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**Houma-Terrebonne Tourist  
Commission**

**General Purpose Financial Statements  
and Independent Auditor's Report  
December 31, 1999**

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Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

**General Purpose Financial Statements  
and Independent Auditor's Report  
As of and for the Year Ended December 31, 1996**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

We have audited the accompanying general purpose financial statements of the Houma-Terrebonne Tourist Commission (the Commission), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year then ended December 31, 1998, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 Houma-Terrebonne Tourist Commission as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information Schedule of Expenditures - General Fund on page 10 is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Houma-Terrebonne Tourist Commission. 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 presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Martin and Pellegrin*  
March 31, 1999

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

Combined Balance Sheet  
(All Fund Types and Account Group)

December 31, 1995

	<u>Governmental Fund Type General Fund</u>	<u>General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
<b>ASSETS</b>			
Cash	\$ 149,029		\$ 149,029
Certificates of deposit	37,797		37,797
Taxes receivable	38,129		38,129
Due from Terrebonne Parish Consolidated Government	33,800		33,800
Prepaid insurance	247		247
Fixed assets		\$ 40,822	40,822
Accumulated depreciation		(29,111)	(29,111)
Security deposits	<u>75</u>	<u>          </u>	<u>75</u>
<b>TOTAL ASSETS</b>	<b>\$ 259,104</b>	<b>\$ 11,411</b>	<b>\$ 270,515</b>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 2,738		\$ 2,738
Due to Terrebonne Parish Consolidated Government	<u>11,300</u>		<u>11,300</u>
<b>Total liabilities</b>	<b><u>14,038</u></b>		<b><u>14,038</u></b>
<b>FUND EQUITY</b>			
Investment in general fixed assets		\$ 11,411	11,411
Fund balance - unreserved	<u>245,495</u>	<u>          </u>	<u>245,495</u>
<b>Total fund equity</b>	<b><u>245,495</u></b>	<b><u>11,411</u></b>	<b><u>256,906</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 259,104</b>	<b>\$ 11,411</b>	<b>\$ 270,515</b>

The accompanying notes are an integral part of this statement.

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

Notes to Financial Statements  
As of and for the Year Ended December 31, 1996

**NOTE 1 - Summary Of Significant Accounting Policies:**

The Houma-Terrebonne Tourist Commission (the Commission) was created and established by Terrebonne Parish Police Jury Ordinance No. 1977 on May 3, 1977, authorized by Act 19 of the Louisiana Legislature of 1975 (R.S. 33-4574-3574,3). The Commission was formed for the purpose of promoting tourism within the Parish of Terrebonne. The Commission is composed of nine members, known as directors, who are authorized to do all things necessary for the promotion, advertisement, and publication of information relating to tourist attractions within its jurisdiction. The Commission may also sue and be sued, accept grants or donations of every type, and make capital improvements for the purpose of obtaining federal funds. However, the Commission may not exercise any function which results in competition with local retail businesses or enterprises. The Commission is funded by a 3% tax on the occupancy of hotel rooms, motel rooms, and overnight-camping facilities located within the boundaries of Terrebonne Parish and taxes collected by the state on the commission's behalf.

The accounting and reporting policies of the Commission conform to generally accepted accounting principles as applicable to governments. The following is a summary of significant accounting policies:

**A. REPORTING ENTITY:**

The Commission 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 of the Parish for the year ended December 31, 1996.

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

**B. FUND ACCOUNTING:**

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

**Notes to Financial Statements  
As of and for the Year Ended December 31, 1999**

**Governmental Funds:**

Governmental Funds are those through which governmental functions of the Commission are financed. The acquisition, use, and balances of the Commission's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the Commission:

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

**C. BASIS OF ACCOUNTING:**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Hotel/motel sales and use taxes are recorded as revenues in the month due. Parish tax revenues are collected by the Terrebonne Parish Sales and Use Tax Department, remitted to the Terrebonne Parish Consolidated Government, and subsequently sent to the Commission. December taxes were remitted to the Terrebonne Parish Sales and Use Tax Department in January and paid to the Commission in February. The state tax revenues are collected by the Treasurer of the State of Louisiana and remitted to the Commission on a quarterly basis. Miscellaneous revenues are recorded as revenues when received in cash by the Commission because they are generally not measurable until actually received.

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

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

Notes to Financial Statements  
As of and For the Year Ended December 31, 1995

**D. OPERATING BUDGETARY DATA:**

As required by Louisiana Revised Statute 28:1303, 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. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

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

**E. BAD DEBTS:**

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

**F. CERTIFICATES OF DEPOSIT**

Certificates of deposit are stated at cost, which approximates market.

**G. GENERAL FIXED ASSETS**

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

Depreciation of all fixed assets is computed on the straight-line basis. Estimated useful lives of property and equipment are as follows:

Office equipment	5 years
Automobile	5 years

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish consolidated Government**

**Notes to Financial Statements  
As of and For the Year Ended December 31, 1996**

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

**H. COMPENSATED ABSENCES:**

Full-time employees may accrue up to thirty days of vacation time, which begins to accrue after one month of employment. No employee is eligible for any vacation time before the end of their first year of employment. Accumulated vacation is due to the employee at the time of termination or death. Each full-time employee receives ten days of sick leave per year; however, sick leave does not accumulate or vest. Full-time employees may be granted maternity leave of two weeks with pay and two weeks on half-pay provided such request is submitted in writing to the Department Head or Executive Director.

The amount of accumulated vacation benefits was not significant at December 31, 1996.

**I. ENCUMBRANCES**

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

**J. MEMORANDUM ONLY - TOTAL COLUMNS:**

The total column on the combined financial statements is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column do not present financial position or results of operations, in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.



**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

Notes to Financial Statements  
As of and For the Year Ended December 31, 1999

**NOTE 2 - Cash and Certificates of Deposit**

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

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the 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.

The Commission's cash accounts and certificates of deposit were adequately insured by FDIC insurance and pledged securities during the year ended December 31, 1999.

**NOTE 3 - Changes in General Fixed Assets**

A summary of changes in general fixed assets follows:

	Balance January 1, 1999	<u>Additions</u>	<u>Deletions</u>	Balance December 31, 1999
Automobile	\$15,066	\$ -0-	\$ -0-	\$ 15,066
Office furniture, fixtures and equipment	<u>19,169</u>	<u>5,472</u>	<u>-0-</u>	<u>24,641</u>
	35,050	5,472	-0-	40,522
Less accumulated depreciation	<u>(23,731)</u>	<u>(5,380)</u>	<u>-0-</u>	<u>(29,111)</u>
<b>Totals</b>	<b><u>\$11,319</u></b>	<b><u>\$ -92</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$ 11,411</u></b>

**Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government**

Notes to Financial Statements  
As of and For the Year Ended December 31, 1998

**NOTE 4 - Rental Commitment**

The Commission entered into a lease agreement with the Houma-Terrebonne Chamber of Commerce commencing January 1, 1991 through December 31, 1990. The lease agreement called for advance monthly rental payments due on the first of each month in the amount of \$601. The lease agreement also contained an option that was elected by the Commission to prepay the discounted sum of \$ 67,000 for the entire ten year lease period. The Commission amortized one tenth of the prepayment (\$6,700) annually as rental expense. The lease was automatically renewed for an additional ten year period since there was no written notice presented to the Commission regarding termination of the lease before expiration of the primary lease term. There shall be no cash rental due, but all obligations of lessee shall continue as long as lessee occupies the leased premises.

**NOTE 5 - Compensation of Board Members**

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

**NOTE 6 - Contingencies**

The Commission is currently planning to construct a new office/tourist visiting center. This new building has an approximate cost of \$245,000. The commission has estimated that the construction of the building could begin by December 1998.

**Hoama-Terrabona Tourist Commission**

Supplemental Information Schedule -  
 Schedule of Expenditures - General Fund  
 For the Year Ended December 31, 1995

**ECONOMIC DEVELOPMENT AND ASSISTANCE**

Personal Services

Salaries	\$ 73,360
Group insurance	9,109
Payroll taxes	5,965
Workers' compensation insurance	<u>1,145</u>
<b>Total</b>	<u>89,579</u>

Supplies and Materials

Office supplies	7,131
Postage	<u>5,092</u>
<b>Total</b>	<u>12,223</u>

Other Services and Charges

Advertising	34,444
Seminars and conventions	9,857
Travel and entertainment	7,265
Telephone	6,279
Brochures	5,799
General insurance	5,239
Dues and subscriptions	4,059
Professional fees	3,898
Automobile	2,710
Utilities	2,030
Special events	1,256
Rental of equipment	1,162
Miscellaneous	1,024
Photo	<u>490</u>
<b>Total</b>	<u>85,447</u>

Repairs and Maintenance

3,179

Capital Expenditures

5,472

Total economic development  
and assistance

\$199,877

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners  
Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

We have audited the general purpose financial statements of the Houma-Terrebonne Tourist Commission (the Commission), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1996, and have issued our report thereon dated March 31, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Commission is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in condition or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Houma-Terrebonne Tourist Commission for the year ended December 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we

Board of Commissioners  
Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

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



March 21, 1997

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and  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners  
Houma-Terrebonne Tourist Commission  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

We have audited the general purpose financial statements of the Houma-Terrebonne Tourist Commission (the Commission), a component unit of the Terrebonne Consolidated Government, as of and for the year ended December 31, 1995, and have issued our report thereon dated March 31, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the Commission is the responsibility of the Commission's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. 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.

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



March 31, 1997