

**Sabine Parish Tourist and Recreation Commission**

**FINANCIAL REPORT**

**YEAR ENDED JUNE 30, 2004**

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 1-19-05



The CPA. Never Underestimate The Value.<sup>SM</sup>

**Eugene W. Fremaux II**

Certified Public Accountant

**SABINE PARISH TOURIST AND RECREATION COMMISSION**  
**MANY, LOUISIANA**  
**JUNE 30, 2004**

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**INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
Sabine Parish Tourist and  
Recreation Commission  
Many, Louisiana

I have audited the accompanying basic financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, as of June 30, 2004 and for the year then ended. These financial statements are the responsibility of the Sabine Parish Tourist and Recreation Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the *basic financial statements*. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Sabine Parish Tourist and Recreation Commission, as of June 30, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the basic financial statements, the Commission adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of July 1, 2003. This results in a change in the format and content of the basic financial statements.

The Management's Discussion and Analysis and the other required supplementary information on pages 2 through 3, and page 15, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 20, 2004 on my consideration of Sabine Parish Communications District's, internal control over financial reporting and my tests on its compliance with certain provision of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



EUGENE W. FREMAUX II, CPA  
December 20, 2004

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2004

This section of the Commission's annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal year ended June 30, 2004. Please read it in conjunction with the transmittal letter at the front of this report and the Commission's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- ▶ The Commission's net assets increased \$159,462 during the year. The majority of the increase in net assets is due to receipt of \$98,000 of Louisiana capital outlay funds which were used to build a new tourist center.
- ▶ \$284,415 was spend on building and furnishing a new tourist center, which was financed primarily through \$98,000 of Louisiana capital outlay funds and bank borrowing of \$150,000.
- ▶ Expenses for the year amounted to \$184,023, an increase of approximately \$13,000.

**OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of three parts:

- ▶ Management's discussion and analysis
- ▶ Basic financial statements
- ▶ Supplementary information

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

- ▶ The first two statements are government-wide financial statements that provide both long-term and short-term information about the Commission's overall financial status.
- ▶ The remaining statements are fund financial statements that focus on individual parts of the Commission's operations in more detail than the government-wide statements. The Commission has only one fund, the general fund.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The Commission's net assets increased \$159,462 during the year. The majority of the increase in net assets is due to receipt of \$98,000 of Louisiana capital outlay funds which were used to build a new tourist center, and the receipt of \$24,812 of economic development funds from the Louisiana Department of Economic Development for the purpose of sponsoring fishing tournaments.

Revenues increased by \$134,888 to \$343,485, primarily due to the above same reasons. Expenses increased by approximately \$13,000 due to increases in promotion expenses.

**FINANCIAL ANALYSIS OF THE FUNDS**

The Commission's governmental fund balance increased by \$26,056 during the year. Revenues increased by \$134,551 to \$343,485, primarily due to receipt of \$98,000 of Louisiana capital outlay funds which were used to build a new tourist center, and the receipt of \$24,812 of economic development funds from the Louisiana Department of Economic Development for the purpose of sponsoring fishing tournaments. Expenses increased by \$292,720 due primarily to expenses of \$284,415 incurred on building and furnishing a new tourist center.

The original budget was amended to reflect the construction costs associated with the new tourist center, along with the funding available from capital outlay funds and bank borrowing. In addition, budgeted revenues were increased by \$20,000 to reflect the expected receipt of economic development funds from the Louisiana Department of Economic Development for the purpose of sponsoring fishing tournaments.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2004

**CAPITAL ASSETS**

During 2004 the Commission invested \$284,415 in building costs, land improvements, and furnishings in connection with construction of a new tourist facility, which was completed in July 2005.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Commission's revenues are dependent on a 3% hotel/motel tax within Sabine Parish, and an annual appropriation of Louisiana taxes. The Commission expects those taxes to increase 4% in 2005. The trend of hotel/motel tax collections is monitored for *significant changes that may affect the level of resources available to support the Commission's tourism promotion efforts*. The Commission has no current knowledge of any economic conditions that could have significant adverse affects on revenues or operating expenses.

**CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Commission's finances and to demonstrate the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Donald R. Bell, Executive Director, 1601 Texas Highway, Many, LA 71449.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
STATEMENT OF NET ASSETS

JUNE 30, 2004

**ASSETS**

## Current assets:

Cash	\$196,284
Receivables	11,692
Prepays	<u>3,733</u>
Total current assets	211,709

## Non-current assets:

Capital assets, net of accumulated depreciation	<u>340,643</u>
TOTAL ASSETS	<u>552,352</u>

**LIABILITIES**

## Current liabilities:

Accounts payable and other liabilities	3,443
Current portion of long-term debt	<u>12,156</u>
Total current liabilities	15,599

## Non-current liabilities-note payable, non-current portion

	<u>134,665</u>
TOTAL LIABILITIES	<u>150,264</u>

**NET ASSETS**

Invested in capital assets	340,643
Unrestricted	<u>61,445</u>
TOTAL NET ASSETS	<u>\$402,088</u>

The accompanying notes are an integral part of these statements.

EXHIBIT B

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2004

	Program revenues			Net (Expense) Revenue and changes in Net assets Governmental Unit
	Expenses	Charges for Services	Operating grants and contributions	
<b>FUNCTIONS/PROGRAMS</b>				
Governmental activities:				
General government	\$184,023	\$0	\$124,812	\$98,000
Total governmental activities	184,023	0		38,789
General revenues:				
Hotel-motel tax				103,217
Interest				1,021
Miscellaneous				16,435
Total general revenues				120,673
Change in net assets				159,462
Net assets, beginning of year				242,626
Net assets, end of year				\$402,088

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2004

## ASSETS

Cash	\$196,284
Accounts receivable	11,692
Prepaid expenses	3,733
Total assets	<u>\$211,709</u>

## LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$2,032
Other payables	1,411
Total liabilities	3,443
Fund balance - unreserved	<u>208,266</u>
Total liabilities and fund balance	<u>\$211,709</u>

The accompanying notes are an integral part of these statements.



SABINE PARISH TOURIST AND RECREATION COMMISSION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2004

Total fund balances - Governmental Funds		\$208,266
Cost of capital assets at June 30, 2004	\$355,054	
Less accumulated depreciation at June 30, 2004	<u>(14,411)</u>	340,643
Long-term note payable not reported in fund liabilities		<u>(146,821)</u>
Total net assets at June 30, 2004 - Governmental Activities		<u>\$402,088</u>

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
 MANY, LOUISIANA  
 GOVERNMENTAL FUNDS  
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 2004

Revenues:	
Hotel-motel tax	\$103,217
Louisiana appropriation	100,000
Louisiana capital outlay	98,000
Miscellaneous income	41,247
Interest income	<u>1,021</u>
Total revenues	<u>343,485</u>
Expenditures:	
General government:	
Advertising, printing and publicity	83,847
Administrative fee	54,279
Personnel expenses	4,419
Shows and travel expense	6,645
Office supplies	3,788
Professional fees	1,000
Insurance	3,261
Occupancy expenses	1,024
Telephone	5,741
Grant expenses	9,664
Dues	1,015
Interest	1,703
Capital outlay	284,415
Debt service	4,558
Collection fees	<u>2,100</u>
Total expenditures	<u>467,459</u>
Excess (deficiency) of revenues over (under) expenditures	(123,974)
<i>Other financing sources-note proceeds</i>	<u>150,030</u>
Excess (deficiency) of revenues and other financing sources over(under) expenditures	26,056
Fund balance, beginning of year	<u>182,210</u>
Fund balance, end of year	<u><u>\$208,266</u></u>

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

JUNE 30, 2004

Excess of revenues over expenditures		\$26,056
Capital assets:		
Capital outlay capitalized	284,415	
Depreciation expense for year ended June 30, 2004	<u>(4,188)</u>	280,227
Principal payments on notes payable recorded as expense in fund statement		3,209
Proceeds of note recorded as other financing source in fund statement		<u>(150,030)</u>
Change in net assets - Governmental Activities		<u><u>\$159,462</u></u>

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

(1) Summary of significant accounting policies

The Sabine Parish Tourist and Recreation Commission, Many, Louisiana, was created in 1974 and operates as a political subdivision of the state of Louisiana under R.S. 33:4574 to promote tourism with Sabine Parish. The accounting and reporting practices of the Sabine Parish Tourist and Recreation Commission conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The following is a summary of the Commission's significant policies:

A. Reporting Entity

This report includes all funds which are controlled by or dependent on the Commission. Control by or dependence on the Commission was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility. Based on this criteria, there is no other governmental body that should be included in these statements.

B. Fund Accounting

The accounts of the Commission are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of the general fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are grouped in this report into one generic fund type and one broad fund category as follows:

Governmental Fund Type:

*General Fund* - The general fund is the general operating fund of the Commission. It is used to account for all financial resources of the Commission.

C. Basis of Accounting

Government wide financial statements

The government wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Program revenues included in the Statement of Activities derive directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Commission's general revenues.

Fund financial statements

The general fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become available as net current assets. Tariff fees, intergovernmental revenues, and interest are accrued when their receipt occurs soon enough after the end of the accounting period to be both measurable and available.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

(1) Summary of significant account policies (continued)

D. Budget Practices

The Commission prepares and adopts an annual budget, the dollar amounts being allocated to the various expenditure categories based upon the total amount of anticipated revenues. The Commission amends the budget as appropriate. Budget appropriations lapse at the end of each year.

E. Capital Assets

All capital assets are capitalized at historical cost. The Commission maintains a threshold level of \$1,500 or more for capitalizing capital assets. Capital assets are recorded in the basic financial statements, but are not reported in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives, which vary from 5 to 40 years.

F. 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.

(2) Pending litigation

The Sabine Parish Tourist and Recreation Commission is not involved in any litigation at June 30, 2004.

(3) Tax revenue

The Commission is authorized to levy and collect sales taxes at the rate of 3% of certain sales by tourist enterprises. Effective July 1, 1996 the Commission replaced the sales tax ordinance as adopted by the Sabine Parish Police Jury on July 17, 1974 with an ordinance to collect a 3% occupancy tax within the framework provided by Act No. 47 of the 1995 Regular Session of the Louisiana Legislature. During the year ended June 30 1993, the Commission entered into an agreement with the Sabine Parish Sales and Use Tax Commission (Tax Commission) to authorize the Tax Commission to collect the occupancy tax beginning February 1, 1993.

During 2004 the Commission received certain appropriated sales tax revenues from Louisiana.

(4) Administrative fee

The Commission shares staffing and occupancy expenses with the Sabine Parish Chamber of Commerce. Staffing and occupancy expenses are paid by the Sabine Parish Chamber of Commerce. A fixed monthly assessment is paid by the Commission to the Chamber to reimburse the cost of services provided by the Chamber to the Commission.

(5) Accounts receivable

At June 30, 2004 receivables consisted of \$11,692 due from the Sabine Parish Sales Tax Commission.

(6) Leases

The Sabine Parish Tourist and Recreation Commission was not involved in any capital or operating leases at June 30, 2004.

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

(7) Cash and investments

Louisiana Revised Statutes authorize the Commission to invest in United States bonds, treasury notes or certificates, time certificates of deposit, or any other federally insured investment. Investments are stated at cost, which approximates market value. Of the total of \$196,284 in cash deposited in demand and time deposits as of June 30, 2004, \$158,549 was secured through federal depository insurance and \$37,735 was secured by the pledge of securities owned by the depository bank. These securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties. These secured bank deposits are considered uncollateralized under the provisions of GASB Statement 3; however, Louisiana Revised Statutes require the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Commission that the pledging bank has failed to pay deposited funds upon demand.

(8) Changes in general fixed assets

Capital assets and related depreciation activity for the year ended June 30, 2004 are as follows:

	Land	Equipment	Construction In Process	Total
Cost of capital assets, beginning of year	\$45,695	\$ 24,944	\$ 0	\$ 70,639
Additions	<u>0</u>	<u>0</u>	<u>284,415</u>	<u>284,415</u>
Cost of capital assets, end of year	<u>45,695</u>	<u>24,944</u>	<u>284,415</u>	<u>355,054</u>
Accumulated depreciation, beginning of year	0	10,223	0	10,223
Additions	<u>0</u>	<u>4,188</u>	<u>0</u>	<u>4,188</u>
Accumulated depreciation, end of year	<u>0</u>	<u>14,411</u>	<u>0</u>	<u>14,411</u>
Capital assets, net of accumulated depreciation, end of year	<u>\$45,695</u>	<u>\$ 10,533</u>	<u>\$284,415</u>	<u>\$340,643</u>

(9) Compensation of directors

The directors received no compensation or per diem during the year ended June 30, 2004.

(10) Changes in accounting principles

As of July 1, 2003 the Commission implemented GASB Statement No. 34, which creates new basic financial statement for reporting on the Commission's financial activities. The financial statements now include basic governmental financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which had been the method of presentation in previously issued financial statements.

The implementation of GASB Statement No. 34 caused the opening fund balance at July 1, 2003 to be restated in terms of Net Assets as follows:

Governmental Funds' Fund Balance, July 1, 2003	\$182,210
Add Capital Assets as of July 1, 2003	
Cost	\$70,639
Accumulated depreciation	<u>( 10,223)</u>
Net Assets as of July 1, 2003, as restated	<u>\$242,626</u>

SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2003

(11) Notes payable

On March 19, 2004 the Commission executed a note in the amount of \$150,030, at a present rate of 4.75%, payable \$1519.44 monthly for 10 years. Annual debt service amounts to \$18,233, including interest, through March 20, 2014. Total debt service remaining at June 30, 2004 amounts to \$177,774, which includes interest of \$30,963.

**OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**



SABINE PARISH TOURIST AND RECREATION COMMISSION  
MANY, LOUISIANA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2004

	Original Budget	Final Budget	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Revenues:</b>				
Hotel-motel tax	\$98,000	\$98,000	\$103,217	\$5,217
Louisiana appropriation	100,000	100,000	100,000	0
Louisiana capital outlay	0	98,000	98,000	0
Miscellaneous income	7,200	27,200	41,247	14,047
Interest income	1,300	1,300	1,021	(279)
<b>Total revenues</b>	<u>206,500</u>	<u>324,500</u>	<u>343,485</u>	<u>18,985</u>
<b>Expenditures:</b>				
<b>General government:</b>				
Advertising and publicity	78,160	98,160	83,847	14,313
Administrative fee	60,000	60,000	54,279	5,721
Personel expenses	0	0	4,419	(4,419)
Shows and travel expense	15,900	15,900	6,645	9,255
Office supplies	2,750	2,750	3,788	(1,038)
Professional fees	1,000	1,000	1,000	0
Insurance	1,575	1,575	3,261	(1,686)
Occupancy expenses	0	0	1,024	(1,024)
Telephone	4,000	4,000	5,741	(1,741)
Grant expenses	9,500	9,500	9,664	(164)
Dues	1,200	1,200	1,015	185
Interest	15	15	1,703	(1,688)
Capital outlay	16,000	282,200	284,415	(2,215)
Debt service	15,000	16,800	4,558	12,242
Collection fees	1,400	1,400	2,100	(700)
<b>Total expenditures</b>	<u>206,500</u>	<u>494,500</u>	<u>467,459</u>	<u>27,041</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>0</u>	<u>(170,000)</u>	<u>(123,974)</u>	<u>(8,056)</u>
<b>Other financing sources-note proceeds</b>	<u>0</u>	<u>150,000</u>	<u>150,030</u>	<u>30</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures</b>	<u>0</u>	<u>(20,000)</u>	<u>26,056</u>	<u>(8,026)</u>
<b>Fund balance, beginning</b>	<u>182,210</u>	<u>182,210</u>	<u>182,210</u>	<u>0</u>
<b>Fund balance, ending</b>	<u>\$182,210</u>	<u>\$162,210</u>	<u>\$208,266</u>	<u>(\$8,026)</u>

The accompanying notes are an integral part of these statements.

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

The Board of Directors  
Sabine Parish Tourist and Recreation Commission  
Many, Louisiana

I have audited the basic financial statements of the Sabine Parish Tourist and Recreation Commission, Louisiana, Many, Louisiana, as of and for the year ended June 30, 2004, and have issued my report thereon dated December 20, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Sabine Parish Tourist and Recreation Commission, Louisiana's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provision was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Sabine Parish Tourist and Recreation Commission, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. My 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 basic 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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



EUGENE W. FREMAUX II, CPA  
December 20, 2004