

Financial Report

(Compiled)

Lafourche Parish Tourist Commission

Raceland, Louisiana

December 31, 2003

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

Release Date 9.1.04

TABLE OF CONTENTS

Lafourche Parish Tourist Commission

December 31, 2003

	<u>Exhibits</u>	<u>Page Number</u>
Introductory Section		
Title Page		i
Table of Contents		ii – iii
Financial Section		
Accountant's Compilation Report		1
Management's Discussion and Analysis		2 – 7
Basic Financial Statements:		
Government-wide and Fund Financial Statements:		
Statement of Net Assets and Governmental Fund Balance Sheet	A	8
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets	B	9
Statement of Activities, and Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance	C	10
Reconciliation of the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	D	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	E	12
Notes to Financial Statements	F	13 – 23

TABLE OF CONTENTS
(Continued)

	<u>Schedules</u>	<u>Page Number</u>
Supplementary Information Section		
Schedule of Revenues and Expenditures for the Years Ended December 31, 2003, 2002 and 2001	1	24
Graph of Revenues for the Years Ended December 31, 2003, 2002 and 2001	2	25
Graph of Expenditures for the years Ended December 31, 2003, 2002 and 2001	3	26
Special Report of Certified Public Accountants		
Independent Accountant's Report on Applying Agreed-Upon Procedures		27 – 30
Report by Management		
Louisiana Attestation Questionnaire Management's Assertion		31 – 32

FINANCIAL SECTION



Bourgeois Bennett

ACCOUNTANT'S COMPILATION REPORT

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

We have compiled the accompanying basic financial statements of the governmental activities of the Lafourche Parish Tourist Commission, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 2003, as listed in the table of contents, the required supplementary information contained in Management's Discussion and Analysis and the accompanying supplemental information contained in Schedules 1, 2 and 3, which are presented only for supplementary analysis purposes, 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 and supplementary schedules information that is the representation of management of the Lafourche Parish Tourist Commission. We have not audited or reviewed the accompanying financial statements, required supplementary information and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated June 2, 2004, on the results of our agreed-upon procedures.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Thibodaux, Louisiana,
June 2, 2004.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Lafourche Parish Tourist Commission

The Management's Discussion and Analysis of the Lafourche Parish Tourist Commission (the Commission) financial performance presents a narrative overview and analysis of the Commission's financial activities for the year ended December 31, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Commission's assets exceeded its liabilities at the close of fiscal year 2003 by \$489,129 (net assets), which represents a 1.25% decrease from last fiscal year.

The Commission's revenue increased \$5,278 (or 2.49%).

The Commission did not have any funds with deficit fund balances.

The Commission closed out the Debt Service Fund in 2002, since all outstanding debt had been paid off.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's financial report consists of four parts: (1) management's discussion and analysis (this section) (2) basic financial statements (3) the optional section that presents other supplementary information and (4) special reports by certified public accountants and management.

The basic financial statements include two kinds of statements that present different views of the Commission:

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private sector business. The statement of net assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as

a useful indicator of whether the financial position of the Commission is improving or deteriorating. The statement of activities presents information showing how the Commission's net assets change during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Commission is economic development and assistance.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Commission are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund. The Commission adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 8-12 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provide in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the Commission's financial position. As of December 31, 2003, assets exceeded liabilities by \$489,129. Since this is the first year to report all activities on the accrued basis of accounting, a comparison to the prior year is not possible. However, in future years, this section will explain the differences between the current and prior-year assets, liabilities and changes in net assets. A large portion of the Commission's net assets (64.86%) reflects its investment in capital assets (e.g., buildings and land improvements; office furniture, fixtures and equipment). Consequently, these assets are not available for future spending.

Condensed Statements of Net Assets

Current and other assets	\$ 184,910
Capital assets	317,238
Total assets	<u>502,148</u>
Current and other liabilities	<u>13,019</u>
Net assets:	
Invested in capital assets	317,238
Unrestricted	171,891
Total net assets	<u>\$ 489,129</u>

Governmental Activities

Again, because this is the first year to report governmental activities on the accrual basis of accounting, a comparison to the prior year is not possible. However, in next year's discussion this section will show a condensed financial comparison of revenues and expenses and provide explanations for significant differences.

Governmental activities decreased the Commission's net assets by \$6,196. Key elements of this decrease are:

Condensed Changes in Net Assets

Revenues:	
Taxes - Hotel/Motel	\$ 208,095
Intergovernmental Revenue	7,500
Miscellaneous	1,628
Total Revenues	<u>217,223</u>
Expenses:	
Economic and Development Assistance	<u>223,419</u>
Decrease in net assets	(6,196)
Net assets beginning of year	495,325
Net assets end of year	<u>\$ 489,129</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Commission's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Commission's governmental fund, the General Fund, reported an ending fund balance of \$171,891, an increase of \$2,257 in comparison with the prior year and is available for spending at the Commission's discretion.

For the most part, revenues remained approximately the same as in the prior year. Total expenditures for the year decreased because the long term debt for the Commission was paid off during 2003, however there was an increase in other services and charges due to the increases in seminars attended and the related travel.

General Fund Budgetary Highlights

The budget was amended three times during the year. The primary reasons for amending the budget were to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

Revenues

- To adjust the hotel/motel tax to amounts expected from the Parish and the State.
- To record the receipt of a grant that was received but not expected at the beginning of the year of \$7,500.

Expenditures

- Increased the amount of advertising expense by \$2,200 to reflect more advertising than expected.
- Decreased the amount of capital expenditures by \$5,500 to reflect the actual amount purchased.
- Increase in supplies and materials to show the expenditures on the play which was funded by the CRT grant.
- The amount of publications expense decreased by \$5,075 because the Commission planned on putting together a visitors guide which was not completed during the year.
- Other changes for scenic by-ways were deleted from the budget because expenditures were postponed until 2004.

During the year, revenues and expenditures exceed budgetary estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Commission's investment in capital assets for its governmental activities as of December 31, 2003, amounts to \$317,238 (net of accumulated depreciation). This investment in capital assets includes buildings and land improvements, office furniture, fixtures and equipment; (see table below).

	<u>2003</u>	<u>2002</u>
Buildings and land improvements	\$ 385,367	\$ 385,367
Office furniture, fixtures and equipment	<u>47,848</u>	<u>43,353</u>
Totals	<u>\$ 433,215</u>	<u>\$ 428,720</u>

The major capital asset event during the current fiscal year was the purchase of a new copy machine.

Additional information on the Commission's capital assets can be found in the Note 4, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Revenues were budgeted based on the assumption that state hotel/motel tax will increase due to more hotels/motels in area.
- Payroll and payroll taxes are increased to reflect a 3% cost of living raise and the salary of an additional part-time maintenance person.
- All other expenses were budgeted based on the assumption that expenses would increase approximately 12%.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Lafourche Parish Tourist Commission 4484 Highway 1, Raceland Louisiana, 70394.

**STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET**

Lafourche Parish Tourist Commission

December 31, 2003

(See Accountant's Compilation Report)

	<u>General</u>	<u>Adjustments (Exhibit B)</u>	<u>Statement of Net Assets</u>
ASSETS			
Assets			
Cash	\$ 7,456	\$ -	7,456
Investments	138,955	-	138,955
Due from other governmental units	38,249	-	38,249
Other assets	250	-	250
Fixed assets	-	317,238	317,238
	<hr/>	<hr/>	<hr/>
Total assets	\$ 184,910	\$ 317,238	\$ 502,148
	<hr/>	<hr/>	<hr/>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities			
Accounts payable and accrued expenditures	\$ 13,019		\$ 13,019
	<hr/>		<hr/>
Equity and Other Credits			
Fund balance - unreserved	171,891	(171,891)	-
	<hr/>	<hr/>	<hr/>
Total liabilities, equity and other credits	\$ 184,910		
	<hr/>		
Net assets:			
Invested in capital assets, Net of related debt		317,238	317,238
Unrestricted		171,891	171,891
		<hr/>	<hr/>
Total net assets		\$ 489,129	\$ 489,129
		<hr/>	<hr/>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET ASSETS**

Lafourche Parish Tourist Commission

December 31, 2003

(See Accountant's Compilation Report)

Fund Balances - Governmental Fund		\$ 171,891
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.		
Governmental capital assets	\$ 433,215	
Less accumulated depreciation	<u>(115,977)</u>	<u>317,238</u>
Net Assets of Governmental Activities		<u>\$ 489,129</u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT
OF GOVERNMENTAL FUND REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCE**

Lafourche Parish Tourist Commission

For the year ended December 31, 2003

(See Accountant's Compilation Report)

	<u>General Fund</u>	<u>Adjustments (Exhibit D)</u>	<u>Statement of Activities</u>
Revenues			
Taxes - hotel/motel:			
Parish	\$ 128,178	\$ -	\$ 128,178
State	79,917	-	79,917
Intergovernmental:			
Culture Recreation and Tourism Grant	7,500	-	7,500
Miscellaneous:			
Interest	1,628	-	1,628
Total revenues	<u>217,223</u>	<u>-</u>	<u>217,223</u>
Expenditures			
Current:			
Economic Development and Assistance:			
Personal services	84,729	-	84,729
Supplies and materials	13,194	-	13,194
Other services and charges	102,540	-	102,540
Repairs and maintenance	10,008	-	10,008
Depreciation Expense	-	12,948	12,948
Total economic development and assistance	<u>210,471</u>	<u>12,948</u>	<u>223,419</u>
Capital Outlay	<u>4,495</u>	<u>(4,495)</u>	<u>-</u>
Total expenditures/expenses	<u>214,966</u>	<u>8,453</u>	<u>223,419</u>
Excess of Revenues Over Expenditures and Other Uses	2,257	(2,257)	-
Change in Net Assets	-	(6,196)	(6,196)
Fund Balances			
Beginning of year	<u>169,634</u>	<u>325,691</u>	<u>495,325</u>
End of year	<u>\$ 171,891</u>	<u>\$ 317,238</u>	<u>\$ 489,129</u>

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES**

Lafourche Parish Tourist Commission

For the year ended December 31, 2003

(See Accountant's Compilation Report)

Net Change in Fund Balances - Governmental Fund **\$ 2,257**

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures. However, in
the statement of activities the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 4,495	
Depreciation expense	<u>(12,948)</u>	
Excess of depreciation expense over capital outlay		<u>(8,453)</u>

Change in Net Assets of Governmental Activities **\$ (6,196)**

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, 2003

(See Accountant's Compilation Report)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes - hotel/motel:				
Parish	\$ 110,000	\$ 121,635	\$ 128,178	\$ 6,543
State	100,000	84,000	79,917	(4,083)
Intergovernmental:				
Culture Recreation and Tourism Grant	-	7,500	7,500	-
Miscellaneous:				
Interest	<u>3,000</u>	<u>1,700</u>	<u>1,628</u>	<u>(72)</u>
Total revenues	<u>213,000</u>	<u>214,835</u>	<u>217,223</u>	<u>2,388</u>
Expenditures				
Current:				
Economic Development and Assistance:				
Personal services	91,750	85,650	84,729	921
Supplies and materials	11,200	16,100	13,194	2,906
Other services and charges	107,450	97,435	102,540	(5,105)
Repairs and maintenance	7,000	10,000	10,008	(8)
Capital expenditures	<u>10,000</u>	<u>4,500</u>	<u>4,495</u>	<u>5</u>
Total expenditures	<u>227,400</u>	<u>213,685</u>	<u>214,966</u>	<u>(1,281)</u>
Excess (Deficiency) of Revenues Over Expenditures	(14,400)	1,150	2,257	1,107
Fund Balance				
Beginning of year	<u>169,634</u>	<u>169,634</u>	<u>169,634</u>	<u>-</u>
End of year	<u>\$ 155,234</u>	<u>\$ 170,784</u>	<u>\$ 171,891</u>	<u>\$ 1,107</u>

See notes to financial statements.

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

December 31, 2003

(See Accountant's Compilation Report)

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Lafourche Parish Tourist Commission (the Commission) conform to accounting principles generally accepted in the United States of America (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:

a) Reporting Entity

The Commission is a component unit of the Lafourche Parish Council, (the 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) Change in Accounting

In June 1999, GASB unanimously approved Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. One of the more significant changes in Statement No. 34 include for the first time a Management's Discussion and Analysis (MD&A) section providing an analysis of the Commission's overall financial position and results of operations and financial statements prepared using full accrual accounting for all of the Commission's activities. The Commission has presented Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements. Other changes are also reflected in the accompanying basic financial statements (including notes to financial statements). The Commission has elected to implement the general provisions of Statement No. 34 in the current year.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Change in Accounting (Continued)

For the year ended December 31, 2003, the Commission also implemented the following GASB Standards:

- Statement 37 – Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus
- Statement 38 – Certain Financial Statement Disclosures
- Interpretation No. 6 – Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements

The transition from governmental fund balance to net assets for December 31, 2002, is presented below:

Total fund balance, as previously reported		\$ 169,634
Capital assets used in governmental activities are not financial resources and, therefore were not previously reported.		
Governmental capital assets	\$428,720	
Less accumulated depreciation	<u>(103,029)</u>	<u>325,691</u>
Net assets		<u>\$495,325</u>

c) Basis of Presentation

The Commission’s basic financial statements consist of the government-wide statements on all activities of the Commission and the governmental fund financial statements.

Government-Wide Financial Statements:

The government-wide financial statements include the Statement of Net Assets and the Statement of Activities for all activities of the Commission. The government-wide presentation focuses primarily on the sustainability of the Commission as an entity and the change in aggregate financial position resulting from the activities for the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Basis of Presentation (Continued)

Fund Financial Statements:

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of Statement No. 34. Emphasis is now on major funds. The daily accounts and operations of the Commission continue to be organized on the basis of a fund and accounts group, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the Governmental Fund of the Commission:

General Fund – The General Fund is the 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. The General Fund is always a major fund.

d) Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Hotel/Motel sales and use taxes are recognized as revenue in the period they are collected by the merchants.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements:

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 (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Hotel/motel sales and use taxes are recognized as revenue in the period they are collected by the merchant. Miscellaneous revenues are recorded as revenues when received in cash by the Commission because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

e) Use of Estimates

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Operating Budgetary Data

As required by the Louisiana Revised Statutes 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 three times for 2003. 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 accounting principles generally accepted in the United States of America.

g) Accounts Receivable

The financial statements for the Commission contain no allowance for uncollectible accounts. Uncollectible amounts due for hotel/motel sales and use taxes 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.

h) Investments

Investments consist of deposits in the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than market value to report net assets to complete share prices if certain conditions are not met.

i) Capital Assets

The accounting treatment over plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Capital Assets (Continued)

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$500 or more are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and land improvements	5 – 50 years
Office furniture, fixtures and equipment	5 – 25 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

j) Vacation and Sick Leave

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

Annual vacation and sick leave credits are cumulative; all unused annual vacation and sick leave shall be carried forward from calendar year to calendar year up to a maximum of 210 hours of vacation leave and 210 hours of sick leave. It is the policy of the commission to pay terminated employees for any unused vacation up to the maximum stated above.

There is no material accumulated vacation and sick leave at December 31, 2003.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Fund Equity

Government-wide Statements:

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets, if any.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the Commission’s policy to use restricted resources first, then unrestricted resources as they are needed. As of December 31, 2003 and for the year then ended, the Commission did not have or receive restricted net assets.

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Note 2 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investment contracts and investment grade (a-1/P-2) commercial paper of domestic corporations.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Deposits:

State law requires deposits (cash and certificates of deposit) of all political subdivisions to 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. 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.

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 balance is as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Cash	<u>\$10,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$7,456</u>

At December 31, 2003, cash and certificates of deposit were not in excess of the FDIC insurance.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Investments:

Investments held at December 31, 2003 consist of \$138,955 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2003 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

A reconciliation of deposits and investments as shown on the Combined Balance Sheet is as follows:

Cash	\$ 7,456
Investments	<u>138,955</u>
Total	<u>\$146,411</u>

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2003 for Hotel/Motel taxes consisted of the following:

State of Louisiana	\$16,618
Lafourche Parish School Board	<u>21,631</u>
Total	<u>\$38,249</u>

Note 4 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003 was as follows:

	Balance January 1, 2003	Additions	Balance December 31, 2003
Capital assets being depreciated:			
Buildings and land improvements	\$ 385,367	\$ -	\$ 385,367
Office furniture, fixtures and equipment	<u>43,353</u>	<u>4,495</u>	<u>47,848</u>
Total capital assets being depreciated	<u>428,720</u>	<u>4,495</u>	<u>433,215</u>
Less accumulated depreciation for:			
Buildings and land improvements	(70,734)	(9,473)	(80,207)
Office furniture, fixtures and equipment	<u>(32,295)</u>	<u>(3,475)</u>	<u>(35,770)</u>
Total accumulated depreciation	<u>(103,029)</u>	<u>(12,948)</u>	<u>(115,977)</u>
Total capital assets being depreciated, net	<u>\$ 325,691</u>	<u>\$ (8,453)</u>	<u>\$ 317,238</u>

Note 5 - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Commission carries commercial insurance. No settlements were made during the year that exceeded the Commission's insurance coverage.

Note 6 - COMPENSATION OF BOARD MEMBERS

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

SUPPLEMENTARY INFORMATION SECTION

SCHEDULE OF REVENUES AND EXPENDITURES**Lafourche Parish Tourist Commission**

For the years ended December 31, 2003, 2002 and 2001

(See Accountant's Compilation Report)

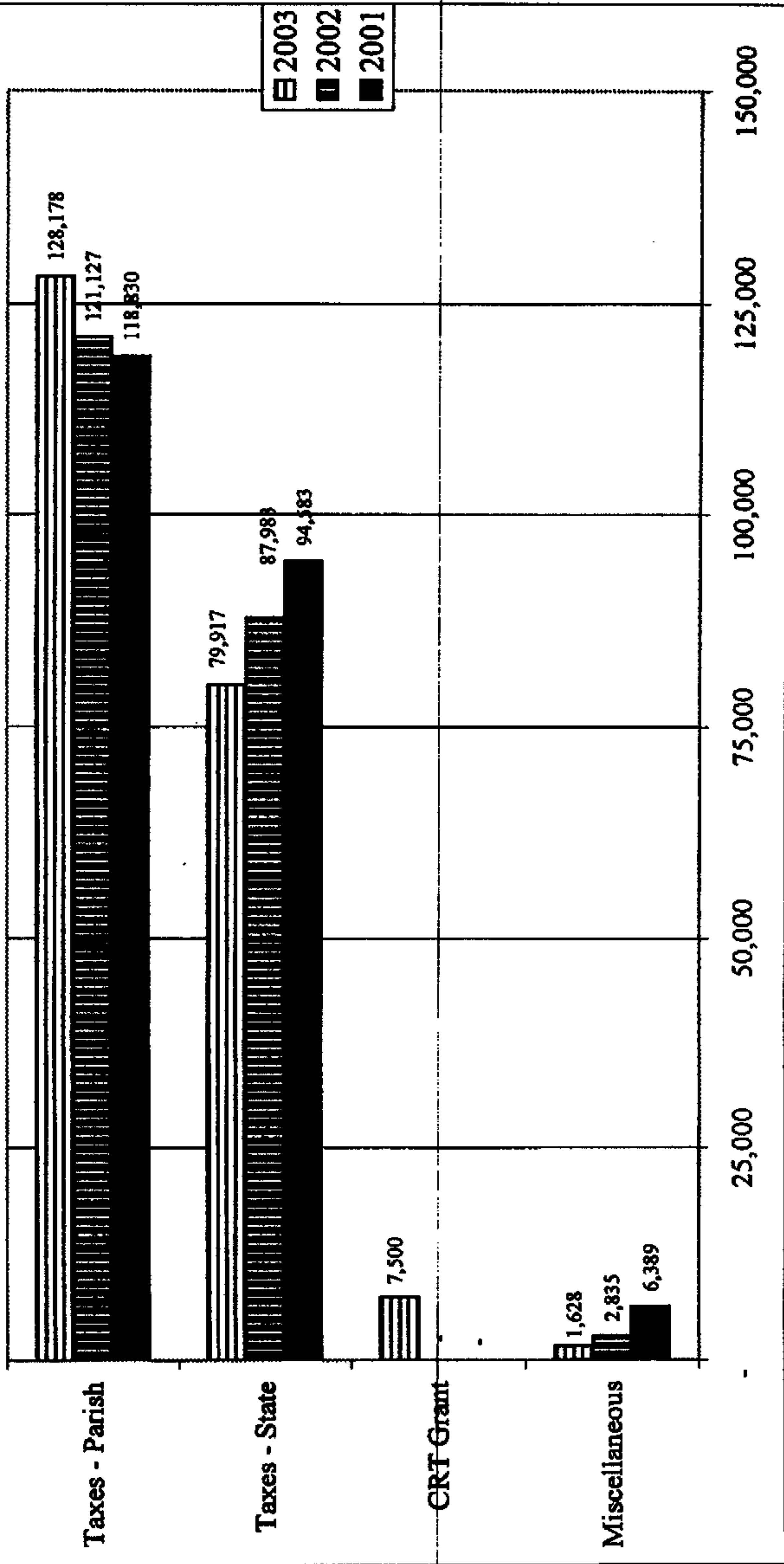
	<u>2003</u>	<u>2002</u>	<u>2001</u>
Revenues			
Taxes - Parish	\$ 128,178	\$ 121,127	\$ 118,830
Taxes - State	79,917	87,983	94,583
CRT Grant	7,500	-	-
Miscellaneous	1,628	2,835	6,389
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 217,223</u>	<u>\$ 211,945</u>	<u>\$ 219,802</u>
Expenditures			
Personal services	\$ 84,729	\$ 83,952	\$ 83,378
Supplies and materials	13,194	15,522	13,249
Other services and charges	102,540	95,354	108,310
Repairs and maintenance	10,008	6,483	7,870
Capital expenditures	4,495	-	6,835
Debt service	-	25,625	13,550
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 214,966</u>	<u>\$ 226,936</u>	<u>\$ 233,192</u>

REVENUES

Lafourche Parish Tourist Commission

For the years ended December 31, 2003, 2002 and 2001

(See Accountant's Compilation Report)

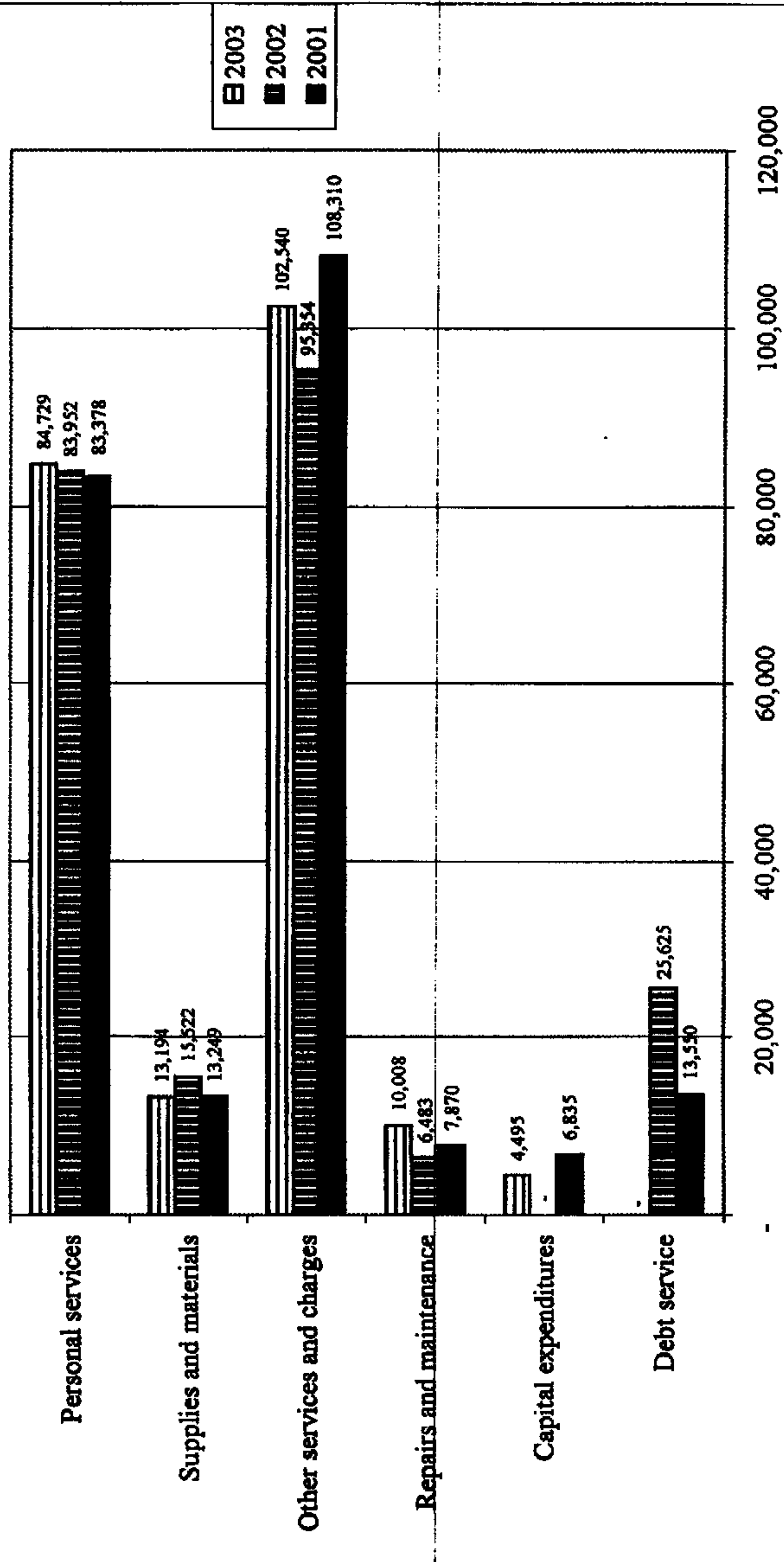


EXPENDITURES

Lafourche Parish Tourist Commission

For the years ended December 31, 2003, 2002 and 2001

(See Accountant's Compilation Report)



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,
Raceland, 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, 2003 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 \$15,000, \$20,000 after June 26, 2003, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made for materials and supplies exceeding \$15,000, \$20,000 after June 26, 2003 or public works exceeding \$100,000.

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 budget.

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

We traced the adoption of the original and the amended budget to the minutes of meetings held on December 3, 2002 and December 8, 2003, respectively, which indicated that the budgets had been adopted by the commissioners of the Lafourche Parish Tourist Commission unanimously.

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

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 six disbursements made during the period under examination and:

a) trace payments to supporting documentation as to proper amount and payee;

Accounting and Reporting (Continued)

8. a) (Continued)

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

b) determine if payments were properly coded to the correct fund and general ledger account; and

All six 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.

Meetings

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 42:12 (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 properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank 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.

Our prior year report, dated February 13, 2003, did not include any comments or unresolved matters.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Thibodaux, Louisiana,
June 2, 2004.

REPORT BY MANAGEMENT

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
_____ (Date Transmitted)

Lafourche Parish Tourist Commission
P. O. Box 340
Raceland, LA 70394
Bourgeois, Bennett, LLC, P. O. Box 2168 (Auditors)
Houma, LA 70361

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..
Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.
Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.
Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.
Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.
Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.
Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.
Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.
Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.
Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>Marian L. Barber</u>	Secretary	<u>6-1-04</u>	Date
<u>Marian L. Barber</u>	Treasurer	<u>6-1-04</u>	Date
<u>J. Adams</u>	President	<u>6/1/04</u>	Date

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.