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SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
JUNE 30, 1998

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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.

Release Date 9-23-98

NDEPENDENT AUDITOR'S REPORT

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

I have audited the accompanying component unit financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, a component unit of the Sabine Parish Police Jury, State of Louisiana, and the individual fund and account group financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, as of June 30, 1998 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 generally accepted auditing standards 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component unit 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, Many, Louisiana, a component unit of the Sabine Parish Police Jury, State of Louisiana, as of June 30, 1998, and the results of its operations, and changes in fund balance for the year then ended in conformity with generally accepted accounting principles. Also, in my opinion, the individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of the individual fund and account group of the Sabine Parish Tourist and Recreation Commission at June 30, 1998, and the results of the operations of such funds for the year then ended, in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole and on the individual fund and account group financial statements. The accompanying supplementary schedule and related information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the component unit, individual fund, and account group financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements of the respective individual fund and account group, taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated August 19, 1998 on my consideration of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana's internal control structure and a report dated August 19, 1998 on its compliance with laws and regulations.

The financial information for the year ended June 30, 1997, which is included for comparative purposes, were taken from the financial report for that year in which I expressed an unqualified opinion dated August 6, 1997, on the component unit, individual fund, and account group financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana.



EUGENE W. FREMAUX II, CPA
August 19, 1998

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1998 AND 1997

ASSETS	GOVERNMENT FUND TYPE GENERAL FUND	ACCOUNT GROUP GENERAL FIXED ASSETS	TOTALS (MEMORANDUM ONLY) JUNE 30,	
			1998	1997
Cash	\$19,532	\$0	\$19,532	\$3,790
Accounts receivable	35,246	0	35,246	6,152
Office furniture and equipment	0	11,185	11,185	8,979
Automobile	0	20,243	20,243	20,243
Prepaid expenses	1,593		1,593	1,593
Total assets	\$56,371	\$31,428	\$87,799	\$40,757
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$198	\$0	\$198	\$1,310
Total liabilities	198	0	198	1,310
Fund equity:				
Investment in general fixed assets	0	31,428	31,428	29,222
Fund balance - unreserved	56,173	0	56,173	10,225
Total fund equity	56,173	31,428	87,601	39,447
Total liabilities and fund balance	\$56,371	\$31,428	\$87,799	\$40,757

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
Revenues:		
Hotel-motel tax	\$55,338	\$51,276
Act 18 appropriation	39,700	\$0
Miscellaneous income	6,144	8,361
Interest income	335	106
 Total revenues	 101,517	 59,743
Expenditures:		
General government:		
Advertising, printing and publicity	18,222	23,673
Administrative fee	19,120	17,455
Shows and travel expense	5,769	3,765
Office supplies	3,276	1,591
Professional fees	950	950
Insurance	1,016	1,012
Telephone	3,091	2,761
Dues	639	894
Interest	154	230
Collection fees	1,126	1,057
 Total general government	 53,363	 53,388
Capital outlay	2,206	558
 Total expenditures	 55,569	 53,946
Excess (deficiency) of revenues over (under) expenditures	45,948	5,797
Fund balance, beginning	10,225	4,428
Fund balance, ending	\$56,173	\$10,225

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

(1) Summary of significant accounting policies

The Sabine Parish Tourist and Recreation Commission, Many, Louisiana, was created by an ordinance of the Sabine Parish Police Jury. The Commission is a political subdivision of the Sabine Parish Police Jury, whose jurors are elected officials. This report includes all funds and account groups which are controlled by or dependent on the Board of Directors of the Sabine Parish Tourist and Recreation 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. The accompanying financial statements consist only of the fund and account group of the Sabine Parish Tourist and Recreation Commission and do not present information on the Sabine Parish Police Jury.

The accounting and reporting practices of the Sabine Parish Tourist and Recreation Commission conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the general requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices the Commission now follows:

Fund accounting - The accounts of the Tourist and Recreation 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 -

 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.

Fixed assets and long-term liabilities - The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on its balance sheet. Its reported fund balance is considered a measure of "available spendable resources".

Fixed assets used in general fund operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the general fund when purchased. No depreciation has been recorded on general fixed assets.

All fixed assets are valued at historical cost.

This account group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with measurement of results of operation.

Long-term liabilities expected to be financed from governmental fund types are accounted

(1) Summary of significant account policies (continued)

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

for in the General Long-Term Debt Account Group. This is not a fund but rather an account group that is used to account for the outstanding principal balances of long-term debt.

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.

The general fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become available as net current assets. Motel taxes, 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.

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. All expenditures in excess of budgeted amounts were approved by the Commission, even though never formally incorporated in the budget by amendment. Budget appropriations lapse at the end of each year.

Comparative data - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Commission's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Total columns on combined statements - overview - Total columns on the combined statements - overview are captioned "MEMORANDUM ONLY" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) Pending litigation

The Sabine Parish Tourist and Recreation Commission is not involved in any litigation at June 30, 1998.

(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 1998 the Commission also received certain appropriated sales tax revenues from Louisiana in accordance with Act 18 of the 1997 Legislature.

(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. At June 30, 1998, the July 1998 assessment of \$1,593 had been prepaid by the Commission.

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

(5) Operations

The Commission operates as a political subdivision created by the Sabine Parish Police Jury, therefore it is exempt from income tax and is not required to file an annual information return.

(6) Accounts receivable

At June 30, 1998 receivables include \$28,753 due from Louisiana and \$6,493 due from the Sabine Parish Sales Tax Commission.

(7) Leases

The Sabine Parish Tourist and Recreation Commission was not involved in any capital or operating leases at June 30, 1998.

(8) 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. These investments, which are deposits in interest bearing money market accounts, and all bank deposits are fully secured through federal depository insurance.

(9) Changes in general fixed assets

	Balance July 1, 1997	Additions	Deductions	Balance June 30, 1998
Equipment—display furniture and fixtures	\$ 6,356	\$2,206	\$ 0	\$ 8,562
Office furniture & fixtures	2,143			2,143
Photographic equipment	480			480
Automobile	20,243			20,243
	-----	-----	-----	-----
	\$29,222	\$2,206	\$ 0	\$31,428
	=====	=====	=====	=====

(10) Miscellaneous income

Miscellaneous income for the year ended June 30, 1998 is composed of the following:

Grant from Shreveport Regional Arts Council	\$3,805
Cooperative advertising support	2,339

	\$6,144
	=====

(11) Compensation of directors

The directors received no compensation or per diem during the year ended June 30, 1998.

FINANCIAL STATEMENTS
OF INDIVIDUAL FUND
AND ACCOUNT GROUP

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1998 AND 1997

ASSETS	1998	1997
Cash	\$19,532	\$3,790
Accounts receivable	35,246	6,152
Prepaid expenses	1,593	1,593
Total assets	\$56,371	\$11,535
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$198	\$1,310
Total liabilities	198	1,310
Fund balance - unreserved	56,173	10,225
Total liabilities and fund balance	\$56,371	\$11,535

The accompanying notes are an integral part of these statements.

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Hotel-motel tax	\$51,000	\$55,338	\$4,338
Act 18 appropriation	15,000	39,700	24,700
Miscellaneous income	2,200	6,144	3,944
Interest income	0	335	335
Total revenues	68,200	101,517	33,317
Expenditures:			
General government:			
Advertising and publicity	20,200	18,222	1,978
Administrative fee	19,120	19,120	0
Shows and travel expense	5,700	5,769	(69)
Office supplies	3,200	3,276	(76)
Professional fees	950	950	0
Insurance	1,015	1,016	(1)
Telephone	3,200	3,091	109
Dues	600	639	(39)
Interest	100	154	(54)
Collection fees	1,100	1,126	(26)
Total general government	55,185	53,363	1,822
Capital outlay	2,206	2,206	0
Total expenditures	57,391	55,569	1,822
Excess (deficiency) of revenues over (under) expenditures	10,809	45,948	35,139
Fund balance, beginning	10,225	10,225	0
Fund balance, ending	\$21,034	\$56,173	\$35,139

The accompanying notes are an integral part of these statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets used in general fund operations.

EXHIBIT E

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
JUNE 30, 1998 AND 1997

	1998	1997
General fixed assets, at cost:		
Equipment - display furniture and fixtures	\$8,562	\$6,356
Office furniture and fixtures	2,143	2,143
Photographic equipment	480	480
Automobile	20,243	20,243
Total general fixed assets	<u>\$31,428</u>	<u>\$29,222</u>
Investment in general fixed assets:		
General fund revenues	<u>\$31,428</u>	<u>\$29,222</u>

EXHIBIT F

SABINE PARISH TOURIST AND RECREATION COMMISSION
MANY, LOUISIANA
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
FOR THE YEAR ENDED JUNE 30, 1998

	Equipment- display furniture & fixtures	Office furniture & fixtures	Photo Equipment	Autos
Balance, beginning of year	<u>\$6,356</u>	<u>\$2,143</u>	<u>\$480</u>	<u>\$20,423</u>
Additions	2,206	0	0	0
Deductions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance, end of year	<u>\$8,562</u>	<u>\$2,143</u>	<u>\$480</u>	<u>\$20,423</u>

The accompanying notes are an integral part of these statements.

Eugene W. Fremaux II

Certified Public Accountant

P. O. Box 134 270 Marthaville Road

Many, Louisiana 71449

318-256-0332

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH LAWS AND REGULATIONS 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 component unit financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, as of and for the year ended June 30, 1998, and have issued my report thereon dated August 19, 1998.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Sabine Parish Tourist and Recreation Commission is the responsibility of the Commission's management. As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on the overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

I noted certain immaterial instances of noncompliance that I have reported to the management of Sabine Parish Tourist and Recreation Commission in a separate letter dated August 19, 1998.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



EUGENE W. FREMAUX II, CPA

August 19, 1998

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

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

I have audited the component unit financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, for the year ended June 30, 1998, and have issued my report thereon dated August 19, 1998.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, 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 financial statements in accordance with generally accepted 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 conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana, for the year ended June 30, 1998, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My 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 reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended solely for the use of management and the Legislative Auditor of the State of Louisiana and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in cursive script, appearing to read "Eugene W. Fremaux II". The signature is written in dark ink and is positioned above the printed name.

EUGENE W. FREMAUX II, CPA

August 19, 1998

Eugene W. Fremaux II

Certified Public Accountant

P. O. Box 134 270 Marthaville Road

Many, Louisiana 71449

318-256-0332

FAX 318-256-0332

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

In connection with my audit of the component unit financial statements of the Sabine Parish Tourist and Recreation Commission, Many, Louisiana for the year ended June 30, 1998, I offer the following observations and recommendations, which are intended to help improve the operations of the Commission and are to be constructive in nature:

CURRENT YEAR RECOMMENDATIONS

1. Existing condition

The Commission did not adopt the budget for the year ended June 30, 1998 until July 15, 1997, however no funds for the year ended June 30, 1998 were disbursed prior to July 15, 1997. Louisiana laws require that the budget be adopted prior to the start of the year.

Recommended action

The Commission should adopt the budget on a timely basis.

Action taken

The Commission adopted the budget for the year ended June 30, 1999 on a timely basis.

* * * * *

The above observations and recommendations are not all inclusive. I would like to thank you for your cooperation during my engagement.

Sincerely,



EUGENE W. FREMAUX II, CPA
August 19, 1998