, Inc.
Orchid, LA

ROYCE T. SCIMEMI, CPA, INC.



CERTIFIED PUBLIC ACCOUNTANT

Member
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Certified Public Accountants

Member
State of Louisiana
Certified Public Accountant

June 5, 1998

Board of Commissioners
Atchafalaya Tourist Commission
Ochoke, Louisiana

I have audited the accompanying general purpose financial statements of the Atchafalaya Tourist Commission, a component unit of the Atchafalaya Police Jury as of and for the year ended December 31, 1997. These general purpose financial statements are the responsibility of the Atchafalaya Tourist Commission management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts 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 general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Atchafalaya Tourist Commission as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated June 5, 1998 on my consideration of Atchafalaya Tourist Commission's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations and contracts.

Royce T. Scimemi, CPA, Inc.

Royce T. Scimemi, CPA, Inc.

ALLEN PARISH TOURIST COMMISSION

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 1997

	<u>GOVERNMENTAL</u> <u>FUND TYPE</u>
	<u>GENERAL</u> <u>FUND</u>
ASSETS	
Cash	\$ 121,624
Taxes receivable	16,131
Security deposits	2,627
Prepaid rent	580
Fund assets	-
Amount to be provided for retirement of long-term debt	-
TOTAL ASSETS	\$ 141,082
LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts payable	\$ 5,642
Payroll taxes payable	985
Capital lease payable	-
Total Liabilities	<u>6,627</u>
Fund Equity	
Investment in general fixed assets	-
Fund balance:	
Unreserved and undesignated	134,455
Total Fund Equity	<u>134,455</u>
TOTAL LIABILITIES AND FUND EQUITY	\$ 141,082

See accompanying notes.

GENERAL FIXED ASSETS	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)
	GENERAL LONG-TERM DEBT		
\$ -	\$ -		\$ 22,624
-	-		14,331
-	-		2,627
-	-		380
12,913	-		12,913
<u>-</u>	<u>8,188</u>		<u>8,188</u>
\$ 12,913	\$ 8,188		\$ 21,101
\$ -	\$ -		\$ 1,640
-	-		902
<u>-</u>	<u>8,188</u>		<u>8,188</u>
<u>-</u>	<u>8,188</u>		<u>15,630</u>
12,913	-		12,913
<u>-</u>	<u>-</u>		<u>134,512</u>
12,913	<u>-</u>		134,512
\$ 12,913	\$ 8,188		\$ 21,101

ALLEN PARISH TOURIST COMMISSION

**Statement of Revenues, Expenditures and
Changes in Fund Balance - Governmental Fund Type**

Year Ended December 31, 1997

	GENERAL FUND
REVENUES:	
Hotel/Motel tax	\$ 161,923
Intergovernmental	123,476
Interest	5,462
Miscellaneous	36
TOTAL REVENUES	<u>290,897</u>
EXPENDITURES:	
Current:	
Advertising	29,998
Bank charges	82
Contract labor	18,668
Insurance	3,894
Payroll taxes	2,349
Professional fees	1,249
Promotional	3,502
Rentals	8,298
Repairs and maintenance	3,214
Salaries	26,239
Supplies	17,668
Telephone	3,846
Training and education	1,403
Travel	34
Utilities	1,698
Capital outlay	52,913
Debt Service:	
Principal Retirement	-
Interest	-
TOTAL EXPENDITURES	<u>156,298</u>
EXCESS OF REVENUES OVER EXPENDITURES	134,627
OTHER FINANCING SOURCES:	
Capital lease financing	<u> 838</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	135,505
FUND BALANCE - BEGINNING	<u> -</u>
FUND BALANCE - ENDING	\$ <u>135,505</u>

See accompanying notes.

ALLEN PARISH TOURIST COMMISSION

Statement of Revenues, Expenditures and
Changes in Fund Balance - (Budget and Actual) - General Fund

Year Ended December 31, 1997

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fiscal/Hotel tax	\$ 121,739	\$ 103,923	\$ 17,816
Intergovernmental	-	123,476	123,476
Interest	-	3,182	3,182
Miscellaneous	-	55	55
TOTAL REVENUES	121,739	230,636	108,899
EXPENDITURES			
Current			
Advertising	20,608	20,896	(2,898)
Bank charges	-	82	(82)
Contract labor	-	18,668	(18,668)
Insurance	-	2,894	(2,894)
Payroll taxes	-	2,349	(2,349)
Professional fees	-	1,249	(1,249)
Promotional	40,000	2,562	37,438
Supplies	3,198	2,298	(899)
Repairs and maintenance	2,000	3,214	(1,214)
Salaries	26,120	26,215	(95)
Supplies	13,100	17,669	(4,569)
Telephone	4,480	3,696	784
Training and education	-	1,643	(1,643)
Travel	-	34	(34)
Utilities	-	1,640	(1,640)
Capital outlay	18,000	32,913	(14,913)
Debt Service			
Principal Retirement	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	115,720	178,590	47,130
EXCESS OF REVENUES OVER EXPENDITURES	-	116,027	116,027
OTHER FINANCING SOURCES			
Capital lease financing	-	8,585	8,585
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	-	114,535	114,535
FUND BALANCE - BEGINNING	-	-	-
FUND BALANCE - ENDING	\$ -	\$ 114,535	\$ 114,535

See accompanying notes.

ALLEN PARISH TOURIST COMMISSION

Notes to Financial Statements

December 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Allen Parish Tourist Commission was created by the Allen Parish Police Jury. The Commission is governed by a board of seven commissioners who are appointed by the Allen Parish Police Jury. The Commission has as its purpose: the promotion of tourism within Allen Parish.

The financial statements of the Allen Parish Tourist Commission have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Allen Parish Tourist Commission includes all funds, account groups, or others, that are within the oversight responsibility of the Allen Parish Tourist Commission.

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

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

Continued

ALLEN PARISH TOURIST COMMISSION

Notes to Financial Statements

December 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Based upon the application of these criteria, Allen Parish Tourist Commission is a component unit of the Allen Parish Police Jury's reporting entity.

1. Fund Accounting

The Allen Parish Tourist Commission uses funds and account groups 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 financial resources.

The following funds and group of accounts are used by the Commission:

Governmental Funds:

Funds of the Commission are classified as governmental funds. Governmental funds account for the Commission's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. Governmental funds of the Commission include:

General Fund - the general operating fund of the Commission and accounts for all financial resources.

Account Groups:

General Fixed Assets Account Group:

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, 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.

General Long-Term Debt Account Group:

The general long-term debt account group is used to account for general long-term debt.

2. Basis of Accounting

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

Continued

ALLEN PARISH TOURIST COMMISSION

Notes to Financial Statements

December 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund revenues. Expended assets are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are hotel/motel tax and interest.

4. Cash

Cash includes amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1997 the Commission had \$113,990 in deposits (pledged bank balances), all of which was secured from risk by federal deposit insurance and pledged securities.

5. Budget

A general fund budget is adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by fund line and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the government's Board of Commissioners for review. The board holds a public hearing and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

Expenditures may not legally exceed budgeted appropriations at the activity level. The final budget for 1997 includes the original budget and all amendments during the year.

Continued

ALLEN PARISH TOURIST COMMISSION

Notes to Financial Statements

December 31, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

6. Total Columns on Statements

Total columns on the financial statements are captioned "unaudited only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Identical eliminations have not been made in the aggregation of this data.

NOTE B - HOTEL/MOTEL TAXES

Allen Parish Tourist Commission is authorized to levy and collect a tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the jurisdiction of the Allen Parish Tourist Commission not to exceed three percent of the rent or fee charged for such occupancy.

The Allen Parish Police Jury paid the Commission \$125,476 in 1997. This was for net hotel/motel taxes received by the Police Jury prior to the formation of the Commission and appointing board members.

NOTE C - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	12/31/96	Net 1997	12/31/97
	Balance	Additions	Balance
Equipment	\$ 1,000,000	\$ 32,000	\$ 1,032,000

NOTE D - LONG-TERM DEBT

1. Debt Outstanding

Capital Loans Payable at December 31, 1997 is comprised of the following items:

\$8,508 capital lease dated October 13, 1997, due in annual installments of \$131 through September 16, 2080; interest at 6.0%.

Continued

ALLEN PARKER TOURIST COMMISSION

Notes to Financial Statements

December 31, 1991

NOTE D - LONG-TERM DEBT (CONTINUED)

The following is a summary of the long-term debt transactions during the year ending December 31, 1991:

	Balanced Date
Long-term debt payable at 12/31/90	\$ -
Additions	8,100
Payments	-
Long-term debt payable at 12/31/91	<u>\$ 8,100</u>

H. Debt Service Requirements to Maturity

The annual requirements to amortize all debts outstanding as of December 31, 1993, including interest payments of \$838 are as follows:

Year Ending December 31,	Total
1994	\$ 3,897
1995	3,872
2000	1,376

NOTE E - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to theft, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Commission. Similar claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE F - COMMITMENTS AND CONTINGENCIES

Subsequent to December 31, 1991, The Commission cancelled its building rental to the Road family and acquired a new building with a new rental agreement. Prior to canceling the Road rental, the interior of the building was gutted with plans to renovate. Upon moving, the building remained in its rehabilitated condition. The Commission has approved and the Roads have agreed on a \$12,500 settlement (\$10,000 payment and the relinquishment of a \$2,500 security deposit). In exchange, the Road's have relieved the Commission of it's responsibility under the rental contract to bring the building back to its preceding condition.

ROYCE T. SCIMEMI, CPA, INC.



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CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

June 5, 1998

Board of Commissioners
Allen Parish Tourist Commission
Cibola, Louisiana

I have audited the general purpose financial statements of Allen Parish Tourist Commission as of and for the year ended December 31, 1997, and have issued my report thereon dated June 5, 1998. I conducted my 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 Allen Parish Tourist Commission's general purpose financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Allen Parish Tourist Commission's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Allen Parish Tourist Commission's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings.

Board of Commissioners

June 5, 1998

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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 general purpose 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions described above is a material weakness.

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

Roger T. Siskowski, CPA, Inc.

Roger T. Siskowski, CPA, Inc.

ALLEN PARISH TOURIST COMMISSION

Schedule of Findings

Year Ended December 31, 1997

A - PUBLIC BID LAW

The Commission failed to comply with the provisions of the Public Bid Law, LSA-RS 38:2212, concerning the purchase of material and supplies in the following three instances:

1. A total of \$27,262 was spent on the purchase of Christmas lights without complying with public bidding requirements.
2. A total of \$24,379 was spent on the purchase of banners without receiving any quotes as required by the Public Bid Law.
3. \$ 8,568 was spent on the purchase of a computer system without receiving any quotes as required by the Public Bid Law.

B - BUDGETING

Total actual expenditures exceeded total budget expenditures by 40% for the year. The Budget Act, LSA-RS 39:1208.1210, requires notification by the Chief Executive Officer to the Board and amendment by the Board when actual expenditures plus projected expenditures to year end exceed budgeted expenditures by five percent or more. Notification and amendment was not done by the Commission.

C - EXPENDITURE RESTRICTIONS

1. Flowers at a total cost of \$32.40 was sent to a Board member in violation of Article VII, Section 14 of the 1974 Louisiana Constitution that states no property or things of value shall be loaned, pledged or granted to anyone.
2. Christmas lights were purchased at a total cost of \$27,262 and loaned to various local municipalities without entering into a joint service agreement.
3. On July 28, 1997, the Board approved spending \$18,080 on the promotion and support of the Allen Parish Fair. A total of \$13,985 was spent on the Fair without approval by the Board of the amount over \$50,000.

D - PUBLISHING OF MINUTES

The Commission did not publish its minutes in the official journal as required by LSA-RS 43:141-143.

ALLEN PARKS TOURIST COMMISSION

Corrective Action Plan

Year Ended December 31, 1997

PRIOR YEAR FINDINGS

There were no prior year findings.

A - PUBLIC BID LAW

We agree with the finding on non-compliance with the Public Bid Law. The Board was unaware of the Public Bid Law requirements.

The Board is presently fully aware of the public bid law requirements and will comply in the future.

B - BUDGETING

The Board was unaware of the budget requirements of LSA-RS 39:1309-1310. The Board will monitor the budget to actual comparisons closely throughout the year and amend the budget if necessary as required by LSA-RS 39:1309-1310.

C - EXPENDITURE RESTRICTIONS

1. We will comply fully in the future.
2. A joint service agreement will be signed by the Commission and the various local municipalities who received Christmas lights.
3. The Board has notified current management that full compliance with Board action is a must and any changes in approved expenditures shall be presented to the Board for amendment. The item, noted in the schedule of findings, was done by the prior executive director.

Board President