

00114
REVENUE
LICENSING DIVISION

DD FORM 101 01-0-94

OFFICIAL
FILE COPY

DO NOT WRITE
ON THESE SPACES

PLEASE RECYCLE
THIS FORM AND
REUSE AND REUSE
MATERIALS

Financial Report

Terrebonne Parish Sales and Use Tax Department

Houma, Louisiana

December 31, 1999

Under provisions of state law, this report is a public document. Any person may examine this report at the office of the auditor of state or at the office of the auditor of the parish. This report is provided for the public use of the auditor of state and the auditor of the parish. It is not intended to be used for any other purpose, and the auditor of state and the auditor of the parish shall not be held liable for any loss or damage resulting from the use of this report.

Richard G. G. 08-08-00

TABLE OF CONTENTS

Terrebonne Parish Sales and Use Tax Department

December 31, 1999

	<u>Exhibits</u>	<u>Page Number</u>
Introductory Section		
Title Page		i
Table of Contents		ii - iii
Financial Section		
Independent Auditor's Report		1
Combined Balance Sheet - All Fund Types and Account Groups	A	2 - 3
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental Fund Type - General Fund	B	4
Notes to Financial Statements	C	5 - 15
	<u>Schedules</u>	<u>Page Number</u>
Supplementary Information Section		
Independent Auditor's Report on Additional Information		16
Schedule of Other Services and Charges - Budget and Actual	1	17
Schedule of Cash Receipts and Disbursements - Parish Sales Tax Fund	2	18
Schedule of Expenditures for the Years Ended December 31, 1999, 1998, 1997, 1996 and 1995	3	19
Graph of Expenditures for the Years Ended December 31, 1999, 1998, 1997, 1996 and 1995	4	20

TABLE OF CONTENTS
(Continued)

	<u>Page Number</u>
Special Reports Of Certified Public Accountants	
<i>Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General-Purpose Financial Statements Performed in Accordance with Government Auditing Standards</i>	21 - 22
<i>Schedule of Findings</i>	23
Reports By Management	
<i>Schedule of Prior Year Findings</i>	24
<i>Management's Corrective Action Plan</i>	25

FINANCIAL SECTION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Sales and Use Tax Advisory Board,
Terrebonne Parish Sales and Use Tax Department,
Houma, Louisiana.

We have audited the accompanying general-purpose financial statements of the Terrebonne Parish Sales and Use Tax Department (the Department), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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. These 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 general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Terrebonne Parish Sales and Use Tax Department as of December 31, 1999, 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 our report dated March 3, 2000 on our consideration of the Terrebonne Parish Sales and Use Tax Department's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Bourgeois Bennett, LLC
Certified Public Accountants

Houma, La.,
March 3, 2000.

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

Terrebonne Parish Sales and Use Tax Department

December 31, 1999

	Governmental Fund Type General	Fiduciary Fund Type Agency
ASSETS AND OTHER DEBITS		
Assets		
Cash	\$ 19,300	\$ 5,066,396
Taxes receivable	-	6,162,429
Due from agency fund	5,095	-
Fixed assets	-	-
Other Debits		
Amount to be provided for retirement of long-term obligations	-	-
Total assets and other debits	\$ 24,395	\$ 11,228,816
LIABILITIES AND OTHER CREDITS		
Liabilities		
Accounts payable and accrued expenditures	\$ 24,395	\$ 1,086
Due to general fund	-	5,095
Due to other governmental units:		
Terrebonne Parish School Board	-	5,500,711
Terrebonne Parish Consolidated Government	-	3,749,797
Terrebonne Parish Consolidated Government - Library	-	642,043
Terrebonne Parish Sheriff	-	1,308,443
Houma-Terrebonne Tourist Commission	-	20,641
Long-term obligations	-	-
Total liabilities	24,395	11,228,816
Other Credits		
Investment in general fixed assets	-	-
Total liabilities and other credits	\$ 24,395	\$ 11,228,816

See notes to financial statements.

Account Groups		Total (Memorandum Only)
General Fixed Assets	General Long-Term Obligations	
\$ -	\$ -	\$ 5,085,896
-	-	6,162,420
-	-	5,895
122,868	-	122,868
-	24,565	24,563
<u>\$ 122,868</u>	<u>\$ 24,565</u>	<u>\$ 11,400,642</u>
	\$ -	\$ 26,481
	-	5,085
	-	5,500,711
	-	3,749,797
	-	642,043
	-	1,308,443
	-	26,641
	24,563	24,563
	24,563	11,277,774
<u>\$ 122,868</u>	<u>-</u>	<u>122,868</u>
<u>\$ 122,868</u>	<u>\$ 24,563</u>	<u>\$ 11,400,642</u>

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

Terrebonne Parish Sales and Use Tax Department

For the year ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 683,935	\$ 386,435	\$ (297,500)
Licenses	12,000	10,800	(1,200)
Miscellaneous:			
Interest	33,500	44,554	11,054
Other	750	160	(590)
Total revenues	<u>730,185</u>	<u>651,949</u>	<u>(78,236)</u>
Expenditures			
Current:			
General Government:			
Personal services	326,550	297,458	29,092
Supplies and materials	45,000	36,315	8,685
Other services and charges	528,335	300,519	227,816
Repairs and maintenance	10,500	9,044	1,456
Capital expenditures	10,000	8,613	1,387
Total expenditures	<u>720,385</u>	<u>651,949</u>	<u>68,236</u>
Excess of Revenues Over Expenditures	<u>\$ -0-</u>	<u>-0-</u>	<u>\$ -0-</u>
Fund Balance			
Beginning of year		<u>-0-</u>	
End of year		<u>\$ -0-</u>	

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Terrebonne Parish Sales and Use Tax Department**

December 31, 1999

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Terrebonne Parish Sales and Use Tax Department was created October 14, 1964, in compliance with Act 590 of 1964, of the State of Louisiana. The Sales and Use Tax Department administers the collection and distribution of the approved 4.25% sales tax, hotel/motel tax and occupational licenses.

Tax collections, after deducting operating expenses, are distributed in the month following receipt. The first levy of 1% made in 1964 is divided between the Terrebonne Parish School Board, which receives 33%, and the Terrebonne Parish Consolidated Government, which receives 67%. The second levy of 1% made in 1976 is divided between the Terrebonne Parish School Board, which receives 75%, and the Terrebonne Parish Consolidated Government, which receives 25%. The 1/4% levy effective January 1, 1987 is remitted to the Terrebonne Parish Law Enforcement District. The two 1/4% levies effective January 1, 1993 is remitted to the Terrebonne Parish Consolidated Government with 1/4% dedicated to Drainage and 1/4% dedicated to Roads and Bridges. The 1% levy effective July 1, 1996 is remitted to the Terrebonne Parish School Board. The 1/4% levy effective October 1, 1997 is remitted to the Terrebonne Parish Law Enforcement District. The 1/4% levy effective July 1, 1998 is remitted to the Terrebonne Parish Consolidated Government which is dedicated to the Library System. The Hotel/Motel tax of 2%, until May 1999 and 4% as of June 1999 is remitted solely to the Houma-Terrebonne Tourist Commission.

The accounting policies of the Terrebonne Parish Sales and Use Tax Department (the Department) conform to generally accepted accounting principles (GAAP) as applied to governmental units. 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:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Reporting Entity

The Department is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 1999.

The Department 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 Department 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 aggregating 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.

The Department has the following fund types and account groups:

Governmental Funds

Governmental Funds are those through which the governmental functions of the Department are financed. The acquisition, use and balances of the Department'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 is the Governmental Fund of the Department:

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

Fiduciary Funds

Fiduciary Funds account for assets held by the Department in a trustee capacity or as an agent on behalf of others. The following is the Fiduciary Fund of the Department:

Agency Fund - An Agency Fund is custodial in nature and does not present results of operations or have a measurement focus. Agency Funds are accounted for in essentially the same manner as Governmental Funds. This fund is used to account for assets that the Department holds for others in an agency capacity.

Account Groups

Account groups are used to establish accounting control and accountability. The Department's Account Groups are as follows:

General Fixed Assets Account Group - This account group is used to account for fixed assets not accounted for in proprietary or trust funds.

General Long-Term Obligations Account Group - This account group is used to account for general long-term obligations 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 and Agency 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. Sales taxes are considered "measurable" when in the hands of the merchants and are recognized as revenue at that time. Licenses and permits, fines and forfeitures and miscellaneous revenues are recorded as revenue when received in cash by the Department because they are generally not measurable until actually received.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) 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 the accumulated unpaid vacation, sick pay and other employee amounts which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

d) Use of 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 these estimates.

e) Operating Budgetary Data

The Department establishes the budgetary data reflected in the financial statements as follows:

The Director submits to the members of the Sales and Use Tax Advisory Board a proposed operating budget for the year commencing the following January 1. The public hearings and advertisements, which are required by state law, are conducted prior to approval by the Advisory Board. The budget is then submitted to the Parish Council for enactment by ordinance. All actions necessary to adopt and otherwise finalize and implement the budget for an ensuing year are taken prior to the end of the year in progress. Any amendment involving the transfer of monies from one department to another or from one program or function to another or any other increase in expenditures exceeding amounts estimated must be approved by the Parish Council. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end. The budget for the General Fund is adopted on a basis materially consistent with generally accepted accounting principles.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Accounts Receivable

The financial statements of the Department contain no allowance for uncollectible accounts. Uncollectible amounts due for 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 operation of the General Fund.

g) 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 only concerned 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.

All fixed assets are valued at historical cost.

h) Long-Term Obligations

The accounting and reporting treatment applied to the long-term obligations 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 obligations expected to be financed from Governmental Funds are accounted for in the General Long-Term Obligations Account Group, not in the Governmental Funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Long-Term Obligations (Continued)

The Long-Term Obligations 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.

i) Vacation and Sick Leave

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid.

Employees of the Department can earn twelve or seventeen days per year vacation leave, depending on their length of employment.

All employees are required to take vacation within one year of being earned, with no carryforward provisions. If an employee fails to take vacation leave, the employee forfeits this time for this particular year, however this time is held for retirement purposes. In the event the employee is terminated or resigns, all vacation leave not lost through forfeiture will be paid to them.

Employees of the Department earn seven days sick leave per year and are permitted to accumulate a maximum of 80 days. Upon retirement, an employee is paid up to one half of accumulated sick leave to a maximum of 30 days. Accumulated sick leave in excess of 30 days are used in the computation of monthly retirement benefits in the "Parochial Employees" Retirement System.

j) Encumbrances

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

k) Memorandum Only - Total Columns

The 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 2 - 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.

The Department's cash in the bank in excess of \$225,000 is routinely invested in Overnight Repurchase Agreements whereby the Bank purchases federal government securities and holds those securities in the Bank's name. At December 31, 1999 the Department had \$4,034,214 in repurchase agreements.

State law also requires that deposits 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 subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

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 Department or its agent in the Department's name.

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

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agents but not in the Department'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			Bank Balance
	Category			
	1	2	3	
Cash	\$188,000	\$-	\$3,846,214	\$4,034,214

Note 2 - DEPOSITS (Continued)

At December 31, 1999, cash, excluding cash in repurchase agreements, in excess of the FDIC insurance was collateralized by securities held by an unaffiliated bank for the account of the Department. The cash held under the repurchase agreement has been collateralized in accordance with state law, which states that securities acquired through repurchase agreements shall be deemed to be held in its name by the bank. 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 38:1229 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 - CHANGES IN FIXED ASSETS

A summary of changes in fixed assets follows:

	Balance January <u>1, 1999</u>	Additions	Balance December <u>31, 1999</u>
Furniture and fixtures	\$114,255	\$8,613	\$122,868

Note 4 - LONG-TERM OBLIGATIONS

The Department's commitment to fund accumulated unpaid vacation and sick leave from future operations has been recorded in the General Long-Term Obligation Account Group at December 31, 1999.

The following is a summary of changes in the long-term obligation of the Department for the year ended December 31, 1999:

	Payable January <u>1, 1999</u>	Net Increase	Payable December <u>31, 1999</u>
Accumulated vacation	\$ 8,517	\$2,695	\$11,212
Accumulated sick leave	<u>12,690</u>	<u>651</u>	<u>13,341</u>
Totals	\$21,207	\$3,346	\$24,553

Note 5 - DEFINED BENEFIT PENSION PLAN

Plan Description - The Department contributes to Plan B of the Parochial Employees' Retirement System of Louisiana (the System), a cost-sharing multiple-employer defined benefit public employer retirement system (PERS), which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 205 of the 1952 Louisiana Legislative Session established the plan. The system is governed by Louisiana Revised Statutes 11:1901 through 11:2015, specifically, and other general laws of the State of Louisiana. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619.

Funding Policy - Plan members are required to contribute 2% of their annual covered salary less \$100 per month and the Department is required to contribute at an actuarially determined rate. The current rate is 2.5% of annual payroll. In addition, the System also receives a percentage of tax revenues from various taxing bodies. The contribution requirements of plan members and the Department are established and may be amended by state statute. The Department's contributions to the System for the years ending December 31, 1999, 1998 and 1997 were \$5,097, \$5,173 and \$5,768, respectively, equal to the required contributions for each year.

Note 6 - POSTRETIREMENT HOSPITALIZATION AND LIFE INSURANCE BENEFITS

The Department provided for the payment of hospitalization and life insurance premiums for two retired employees as approved by the Terrebonne Parish Council. The Department will fund the entire premium for all employees retiring with at least ten years of service or retiring from the formal retirement systems. A retired employee may provide dependent hospitalization coverage at a cost ranging from \$40 to \$44 per month depending on their retirement date. The cost of providing these benefits is recognized as an expenditure in the General Fund as premiums are paid. For the year ended December 31, 1999, this cost was approximately \$10,800.

Future liabilities under the Department's plan for potentially eligible employees are dependent upon the age and length of service of those employees. The average employee age and service years are not available. At December 31, 1999, the average hospitalization and life insurance costs per retired employee was approximately \$449 per month.

Note 7 - COMPENSATION OF ADVISORY BOARD

The Department did not pay per diem to any of its Board Members in 1999.

Note 8 - LEASE COMMITMENTS

In 1992 the Department entered into a lease for the rental of office space for a term of three years. During 1995, the lease was extended for an additional three years. During 1999, the term of the lease was extended two years beginning April 1, 1999 and ending March 31, 2001.

Commitments under this lease agreement provides for future minimum rental payments as follows:

2000	\$29,100
2001	<u>4,850</u>
Total	<u>\$33,950</u>

Rental expenditures incurred under this lease amounted to \$28,443 during the year ended December 31, 1999.

Note 9 - RISK MANAGEMENT

The Department is exposed to various risks of loss related to workers compensation; theft; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the Department carries commercial insurance and also participates in the Parish's risk management program for general liability, workers' compensation and group insurance. No settlements were made during the year that exceeded the Department's insurance coverage. The Department pays monthly premiums to the Parish for general liability based on various factors such as its operations and maintenance; budget, exposure and claims experience. The premiums for workers' compensation are based on a fixed percentage of payroll. The premiums for group insurance are based on a fixed rate per employee. The Parish handles all claims filed against the Department for which it has insurance coverage under the Parish. The Department could have additional exposure for claims in excess of the Parish's insurance contracts as described on the following page:

Note 9 - RISK MANAGEMENT (Continued)

Policy	Coverage Limits
General Liability	\$6,500,000
Workers' Compensation	Statutory
Group Insurance	\$1,125,000

Coverage for claims in excess of the above stated limits are to be funded first by assets of the Parish's risk management internal service fund, \$122,294 for general liability and workers' compensation and \$3,068,000 for group at December 31, 1998, then secondly by the Department. At December 31, 1999 the Department had no claims in excess of the above coverage limits.

SUPPLEMENTARY INFORMATION SECTION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Sales and Use Tax Advisory Board,
Terrebonne Parish Sales and Use Tax Department,
Houma, Louisiana.

Our report on our audit of the general-purpose financial statements of Terrebonne Parish Sales and Use Tax Department (the Department) for the year ended December 31, 1999, appears on page 1. That audit was conducted for the purpose of forming an opinion on such financial statements taken as a whole. The information contained in the schedule of other services and charges, schedule of cash receipts and disbursements, Parish Sales Tax Fund, schedule of expenditures and graph of expenditures for the year ended December 31, 1999 is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general-purpose financial statements for the year ended December 31, 1999, taken as a whole.

We also have previously audited, 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, the balance sheets of Terrebonne Parish Sales and Use Tax Department as of December 31, 1998, 1997, 1996 and 1995, and the related statements of revenues, expenditures and changes in fund balance for each of the four years in the period ended December 31, 1998 (some of which is presented herein), and we expressed unqualified opinions on those financial statements. In our opinion, the information presented in the schedule of expenditures and graph of expenditures for the years ended December 31, 1998, 1997, 1996 and 1995 is fairly stated in all material respects in relation to the general-purpose financial statements from which it has been derived.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Houma, La.,
March 3, 2000.

SCHEDULE OF OTHER SERVICES AND CHARGES
BUDGET AND ACTUAL

Terrebonne Parish Sales and Use Tax Department

For the year ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Auditing services	\$ 220,000	\$ 208,421	\$ 11,579
Auto and travel	7,500	7,783	(283)
Insurance	19,335	18,473	862
Legal fees	19,000	13,968	4,632
Office machine rentals	13,500	10,246	3,254
Office rent	28,500	28,443	57
Other	10,500	7,626	2,874
Telephone	<u>10,000</u>	<u>7,159</u>	<u>2,841</u>
Totals	<u>\$ 328,335</u>	<u>\$ 300,519</u>	<u>\$ 27,816</u>

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
PARISH SALES TAX FUND

Terrebonne Parish Sales and Use Tax Department

For the year ended December 31, 1999

Cash at beginning of year	<u>\$ 4,753,783</u>
Cash receipts:	
Sales and use taxes (net of refunds of \$108,117)	38,774,824
Hotel/tourist taxes	348,087
Occupational license (net of refunds of \$2,505)	535,935
Miscellaneous:	
Interest	43,487
Other	<u>11,183</u>
Total cash receipts	<u>39,713,506</u>
Total cash available	<u>64,467,289</u>
Cash disbursements:	
Distributions to other governmental units:	
Terrebonne Parish School Board	28,407,580
Terrebonne Parish Consolidated Government	19,828,908
Terrebonne Parish Consolidated Government - Library	3,371,255
Terrebonne Parish Sheriff	6,798,739
Houma-Terrebonne Tourist Commission	357,015
Distributions to the General Fund	640,078
Miscellaneous	<u>10,916</u>
Total cash disbursements	<u>59,402,892</u>
Cash at end of year	<u>\$ 5,064,397</u>

SCHEDULE OF EXPENDITURES**Terrebonne Parish Sales and Use Tax Department**

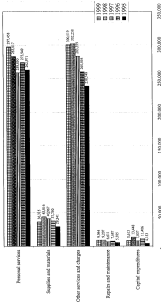
For the years ending December 31, 1995, 1996, 1997, 1998 and 1999

	1995	1996	1997	1998	1999
Expenditures - General Government					
<i>Personal services</i>					
Salaries and wages	\$ 214,652	\$ 213,932	\$ 199,208	\$ 199,278	\$ 193,564
Payroll taxes	16,878	16,200	15,162	15,128	14,813
Employee benefits	55,896	52,785	44,488	59,445	54,592
Total personal services	<u>277,426</u>	<u>262,917</u>	<u>258,858</u>	<u>273,849</u>	<u>262,971</u>
Supplies and materials	<u>36,313</u>	<u>43,816</u>	<u>48,247</u>	<u>37,258</u>	<u>29,341</u>
<i>Other services and charges</i>					
Auditing services	208,621	217,441	202,626	180,226	158,119
Auto and travel	2,783	4,899	5,284	3,285	2,761
Insurance	18,673	36,836	12,126	14,783	18,333
Legal fees	12,588	32,864	12,068	12,009	12,264
Office machine rentals	18,246	30,219	18,179	18,619	12,024
Office rent	28,443	23,029	26,874	23,108	23,188
Office	7,626	7,840	4,256	4,168	5,578
Telephone	2,109	2,493	2,688	6,272	6,688
Total other services and charges	<u>328,519</u>	<u>387,232</u>	<u>285,159</u>	<u>260,594</u>	<u>218,799</u>
Repairs and maintenance	<u>9,044</u>	<u>9,207</u>	<u>8,611</u>	<u>7,667</u>	<u>5,380</u>
Capital expenditures	<u>8,612</u>	<u>33,448</u>	<u>7,827</u>	<u>11,408</u>	<u>4,152</u>
Total general government	<u>\$ 651,949</u>	<u>\$ 681,746</u>	<u>\$ 597,624</u>	<u>\$ 598,846</u>	<u>\$ 548,589</u>

EXPENDITURES

Tennessee Parale Sales and Use Tax Department

For the year ended 1998, 1998, 1997, 1996 and 1995



SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL-
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Sales and Use Tax Advisory Board,
Terrebonne Parish Sales and Use Tax Department,
Houma, Louisiana.

We have audited the general-purpose financial statements of the Terrebonne Parish Sales and Use Tax Department (the Department), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 1999, and have issued our report thereon dated March 3, 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 Department's general-purpose 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 these 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 Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose 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 information of the Advisory Board, management, the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by any one other than those specified parties.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Monroe, La.,
March 3, 2009.

SCHEDULE OF FINDINGS

Terrebonne Parish Sales and Use Tax Department

For the year ended December 31, 1999

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Reportable condition(s) identified that are not considered to be material weaknesses? _____ yes X none reported

Non-compliance material to financial statements noted? _____ yes X no

b) Federal Awards

Terrebonne Parish Sales and Use Tax Department did not receive federal awards during the year ended December 31, 1999.

Section II Financial Statement Findings

No financial statement findings were noted during the audit for the year ended December 31, 1999.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS

Terrebonne Parish Sales and Use Tax Department

For the year ended December 31, 1999

Section I Internal Control and Compliance Material to the General-Purpose Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 1998.
No reportable conditions were reported during the audit for the year ended December 31, 1998.

Compliance

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended December 31, 1998.

Section II Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Sales and Use Tax Department did not receive federal awards during the year ended December 31, 1998.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 1998.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Terrebonne Parish Sales and Use Tax Department

For the year ended December 31, 1999

Section I Internal Control and Compliance Material to the General-Purpose Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 1999.
No reportable conditions were reported during the audit for the year ended December 31, 1999.

Compliance

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended December 31, 1999.

Section II Internal Control and Compliance Material to Federal Awards

Terrebonne Parish Sales and Use Tax Department did not receive federal awards during the year ended December 31, 1999.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 1999.