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Financial Report

(Compiled)

Lafourche Parish Tourist Commission

Raceland, Louisiana

December 31, 1997

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 Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4-11-98

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Lafourche Parish Tourist Commission

December 31, 1997

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Bourgeois Bennett

ACCOUNTANT'S COMPILATION REPORT

To the Board of Commissioners,
Lafourche Parish Tourist Commission,
Raceland, Louisiana.

We have compiled the accompanying general purpose financial statements of the Lafourche Parish Tourist Commission, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1997, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Bourgeois Bennett, LLC

Certified Public Accountants.

Thibodaux, La.,
February 20, 1998.

**COMBINED BALANCE SHEET -
GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS**

Lafourche Parish Tourist Commission

December 31, 1997

(See Accountant's Compilation Report)

	<u>Governmental Fund Types</u>	
	<u>General</u>	<u>Debt Service</u>
ASSETS AND OTHER DEBITS		
Assets		
Cash	\$ 1,769	\$ 12,810
Investments	73,500	-
Due from other governmental units	22,482	-
Other assets	30	-
Fixed assets	-	-
Other Debits		
Amount available in debt service fund	-	-
Amount to be provided for retirement of general long-term debt	-	-
Total assets and other debits	<u>\$ 97,801</u>	<u>\$ 12,810</u>
LIABILITIES, EQUITY AND OTHER CREDITS		
Liabilities		
Accounts payable and accrued expenditures	\$ 21,810	
Certificate of indebtedness	-	
Total liabilities	<u>21,810</u>	
Equity and Other Credits		
Investments in general fixed assets		
Fund balances:		
Reserved for debt service	-	\$ 12,810
Unreserved - undesignated	76,791	-
Total fund balances	<u>76,791</u>	<u>12,810</u>
Total equity and other credits	<u>76,791</u>	<u>12,810</u>
Total liabilities, equity and other credits	<u>\$ 97,801</u>	<u>\$ 12,810</u>

See notes to financial statements.

<u>Account Groups</u>		<u>Total</u>
<u>General</u>	<u>General</u>	<u>(Memorandum</u>
<u>Fixed</u>	<u>Long-Term</u>	<u>Only)</u>
<u>Assets</u>	<u>Debt</u>	
\$ -	\$ -	\$ 14,579
-	-	75,508
-	-	22,482
-	-	59
<u>392,994</u>	-	<u>142,994</u>
-	12,810	12,810
-	<u>35,190</u>	<u>35,190</u>
<u>\$ 392,994</u>	<u>\$ 48,000</u>	<u>\$ 571,605</u>
	\$ -	\$ 21,010
	<u>68,000</u>	<u>68,000</u>
	<u>68,000</u>	<u>89,010</u>
<u>\$ 392,994</u>		<u>142,994</u>
		12,810
		<u>76,791</u>
		<u>89,601</u>
<u>392,994</u>		<u>482,595</u>
<u>\$ 392,994</u>	<u>\$ 68,000</u>	<u>\$ 571,605</u>

**COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUND TYPES**

Lafourche Parish Tourist Commission

For the year ended December 31, 1997

(See Accountant's Compilation Report)

	General Fund	Debt Service Fund	Total (Memorandum Only)
Revenues			
Taxes - hotel/motel:			
Parish	\$ 102,649	\$ -	\$ 102,649
State	84,382	-	84,382
Miscellaneous:			
Insurance	5,278	190	5,468
Other	114	-	114
	192,413	190	192,603
Expenditures			
Current:			
Economic Development and Assistance:			
Personal services	38,464		38,464
Materials and supplies	6,333		6,333
Other services and charges	43,390		43,390
Repairs and maintenance	3,883		3,883
Capital outlay	143,255		143,255
	235,325		235,325
Total economic development and assistance			
	235,325		235,325
Debt service:			
Principal		9,800	9,800
Interest		3,825	3,825
		12,625	12,625
Total debt service			
		12,625	12,625
Total expenditures			
	235,325	12,625	248,352
Deficiency of revenues over expenditures (carry forward)			
	(43,312)	(12,435)	(55,747)

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total (Minororandum Only)</u>
Deficiency of revenues over expenditures (brought forward)	<u>(43,312)</u>	<u>(12,473)</u>	<u>(55,787)</u>
Other Financing Sources (Uses)			
Operating transfers in	-	13,140	13,140
Operating transfers out	<u>(13,140)</u>	<u>-</u>	<u>(13,140)</u>
Total other financing sources (uses)	<u>(13,140)</u>	<u>13,140</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(56,452)</u>	<u>667</u>	<u>(55,787)</u>
Fund Balances			
Beginning of year	<u>133,243</u>	<u>12,148</u>	<u>145,391</u>
End of year	<u>\$ 76,791</u>	<u>\$ 12,815</u>	<u>\$ 89,606</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**

Lafourche Parish Tourist Commission

For the year December 31, 1987

(See Accountant's Compilation Report)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Taxes - hotel/motel:			
Parish	\$ 97,000	\$ 102,649	\$ 5,649
State	65,000	84,382	19,382
Miscellaneous:			
Interest	4,500	5,270	770
Other	1,000	114	(886)
Total revenues	<u>167,500</u>	<u>192,415</u>	<u>24,915</u>
Expenditures			
Current:			
Economic Development and Assistance:			
Personal services	41,000	39,464	1,536
Materials and supplies	7,000	6,333	667
Other services and charges	59,950	43,590	16,360
Repairs and maintenance	3,200	3,885	115
Capital outlay	113,210	143,255	(30,045)
Total expenditures	<u>224,360</u>	<u>235,527</u>	<u>(11,167)</u>
Deficiency of revenues over expenditures	(56,860)	(43,112)	13,748
Other Financing Uses			
Operating transfers out	<u>(13,140)</u>	<u>(13,140)</u>	
Deficiency of Revenues Over Expenditures and Other Uses	(70,000)	(56,452)	13,548
Fund Balance			
Beginning of year	<u>133,243</u>	<u>133,243</u>	<u>-</u>
End of year	<u>\$ 63,243</u>	<u>\$ 76,791</u>	<u>\$ 13,548</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Lafourche Parish Tourist Commission**

December 31, 1997

(See Accountant's Compilation Report)

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Lafourche Parish Tourist Commission (the Commission) conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The Commission is a component unit of the Lafourche Parish Council.

The Commission has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

b) Fund Accounting

The 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

Governmental Funds

Governmental Funds are those through which most governmental functions of the Commission are financed. The acquisition, use and balances of the Commission'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 upon net income determination. The following are the Governmental Funds of the Commission:

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Account Groups

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary or trust funds. The General Long-Term Debt Account Group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

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. Hotel/travel sales and use taxes are considered "measurable" when in the hands of the merchants and are recognized as revenue at that time. Interest income on investments is recorded as revenue when the investments have matured and the income is available. Miscellaneous revenues are recorded as revenues when received in cash by the Commission because they are generally not measurable until actually received.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Basis of Accounting (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

d) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

e) Operating Budgetary Data

As required by Louisiana Revised Statute 39:1303, the Board of Commissioners (the Board) adopted a budget for the Commission's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The Commission amended its budget once during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

f) Bad Debts

The financial statements for the Commission contain no allowance for bad debts. Uncollectible amounts due for taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Investments

Investments are stated at cost, which approximates market.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Fixed Assets

Fixed assets used in governmental fund type operations (fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

It is not involved with the measurement of results of operations. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other fixed assets. No depreciation has been provided on fixed assets.

Substantially all fixed assets are valued at historical cost.

i) Long-Term Debt

The accounting and reporting treatment applied to the long-term debt associated with a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets.

Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term debt expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The Long-Term Debt Account Group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

j) Vacation and Sick Leave

The Commission has no written policy on vacation and sick leave in place.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Commission.

l) Memorandum Only Total Columns

Total columns on the general purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position or results of operations in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Note 3 - DEPOSITS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

State law requires deposits (cash and certificates of deposit) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivision are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank, or with a trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Commission or its agent in the Commission's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Commission's name.

Note 2 - DEPOSITS (Continued)

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agent but not in the Commission's name and deposits which are uninsured or uncollateralized.

The year end bank balances of deposits and the carrying amounts as shown on the combined balance sheet are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Cash	\$ 52,299	\$ -	\$ -	\$14,579
Investments:				
Certificates of deposit	<u>47,705</u>	<u>-</u>	<u>25,795</u>	<u>73,599</u>
Totals	<u>\$100,000</u>	<u>\$ -</u>	<u>\$25,795</u>	<u>\$88,178</u>

At December 31, 1997, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the Commission. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1997 for Hotel/Motel taxes consisted of the following:

State of Louisiana	\$ 6,934
Lafourche Parish School Board	<u>15,548</u>
Total	<u>\$22,482</u>

Note 4 - CHANGES IN FIXED ASSETS

A summary of changes in fixed assets follows:

	Buildings	Office Furniture and Equipment	Total
Balance, January 1, 1997	\$221,984	\$27,355	\$249,239
Additions	<u>141,741</u>	<u>2,418</u>	<u>143,755</u>
Balance, December 31, 1997	<u>\$363,325</u>	<u>\$29,669</u>	<u>\$392,994</u>

Note 5 - CHANGES IN LONG-TERM DEBT

During 1997, the Commission issued \$100,000 of Certificates of Indebtedness bearing interest at a rate of 5.00% which is payable through March 1, 2003 primarily from excess reserves accumulated in prior years.

The following is a summary of changes in the long-term debt of the Commission for the year ended December 31, 1997:

	Certificates of Indebtedness <u>Series 1994</u>
Payable January 1, 1997	\$77,000
Principal Payment	<u>(9,000)</u>
Payable December 31, 1997	<u>\$68,000</u>

Note 5 - CHANGES IN LONG-TERM DEBT (Continued)

The annual requirements, including interest of \$10,750, to amortize the long-term debt outstanding at December 31, 1997 are as follows:

<u>Maturity:</u>	<u>Certificate of</u> <u>Indebtedness</u>
1998	\$13,150
1999	12,650
2000	13,125
2001	13,550
2002	12,950
2003	<u>13,325</u>
Total	<u>\$78,750</u>

Note 6 - COMPENSATION OF BOARD MEMBERS

As set forth in the Commission's by-laws, the Board serves without compensation.

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Commissioners,
Lafourche Parish Tourist Commission,
Baceland, Louisiana.

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Lafourche Parish Tourist Commission (the Commission) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Commission's compliance with certain laws and regulations during the year ended December 31, 1997 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

One expenditure was made for public works exceeding \$50,000. We examined documentation which indicated that this expenditure had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

Code of Ethics for Public Officials and Public Employees (Continued)

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original and amended budgets.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original and the amended budgets to the minutes of meetings held on November 12, 1996 and November 11, 1997, respectively, which indicated that the budgets had been adopted by the commissioners of the LaBourche Parish Tourist Commission unanimously.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
 - a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

Accounting and Reporting (Continued)

8. (Continued)
- b) determine if payments were properly coded to the correct fund and general ledger account; and

All six of the payments were properly coded to the correct fund and general ledger account.

- c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Executive Director and a member of the Board of Commissioners. In addition, each of the disbursements were included in the Commission's monthly budget reports which were approved by the full commission.

Motions

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS-42:1 through 42:13 (the open meetings law).

The Commission is only required to post a notice of each meeting and the accompanying agenda on the door of the Commission's office building. Management has asserted that such documents were not properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances or gifts.

A reading of minutes of the Commission for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Commission and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants

Thibodaux, La.,
February 20, 1998.