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JUN 29 1957

LEONARD H. HAMILTON

MONROE-NEST HONOR CONVENTION AND VISITORS BUREAU
OF ORCADETA PARISH
MONROE, LOUISIANA

GENERAL PURCHASER FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 1957

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

REPORT ACCEPTED
LEGISLATIVE AUDITOR

Witness Date JUN 29 1957

MOBILE-WEST MOBILE CONVENTION AND VISITORS BUREAU
OF ORCHITA PARISH
DECEMBER 31, 1997

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- Insurance & Financial Planning
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- Individual & Partnership
- Corporate & Industry
- Management & Financial Services

May 3, 1998

INDEPENDENT AUDITORS' REPORT

Board of Directors
Monroe-West Monroe Convention and
Visitors Bureau of Ouachita Parish
Monroe, Louisiana

We have audited the accompanying general purpose financial statements of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish as of and for the year ended December 31, 1997, as listed in the table of contents. These financial statements are the responsibility of the Bureau's management. Our responsibility is to express an opinion on those general purpose 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 financial statements referred to above present fairly, in all material respects, the financial position of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish taken as a whole. The accompanying supplemental information included in the report is presented for the purpose of additional analysis and is not a required part of the

general purpose financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Johnston, Perry, Johnson & Associates, LLP

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- Tax Preparation & Planning
- Intellectual Property
- Corporate & Financial
- Marketing & Export Services

May 5, 1998

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

Board of Directors

Monroe-West Monroe Convention and
Visitors Bureau of Ouachita Parish
Monroe, Louisiana

We have audited the general purpose financial statements of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish as of and for the year ended December 31, 1997, and have issued our report thereon dated May 5, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the comptroller general of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain

matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements.

The Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish received a summary of quotes for printing of amounts between \$7,500 and \$18,000 indirectly from an advertising agent hired by the Bureau instead of receiving the actual quotes directly from the printing companies. In order to verify the quotes, we recommended that the Bureau request to receive actual quotes and that the bid committee review such quotes prior to acceptance by the advertising agent.

Reply: The Executive Director agreed with this finding.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

**THREE-YEAR REVERSE CONTRACTS AND VISITOR BOARD OF COLLEGE PARK
WORKS, CONTRACTS
COMBINED BALANCE SHEET—ALL FUND TYPES AND REPORT GROUPS
DECEMBER 31, 1997**

CONTINUED

	INVESTMENTAL FUND TYPE		ACCOUNT GROUPS		TOTALS
			GENERAL FUND GROUPS		
			GENERAL	LONG-TERM DEBT	
ASSETS					
Cash	811,000	-	-	-	811,000
Resolutions (Net of Allowance for Noncollectibles)	391,000	-	-	-	391,000
Prepaid Expenses	90,000	-	-	-	90,000
Property, Furniture, Equipment and Vehicle (Net of Accumulated Depreciation)	-	66,821	-	-	66,821
Amounts to be Provided for Payments of Bonds	-	-	6,625,000	-	6,625,000
TOTAL ASSETS	1,292,000	66,821	6,631,621	-	7,000,442
LIABILITIES					
Accounts Payable	69,000	-	-	-	69,000
Accrued and Unearned Payroll Taxes	1,100	-	-	-	1,100
Bonds Payable	-	-	6,635,000	-	6,635,000
TOTAL LIABILITIES	70,100	-	6,635,000	-	7,335,100
FUND EQUITY					
Investment in General Fund Assets	-	66,821	-	-	66,821
Fund Balances	496,000	-	-	-	496,000
Fund Balances Designated	327,000	-	-	-	327,000
Fund Balance (recovered and Undesignated)	360,000	-	-	-	360,000
TOTAL FUND EQUITY	1,183,000	66,821	-	-	1,249,821
TOTAL LIABILITIES & FUND EQUITY	1,292,000	66,821	6,631,621	-	7,000,442

The accompanying notes are an integral part of these financial statements.

MONROE-NORTH MONROE CONVENTION AND VISITORS BUREAU OF ORACHITA PARKER
 MONROE, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES--ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 1967

	FUND TYPE <u>GENERAL</u>	TOTALS (MEMBERSHIP ONLY)	
		1967	1966
REVENUES			
Hotel-Motel Occupancy Tax	354,675	354,675	340,511
Hotel-Motel Sales Tax Rebate	636,747	636,747	496,798
Miscellaneous Revenues	3,863	3,863	4,030
Interest	28,326	28,326	18,363
TOTAL REVENUES	1,023,611	1,023,611	799,672
EXPENDITURES			
Personal Services			
Salaries - Regular	182,101	182,101	131,468
FICA Taxes	3,049	3,049	2,871
Retirement Fund Expense	19,794	19,794	8,887
Unemployment Benefits	3,044	3,044	858
Other Related Benefits	13,026	13,026	13,028
Travel			
Travel and convention solicitation	21,016	21,016	14,357
Gasoline and Related Expenses	3,457	3,457	2,389
Auto Repairs and Maintenance	1,170	1,170	1,544
Operating Expenses			
Advertising	90,901	90,901	88,188
Commission Services	10,492	10,492	19,489
Miscellaneous Advertising	4,641	4,641	15,665
Printing	82,741	82,741	55,488
Photography	8,896	8,896	3,886
Insurance, Other than Personal	10,820	10,820	8,882
Maintenance of Property and Equipment	12,123	12,123	4,897
Supplies and Related Expenses	23,247	23,247	22,828
Fees and Subscriptions	3,888	3,888	2,326
Postage	13,420	13,420	12,144
Telephone	12,942	12,942	12,674
Other Operating Expenses	33,005	33,005	3,848
Utilities	4,263	4,263	6,386
Professional organizations	18,178	18,178	5,686
Supplies			
Office Supplies	2,388	2,388	2,504
Operating Supplies	872	872	1,776

The accompanying notes are an integral part of these financial statements.

NONPROFIT HONOR CONVENTION AND VISITORS BUREAU OF OUACHITA PARISH
MONROE, LOUISIANA
CONSOLIDATED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES--ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1997

	<u>FUND TYPE</u>	<u>TOTAL</u>	
	<u>-SARASALA-</u>	<u>(UNASSIGNED)</u>	<u>(SARAS)</u>
		<u>1997</u>	<u>1996</u>
EXPENDITURES (Continued)			
Professional Services			
Accounting and Auditing	4,808	4,808	4,808
Legal and Other Professional Services	101,742	101,742	68,468
Other Charges			
Miscellaneous Charges	518	518	544
Collection Fees (Disability Charges)	4,000	4,000	4,000
Special Promotions	103,048	103,048	65,932
Capital Outlays			
Household Equipment	7,488	7,488	8,958
Office Equipment	8,208	8,208	4,480
Household Improvement	-	-	12,148
Capital Lease - Work-in-Process	2,228	2,228	-
TOTAL EXPENDITURES	214,028	214,028	165,718
Excess (Deficiency) of Revenues Over Expenditures	248,028	248,028	118,988
OTHER FINANCING SOURCES:			
Proceeds of Bonds	2,825,000	2,825,000	-
TOTAL OTHER FINANCING SOURCES	2,825,000	2,825,000	0-
OTHER FINANCING USES:			
Community Improvements	2,825,000	2,825,000	-
TOTAL OTHER FINANCING USES	2,825,000	2,825,000	0-
Excess (Deficiency) of Revenues and other Financing Sources Over Expenditures and Other Uses	248,028	248,028	118,988
FUND BALANCE - Beginning of Year	247,488	247,488	442,327
Increase in Designated Fund Balance	(64,000)	(64,000)	(170,000)
Prior Period Adjustments	64,000	64,000	-
FUND BALANCE - End of Year - Unreserved and Un-designated	247,488	247,488	247,488

The accompanying notes are an integral part of these financial statements.

**MORRIS-HEST MORRIS CONVENTION AND VISITORS BUREAU OF CORCHITA PARISE
MORRIS, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1997**

	<u>BUDGET</u>	<u>GENERAL FUND ACTUAL</u>	<u>VARIANC FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES (Continued)			
Professional Services			
Accounting and Auditing	8,400	4,800	1,400
Legal and other professional services	100,000	185,500	3,250
Other Charges			
Miscellaneous Charges	400	510	1
Collection Fees (Statutory Charges)	4,000	4,000	-
Special Formation	118,000	203,000	14,000
Capital Outlays			
Household Equipment	8,000	7,400	504
Office Equipment	7,000	9,500	1
Leasehold Improvements	3,000	-	3,000
Autos/Truck	25,000	-	25,000
Capital Leases - Work-in-Progress	-	2,200	1
TOTAL EXPENDITURES	236,800	389,800	48,400
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES:			
Proceeds of Bonds	-	2,000,000	2,000,000
TOTAL OTHER FINANCING SOURCES	-0-	2,000,000	2,000,000
OTHER FINANCIAL LINES:			
Community Improvements	-	2,000,000	12,000,000
TOTAL OTHER FINANCIAL LINES	-0-	2,000,000	2,000,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER LINES:			
	976,138	290,000	138,900
FUND BALANCES			
Beginning of Year	247,400	247,400	-
Increase in Designated Funds	-	1	1
Price Period Adjustment	-	54,000	54,000
End of Year	247,400	247,400	108,900

The accompanying notes are an integral part of these financial statements.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUCHITA PARISH
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1990

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish was formed and created as a tourist commission for the purpose of the promotion of tourism within the Parish of Ouachita by an ordinance of the Police Jury of the Parish of Ouachita in 1979. There are eleven board members appointed by the Ouachita Parish Police Jury. The board members are not compensated or paid a per diem. The Bureau has five full-time employees. On June 9, 1995 pursuant to Article VI, Section 19 and 30 of the Constitution of Louisiana, the Bureau was specifically created as a special district and shall from that point on be a political subdivision of the State of Louisiana. The accounting policies of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies.

a. The Reporting Entity:

The Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish is a component unit of the Ouachita Parish Police Jury, the governing body of the Parish and governmental body with oversight responsibility until June 9, 1995 as noted above. The accompanying financial statements present information only on the funds maintained by the Bureau and do not present information on the police jury, or the other governmental units that comprise the governmental reporting entity.

b. Fund Accounting:

The accounts of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting: (Continued)

General Fund

The General Fund is the general operating fund of the Monroe-West Monroe Convention and Visitors Bureau of Orchesta Parish.

General Long-Term Fund Account Group

This account group is established to account for all long-term debt of the Bureau and for those long-term liabilities to be liquidated with resources to be provided in future periods.

c. Fixed Assets:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. General Fixed Assets purchased are recorded as expenditures in the general fund at time of purchase. Such assets are capitalized at cost in the General Fixed Assets Group of accounts. Gifts or contributions are recorded in general fixed assets at fair market value at the time received. Depreciation has been provided on general fixed assets using the straight-line method of depreciation over their estimated useful lives, ranging from five to eight years for furniture and equipment and ten to thirty-nine years for leasehold improvements.

d. Basis of Accounting:

The General Fund is maintained on the modified accrual basis of accounting, utilizing the following practices in recording revenues and expenditures.

Revenues - The hotel-motel occupancy tax and the sales tax rebate are recognized as revenue when collected by the City of Monroe and the State of Louisiana. All other miscellaneous revenue and grants are recognized when received or as earned.

Expenditures - All expenditures are recognized as expenditures when incurred.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Budgetary Practices:

The Monroe-West Monroe Convention and Visitors Bureau of Ouschita Parish prepares an annual budget of revenues and expenditures in conformity with generally accepted accounting principles as applied to governmental units for approval by the Ouschita Parish Police Jury. Budget amendments after June 8, 1995 no longer require the Ouschita Parish Police Jury's approval.

Unexpended budget balances lapse at year end. The Bureau's board of directors has the authority to make changes or amendments within various budget classifications. All amendments made to the original 1997 budget are reflected in the budget comparison.

f. Cash:

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts.

g. Compensated Absences:

The Bureau has the following policy relating to vacation and sick leave:

Only permanent full-time employees are entitled to vacation and sick leave. Vacation or sick leave not taken during a calendar year cannot be carried forward to the following year.

h. Fund Equity:

Reserves - Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated fund balances - Designated fund balances represent tentative plans for future use of financial resources.

i. Total Columns On Statements:

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2 - CASH

At December 31, 1997, the Bureau had cash totaling \$811,593 as follows:

Category 1	Demand Deposits	67,360
Category 3	Time Deposits	744,233
	<u>TOTAL</u>	<u>\$811,593</u>

These deposits are stated at cost, which approximates market and are secured from risk by \$100,000 of federal deposit insurance. Time deposits also include an investment of \$744,233 in the Louisiana Asset Management Pool (LAMP).

The Louisiana Asset Management Pool, or LAMP, is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana (such as parishes, school boards, police juries and sheriffs, among others) to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield.

LAMP is a cooperative endeavor formed, in part, in reliance upon Opinion No. 92-183 (March 31, 1992) issued by the Attorney General of the State of Louisiana. That opinion provides, in part, that public entities may pool funds for investment purposes.

LAMP has adopted investment guidelines that restrict investment to securities and other obligations that are permissible investments for municipalities, parishes and other political subdivisions under Louisiana state law. These guidelines are reviewed and modified, from time to time, by the Executive Committee of the Board of Directors of LAMP, Inc. after review and approval by the Investment Division of the Department of the Treasury of the State of Louisiana.

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF OUCHITA PARISH
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 3 - RECEIVABLES

The following is a summary of receivables at December 31, 1997.

Class of Receivable	General Fund
Hotel-Motel Sales Tax Rebate	178,700
Hotel-Motel Sales Tax Revenue	25,425
Miscellaneous Accounts	3,058
<u>TOTAL</u>	<u>197,181</u>

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, 1997	Additions	Retirements	Balance December 31, 1997
Furniture and Equipment	170,338	14,415	-	184,753
Vehicles	18,182	-	-	18,182
Leasehold Improvements	88,808	-	-	88,808
Capital Lease Work-in-Process	-	3,350	-	3,350
<u>TOTAL</u>	<u>287,338</u>	<u>18,865</u>	<u>-</u>	<u>306,203</u>

A summary of changes in Accumulated Depreciation follows:

	Beginning Depreciation Balance For 1997	Disposal of Asset	Ending Balance	
Accumulated Depreciation	147,307	23,178	-	170,485

NOTE 5 - PENSION PLAN

Substantially all employees of the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Bureau are members of Plan A.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 5 - RETIREMENT PLAN (Continued)

All permanent employees working at least 20 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the system. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final-average salary for each year of service credited after the vesting date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70806-4619, or by calling (225)928-1361.

Under Plan A, members are required by state statute to contribute 3.5 percent of their annual covered salary and the Bureau is required to contribute at an actuarially determined rate. The current rate is 7.35 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Bureau are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bureau's contributions to the System under Plan A for the years ending December 31, 1997, 1996, and 1995, were \$18,794, \$8,867, and \$11,373, respectively, equal to the required contributions for each year.

MONROE-NORTH MONROE CONVENTION AND VISITORS BUREAU OF ORCHITA PARISH
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 8 - LEASES

The minimum annual commitments under a non-cancelable operating lease with certain exceptions are as follows:

Year	Building and Office Facilities
1997	\$5,284

During 1997, the Bureau entered into a capital lease with the city of West Monroe, Louisiana to build and lease office space. The lease is for a fifteen-year period commencing September 1, 1997. The initial monthly rental is \$450 per month beginning September 1, 1997. The monthly rental is subject to increases on November 1, 1997; February 1, 1998; June 1, 1998; September 1, 1998 and as of the date of final completion of construction and final acceptance based upon expenditures of lessor. The Bureau paid \$2,250 during 1997 on the capital lease. The lease payment shall be increased in order to amortize the additional cost of construction over the remaining lease period subject to a maximum monthly payment of \$2,000 per month by the lessee. If the amount exceed \$2,000 per month, the Bureau can pay down the principal balance sufficient enough to maintain a \$2,000 maximum rental payment or pay \$1,000 for three years and adjust the payments subsequently to pay the balance over the remaining life of the lease.

The Bureau will be responsible for maintenance, repairs, insurance, utilities, and taxes. The Bureau has the option to purchase the leased premises at a price equal to the amortized principal balance owed on the date of transfer of ownership. The total project cost was not determinable at December 31, 1997 and could not be reasonably estimated. Therefore, no accrual has been recorded at year end.

No lease payments are due subsequent to December 31, 1997. The lease commenced on January 1, 1997 and ends on December 31, 2008 with the option by the Bureau to extend the term for an additional ten years. All maintenance is the responsibility of the Bureau. Additionally, the Bureau is required to provide \$100,000 of fire insurance and \$1,000,000 of general liability insurance. The lease provides for the Bureau to have first right of refusal as to any proposed sale of the property.

MISSOURI-NEXT MONROE CONVENTION AND VISITING BUREAU OF QUACHITA PARISH
 MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 7 - COMPENSATION - BOARD OF DIRECTORS

There was no compensation or per diem paid to any member of the Board of Directors during the year of 1997.

NOTE 8 - 1997 PRIOR PERIOD ADJUSTMENT

The Bureau set aside \$14,000 in 1996 (\$7,000 per year for the next two years) for the Sweet Sixteen Tournament in 1997 and 1998. The \$14,000 was expensed in 1996. However, the amount should have been recorded in designated funds until each year's event was completed.

NOTE 9 - DESIGNATED FUND BALANCES

The Bureau committed \$300,000 to aid the construction of breakout rooms at the Monroe Civic Center during the year 1996. During 1997, these funds have not yet been expended. Also, the Bureau designated to set aside \$74,000 into a contingency-emergency fund during 1996. In 1997, the Bureau set aside an additional \$84,000 for special 1998 promotional events. The breakdown of designated funds is as follows:

Civic Center	\$300,000
Contingency Fund	70,000
1998 Promotion	
Sweet Sixteen	27,000
Krewe of Jaxus	15,000
Ronald McDonald House	
Golf Tournament	15,000
Big Bass Tournament	5,000
Quachita Enterprises	<u>2,000</u>
TOTAL	<u>434,000</u>

NOTE 10 - GENERAL LONG-TERM DEBT

	Balance		Balance	
	January 1, 1997	Issued	Retired	December 31, 1997
General Obligation				
Bonds - 2,050,000				
Originally Issued				
with an Interest				
Rate at 4.50%	-0-	2,050,000	-0-	2,050,000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1997

NOTE 10 - GENERAL LONG-TERM DEBT (Continued)

Following is a summary of bond principal payments:

1998	160,000
1999	170,000
2000	180,000
2001	190,000
2002	200,000
Thereafter	1,150,000
<u>TOTAL</u>	<u>2,950,000</u>

The general obligations bonds were issued December 9, 1993 with principal payments due November 1 of each year and interest payments semi-annually May 1 and November 1 of each year. The bonds were issued to provide funds for a cooperative agreement (more fully disclosed in Note 11) with the city of West Monroe and will be repaid with hotel/motel sales tax revenues and rebates received. The Bureau has formally pledged the two percent occupancy tax and four percent sales tax rebate for bond repayment. Bonded indebtedness of the Bureau is reflected in the General Long-Term Debt Account Group.

The Bureau is in compliance with all significant limitations and restrictions from bond obligations as of December 31, 1997.

NOTE 11 - COOPERATIVE ENDEAVOR AGREEMENT

During 1997 the Bureau entered into a cooperative endeavor agreement with the city of West Monroe to provide funds for the planning, acquisition, and construction of a livestock pavilion and equine/rider center within the city of West Monroe. The Bureau's sole obligation under the agreement is to provide funds in the amount of \$3,500,000 (proceeds from issuance of bonds - see Note 10) and retains certain rights to review plans and construction of the center. The city is responsible for providing the remaining funding and for performing the actual planning and construction of the center.

NOTE 12 - COMMITMENTS

The Bureau committed future funds to the Northeast Natural History Museum and the African-American Heritage in the amounts of \$200,000 and \$150,000, respectively, provided that they each obtain matching funds.

HONORABLE-MOST HONORABLE CONVENTION AND VISITORS BUREAU OF ORANGEITA PARISH
NEWORLEANS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1967

NOTE 13 - SUBSEQUENT EVENTS

Subsequent to year end, the Bureau committed additional funds of \$25,000 for various special promotions. Additionally, the Bureau set aside an additional \$50,000 in designated funds for contingencies and emergencies.

SUPPLEMENTAL INFORMATION

MONROE-WEST MONROE CONVENTION AND VISITORS BUREAU OF (CASCITA PARISH)
MONROE, LOUISIANA
RESOLUTION OF PRIOR YEAR AUDIT FINDINGS
DECEMBER 31, 1997

- Findings: The Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish failed to timely supply written documentation on quotes for amounts between \$5,000 to \$10,000 or timely written documentation when the lowest quote was not used.
- Status: During 1996, the Bureau established a committee to oversee the bidding process. In 1997, the Bureau received a summary of quotes for printing indirectly from an advertising agent hired by the Bureau instead of receiving the actual quotes directly from the printing companies. No other items were noted in 1997.
- Finding: The Bureau failed to maintain copies of I-9's and W-4's in employee files. We recommend that all employee files include the necessary documentation and I-9 required payroll forms.
- Status: The Bureau has obtained copies of I-9's and W-4's for the employee files.
- Finding: In 1994, the Monroe-West Monroe Convention and Visitors Bureau of Ouachita Parish failed to comply with certain statutory requirements to obtain competitive bids on printing expenditures and the purchase of mail processing equipment in amounts over \$10,000 that may be material to the general fund.
- Status: During 1996, the Bureau established a committee to oversee the bidding process. Since its establishment, no failures in bid requirements have occurred.



Institute of Certified Public Accountants
Morris G. Thompson, CPA, DABF

CPA, DABF, CPA
Paul S. S. S. S. S.

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FAX 561-991-1111



- Accounting and Auditing
- U.S. GAAP
- Non-Profit Organizations
- Tax and Financial Planning
- Tax Preparation & Planning
- International Accounting
- Corporate & Real Estate

October 15, 1997

**Morris - West Monroe Convention
and Visitors Bureau, Inc.**

Ladies and Gentlemen:

We are pleased to be selected to serve as certified public accountants for the purpose of auditing and reporting on the financial statements of the Morris - West Monroe Convention and Visitors Bureau, Inc. for the year ending December 31, 1997. The purpose of this letter is to confirm our understanding concerning the engagement. We anticipate that the audit work will commence no later than March 15, 1998, and that the report will be issued no later than June 30, 1998.

We will audit the Agency's financial statements as of and for the year ended December 31, 1997, for the purpose of expressing an opinion on them. Our audit will be made in accordance with generally accepted auditing standards, generally accepted government auditing standards found in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Office of Management and Budget's (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Our examination will include such tests of the accounting records as we consider necessary in the circumstances.

As part of the audit we will also:

Determine if costs claimed for funding under the programs provided by the Agency conform with the terms of applicable laws, regulations, and program contracts between the Agency and its funding agencies.

Determine if the programs were administered in accordance with the financial regulations, procedures, and reporting requirements as prescribed by the funding agencies.

Determine and report amounts paid members of the governing board for compensation or per diem.

**Minors - West Minors Corporation
and Vietnam Bureau, Inc.**

October 15, 1997

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An audit such as the one referred to above provides for inquiry and selective tests of your operating procedures including those designed to safeguard property. It gives reasonable assurance that the overall financial position and the net results of operations are fairly presented on the basis indicated. It gives less assurance as to the accuracy of individual items appearing in the financial statements taken as a whole. An examination by independent certified public accountants for the purpose of expressing an opinion on the financial statements is not primarily or specifically designed and cannot be relied upon to disclose defalcations or other similar irregularities, although, if present, their discovery may result. We will, of course, inform you if, as a result of this examination, we feel there is a need for someone to investigate more specifically for possible just irregularities or a need to change the accounting system and procedures, or review them more extensively, with a view to minimizing the possibility of future losses. Should any discovery of defalcations or similar irregularities result from our examination, we will immediately notify you and the Legislative Auditor of the State of Louisiana. The Legislative Auditor will also be notified in writing should this agreement be canceled, or should there be any client imposed scope restrictions, including denial of access to appropriate books and records.

During the course of our audit, we may observe opportunities for economies in or for improved controls over your operations, or variances with applicable laws and regulations, or other matters which should be brought to your attention. Generally, we will write you a separate letter of comment and suggestion concerning these matters.

In accordance with Louisiana Revised Statutes 34:317B, we will send directly to the Legislative Auditor, (eight bound and one unbound copies), any state or federal grantor, the Census Bureau (for single audits only), and any state or federal cognizant agency the required copies of the audit report along with any management letters, missed reports, or written communications immediately upon completion of the audit. The Legislative Auditor, any state or federal grantor, any state or federal cognizant agency, any business auditor, and/or any organization authorized by the Louisiana State Board of Certified Public Accountants to perform working paper reviews as part of a quality assurance program will have access to our working papers. These working papers shall be retained by our office for a minimum of three years.

Monroe - West Monroe Convention
and Visitors Bureau, Inc.
October 15, 1997
Page 3

Bonard H. Perry, CPA and Ms. Julia Trickett of Monroe - West Monroe Convention and Visitors Bureau, Inc. are designated as contact persons to respond to any inquiries, if any, concerning the audit.

Our fee for this audit will be our regular per diem rates, plus travel and other out-of-pocket expenses. We estimate our fee to be \$4,900.

If the foregoing meets with your approval, please sign this letter in the space provided and return it to us.

Sincerely,

PERRY & COMPANY
A PROFESSIONAL ACCOUNTING CORPORATION

Bonard Perry, CPA
President

Engagement Approved:

By: Julia Trickett

Title: Executive Director

Date: 10-22-97

LEGISLATIVE DIRECTOR, STATE OF LOUISIANA

By: David S. Kato

Date: 10-28-97