

**River Parishes Convention, Tourist,  
& Visitors Commission**

Annual Financial Report

Year Ended June 30, 2021

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
Table of Contents  
June 30, 2021**

|   | <u>Page</u> |
|---|-------------|
| <b>Independent Auditor’s Report</b>   | 1-3         |
| <b>Management’s Discussion and Analysis</b>   | 4-8         |
| <b>Financial Statements</b>   |             |
| Statement of Net Position   | 9           |
| Statement of Activities   | 10          |
| Balance Sheet - Governmental Fund Type - General Fund   | 11          |
| Statement of Revenues, Expenditures, and Change in Fund Balance -<br>Governmental Fund Type - General Fund  | 12          |
| Reconciliation of the Governmental Fund Balance Sheet<br>to the Statement of Net Position   | 13          |
| Reconciliation of the Governmental Fund Statement of<br>Revenues, Expenditures, and Change in Fund Balance<br>to the Statement of Activities  | 13          |
| Notes to Financial Statements   | 14-22       |
| <b>Required Supplementary Information</b>   |             |
| Budgetary Comparison Schedule   | 23          |
| <b>Supplementary Information</b>  |             |
| Schedule of Expenditures - General Fund   | 24          |
| Schedule of Compensation, Benefits, and Other Payments to the Executive<br>Director   | 25          |
| <b>Special Report of Certified Public Accountants</b>   |             |
| Independent Auditor’s Report on Internal Control over Financial Reporting<br>and on Compliance and Other Matters Based on an Audit of Financial<br>Statements Performed in Accordance with <i>Government Auditing<br/>Standards</i> | 26-27       |
| <b>Schedule of Findings and Responses</b>   | 28-29       |
| <b>Reports by Management</b>  |             |
| Schedule of Prior Findings and Resolution Matters   | 30-31       |
| Management’s Corrective Action Plan for Current Year Findings   | 32          |

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified Public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
LaPlace, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the River Parishes Convention, Tourist, & Visitors Commission (the Commission), a component unit of the State of Louisiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the River Parishes Convention, Tourist, & Visitors Commission as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 8 and the Budgetary Comparison Schedule on page 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the River Parishes Convention, Tourist, & Visitors Commission's basic financial statements. The Schedule of Expenditures – General Fund on page 24 and the Schedule of Compensation, Benefits, and Other Payments to the Executive Director on page 25 are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The Schedule of Expenditures – General Fund and the Schedule of Compensation, Benefits, and Other Payments to the Executive Director are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures – General Fund and the Schedule of Compensation, Benefits, and Other Payments to the Executive Director are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Governmental Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the Commission’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission’s internal control over financial reporting and compliance.



Houma, Louisiana  
December 17, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Management's Discussion and Analysis  
June 30, 2021

As management of the River Parishes Convention, Tourist, & Visitors Commission (the Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the year ended June 30, 2021.

**Financial Highlights**

- River Parishes Convention, Tourist, & Visitors Commission's assets exceeded its liabilities by \$302,309 (net position) as of June 30, 2021.
- Expenditures exceeded revenues by \$371,843 during the year.
- The River Parishes Convention, Tourist, & Visitors Commission received and disbursed Parish taxes totaling \$705,487 and State appropriation funding of \$201,547.

**Overview of the Financial Statements**

This discussion and analysis serves as an introduction to the Commission's financial statements. River Parishes Convention, Tourist, & Visitors Commission's financial statements consist of the following:

**Statement of Net Position.** This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

**Statement of Activities.** Consistent with the full accrual basis method of accounting, this statement accounts for the entity-wide current year revenues and expenses regardless of when cash is received or paid.

**Balance Sheet – Governmental Fund Type – General Fund.** This statement presents the Commission's assets, liabilities, and fund balance for its general fund only.

**Statement of Revenues, Expenditures, and Change in Fund Balance – Governmental Fund Type – General Fund.** Consistent with the modified accrual basis method of accounting, this statement accounts for current year revenues when received except when they are measurable and available. Expenditures are accounted for in the period that goods and services are used in the government's activities. In addition, capital asset purchases are expensed and not recorded as an asset. The statement also exhibits the relationship of revenues and expenditures with the change in fund balance.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Management's Discussion and Analysis  
June 30, 2021

**Overview of the Financial Statements (Cont.)**

**Notes to Financial Statements.** The accompanying notes provide additional information essential to a full understanding of the data provided in the basic financial statements.

**Basic Financial Analysis**

Net position may serve over time as a useful indicator of an entity's financial position. In the case of the Commission, assets exceeded liabilities by \$302,309 at the close of June 30, 2021. The largest portion of the Commission's total assets is cash and investments (56.29%).

**The Commission's Condensed Statement of Net Position**

|                                       | <b>June 30,</b>   |                   |
|---------------------------------------|-------------------|-------------------|
|                                       | <b>2021</b>       | <b>2020</b>       |
| <b>ASSETS</b>                         |                   |                   |
| Cash and investments                  | \$ 268,635        | \$ 753,965        |
| Other current assets                  | 175,931           | 45,171            |
| Capital assets                        | 103,051           | 103,051           |
| Accumulated depreciation              | (70,373)          | (61,404)          |
| <b>TOTAL ASSETS</b>                   | <b>477,244</b>    | <b>840,783</b>    |
| <b>LIABILITIES</b>                    |                   |                   |
| Accounts payable and accrued expenses | 96,044            | 148,103           |
| Compensated absences payable          | 18,528            | 18,528            |
| Paycheck Protection Program loan      | 60,363            | -                 |
| <b>TOTAL LIABILITIES</b>              | <b>174,935</b>    | <b>166,631</b>    |
| <b>NET POSITION</b>                   |                   |                   |
| Net investment in capital assets      | 32,678            | 41,647            |
| Unrestricted                          | 269,631           | 632,505           |
| <b>TOTAL NET POSITION</b>             | <b>\$ 302,309</b> | <b>\$ 674,152</b> |

Total assets decreased by \$363,539, and total liabilities increased by \$8,304.



**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
Management's Discussion and Analysis  
June 30, 2021**

**Basic Financial Analysis (Cont.)**

During the year, the Commission's net position decreased by \$371,843. The elements of the decrease are as follows:

**The Commission's Condensed Statement of Activities**

|  | Year Ended<br>June 30, |                     |
|--|------------------------|---------------------|
|  | 2021                   | 2020                |
| <b>REVENUES</b>                        |                        |                     |
| Parish taxes                           | \$ 705,487             | \$ 384,003          |
| State appropriation                    | 201,547                | 233,096             |
| Grants                                 | 79,925                 | -                   |
| Other                                  | 33,750                 | 62,497              |
| <b>TOTAL REVENUES</b>                  | <b>1,020,709</b>       | <b>679,596</b>      |
| <b>EXPENDITURES</b>                    |                        |                     |
| Other services and charges             | 939,124                | 726,378             |
| Personnel services                     | 365,032                | 331,493             |
| Other                                  | 92,656                 | 92,247              |
| <b>TOTAL EXPENDITURES</b>              | <b>1,396,812</b>       | <b>1,150,118</b>    |
| <b>OTHER INCOME</b>                    |                        |                     |
| Interest earned                        | 4,260                  | 3,704               |
| Unrealized appreciation on investments | -                      | (3,744)             |
| <b>TOTAL OTHER INCOME</b>              | <b>4,260</b>           | <b>(40)</b>         |
| <b>CHANGE IN NET POSITION</b>          | <b>\$ (371,843)</b>    | <b>\$ (470,562)</b> |

As indicated above, net position decreased by \$371,843. The increase in change in net position from the prior year is primarily due to the increase in occupancy taxes and grants exceeding the increase in expenditures.

**Financial Analysis of Individual Funds (FFS)**

The General Fund includes revenue and expenditures necessary to the operation of the Commission such as personnel, benefits, and operation and maintenance of facilities. The General Fund reflected \$1,020,709 in total revenues, including \$705,487 of parish taxes. Total current expenditures were \$1,387,843. Fund balance decreased by \$362,874 for the year.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Management's Discussion and Analysis  
June 30, 2021

**Variations Between Original and Final Budgets and Actual Results**

The Commission's annual budget is adopted on a modified accrual basis of accounting excluding certain noncash items, such as accrued earnings of compensated absences and depreciation. Budgets are to be amended when actual receipts plus projected revenue collections for the year fail to meet budgeted revenues by five percent or more; or when actual expenditures plus projected expenditures exceed budgeted expenditures by five percent or more. The original budget for the year ended June 30, 2021 was amended once during the fiscal year.

The original budget for the General Fund was amended during the year as follows:

|   |    |           |
|---|----|-----------|
| Originally budgeted revenues              | \$ | 448,000   |
| Increases were provided for:              |    |           |
| An increase in parish taxes               |    | 345,000   |
| An increase in state appropriation        |    | 25,000    |
| A decrease in membership                  |    | (51,000)  |
| An increase in other revenues             |    | 5,000     |
|   |    | 5,000     |
| Final budgeted revenues                   | \$ | 772,000   |
|   |    |           |
| Originally budgeted expenditures          | \$ | 961,860   |
| Increases (decreases) were provided for:  |    |           |
| An increase in other services and charges |    | 55,000    |
| An increase in personnel services         |    | 73,040    |
| An increase in supplies and materials     |    | 2,000     |
|   |    | 2,000     |
| Final budgeted expenditures               | \$ | 1,091,900 |

The Commission's actual revenues exceeded its budgeted revenues by \$252,969, a favorable variance of 32.77%. The Commission's actual expenditures exceeded its budgeted expenditures by \$295,943, an unfavorable variance of 27.10%.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
Management's Discussion and Analysis  
June 30, 2021**

**Capital Assets**

Capital assets include Scenic Byways signage and promotional video of \$59,029 and computers, computer equipment, and office furniture of \$44,022. Accumulated depreciation as of June 30, 2021 is \$70,373 resulting in an ending book balance of \$32,678.

Depreciation expense of \$8,969 was recorded for the year. More detailed information about capital assets is presented in the notes to the financial statements.

**Paycheck Protection Program**

As part of the CARES Act passed by Congress for purposes of economic stimulus in light of implications from the COVID-19 pandemic, a Paycheck Protection loan program administered by the United States Small Business Administration was made available as incentive to retain employees. After approval by the Louisiana Bond Commission, the Commission applied for such a loan with its bank and on April 9, 2021 received \$60,363 of funding. The Commission expects this loan to be fully forgiven.

**Contacting Financial Management**

This financial report is designed to provide a general overview of the River Parishes Convention, Tourist, & Visitors Commission's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Mr. John "Jay" Robichaux, Executive Director  
River Parishes Convention, Tourist, & Visitors Commission  
671 Belle Terre Blvd.  
LaPlace, LA 70068  
Phone number (866) 204-7782

## **FINANCIAL STATEMENTS**

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
Statement of Net Position  
June 30, 2021**

|                                       | <b>Government<br/>Activities</b> |
|---------------------------------------|----------------------------------|
| <b>ASSETS</b>                         |                                  |
| Cash                                  | \$ 65,021                        |
| Investments                           | 203,614                          |
| Receivables                           | 174,725                          |
| Prepaid expenses                      | 1,206                            |
| Total current assets                  | 444,566                          |
| Capital assets                        | 103,051                          |
| Accumulated depreciation              | (70,373)                         |
| <b>TOTAL ASSETS</b>                   | <b>477,244</b>                   |
| <b>LIABILITIES</b>                    |                                  |
| Accounts payable and accrued expenses | 96,044                           |
| Compensated absences payable          | 18,528                           |
| Paycheck Protection Program loan      | 60,363                           |
| <b>TOTAL LIABILITIES</b>              | <b>174,935</b>                   |
| <b>NET POSITION</b>                   |                                  |
| Net investment in capital assets      | 32,678                           |
| Unrestricted                          | 269,631                          |
| <b>TOTAL NET POSITION</b>             | <b>\$ 302,309</b>                |

See accompanying notes.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
Statement of Activities  
Year Ended June 30, 2021**

|   | <b>Government<br/>Activities</b> |
|---|----------------------------------|
| <b>REVENUES AND OTHER SOURCES</b>       |                                  |
| Parish taxes                            | \$ 705,487                       |
| State appropriation                     | 201,547                          |
| Louisiana Office of Tourism grants      | 79,925                           |
| Intergovernmental                       | 29,750                           |
| Other                                   | 4,000                            |
| <b>TOTAL REVENUES AND OTHER SOURCES</b> | <b>1,020,709</b>                 |
| <b>EXPENDITURES</b>                     |                                  |
| Other services and charges              | 939,124                          |
| Personnel services                      | 365,032                          |
| Supplies and materials                  | 53,730                           |
| Repairs and maintenance                 | 29,957                           |
| Depreciation                            | 8,969                            |
| <b>TOTAL EXPENDITURES</b>               | <b>1,396,812</b>                 |
| <b>OTHER INCOME</b>                     |                                  |
| Interest earned                         | 4,260                            |
| <b>CHANGE IN NET POSITION</b>           | <b>(371,843)</b>                 |
| <b>NET POSITION</b>                     |                                  |
| Beginning of year                       | 674,152                          |
| End of year                             | <b>\$ 302,309</b>                |

See accompanying notes.

**River Parishes Convention, Tourist,  
 & Visitors Commission**  
**State of Louisiana**  
 Balance Sheet  
 Governmental Fund Type -  
 General Fund  
 June 30, 2021

**ASSETS**

|                     |                   |
|---------------------|-------------------|
| Cash                | \$ 65,021         |
| Investments         | 203,614           |
| Receivables         | 174,725           |
| Prepaid expenses    | 1,206             |
|                     | 444,566           |
| <b>TOTAL ASSETS</b> | <b>\$ 444,566</b> |

**LIABILITIES**

|                                       |                |
|---------------------------------------|----------------|
| Accounts payable and accrued expenses | \$ 96,044      |
| Compensated absences payable          | 18,528         |
| Paycheck Protection Program loan      | 60,363         |
|                                       | 174,935        |
| <b>TOTAL LIABILITIES</b>              | <b>174,935</b> |

**FUND BALANCE**

|   |                   |
|---|-------------------|
| Nonspendable                              | 1,206             |
| Unassigned                                | 268,425           |
|   | 269,631           |
| <b>TOTAL FUND BALANCE</b>                 | <b>269,631</b>    |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b>\$ 444,566</b> |

See accompanying notes.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Statement of Revenues, Expenditures,  
and Change in Fund Balance -  
Governmental Fund Type -  
General Fund  
Year Ended June 30, 2021

**REVENUES AND OTHER SOURCES**

**REVENUES**

|                                    |            |
|------------------------------------|------------|
| Parish taxes                       | \$ 705,487 |
| State appropriation                | 201,547    |
| Louisiana Office of Tourism grants | 79,925     |
| Intergovernmental                  | 29,750     |
| Other                              | 4,000      |

|   |                  |
|---|------------------|
| <b>TOTAL REVENUES AND OTHER SOURCES</b> | <b>1,020,709</b> |
|---|------------------|

**EXPENDITURES**

Economic developmental assistance:

|                            |         |
|----------------------------|---------|
| Other services and charges | 939,124 |
| Personnel services         | 365,032 |
| Supplies and materials     | 53,730  |
| Repairs and maintenance    | 29,957  |

|                           |                  |
|---------------------------|------------------|
| <b>TOTAL EXPENDITURES</b> | <b>1,387,843</b> |
|---------------------------|------------------|

**OTHER INCOME**

|                 |       |
|-----------------|-------|
| Interest earned | 4,260 |
|-----------------|-------|

|                               |                  |
|-------------------------------|------------------|
| <b>CHANGE IN FUND BALANCE</b> | <b>(362,874)</b> |
|-------------------------------|------------------|

**FUND BALANCE**

|                   |            |
|-------------------|------------|
| Beginning of year | 632,505    |
| End of year       | \$ 269,631 |

See accompanying notes.



**River Parishes Convention, Tourist,  
& Visitors Commission**  
**State of Louisiana**  
Reconciliation of the Governmental Fund  
Balance Sheet to the Statement of Net Position  
June 30, 2021

|   |                          |
|---|--------------------------|
| Total fund balance - total governmental funds   | \$ 269,631               |
| Amounts reported for governmental activities in the statement of net position are different because:  |                          |
| Capital assets of \$103,051, net of accumulated depreciation of \$70,373 are not financial resources and, therefore, are not reported in the funds. | <u>32,678</u>            |
| Net position of governmental activities   | <u><u>\$ 302,309</u></u> |

Reconciliation of the Governmental Fund Statement of Revenues,  
Expenditures, and Change in Fund Balance to the  
Statement of Activities  
Year Ended June 30, 2021

|   |                            |
|---|----------------------------|
| Change in fund balance - governmental fund  | \$ (362,874)               |
| Amounts reported for governmental activities in the statement of activities are different because:  |                            |
| Governmental fund reports capital outlays as expenditures whereas in the statement of activities these costs are depreciated over their estimated useful lives. |                            |
| Depreciation expense  | <u>(8,969)</u>             |
| Change in net position of governmental activities   | <u><u>\$ (371,843)</u></u> |

See accompanying notes.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The River Parishes Convention, Tourist, & Visitors Commission (the Commission) was created and established by legislative act of the State of Louisiana (R.S. 33-4574.12). The Commission was formed for the purpose of promoting tourism within the Parishes of St. Charles, St. James, and St. John the Baptist. The Commission is composed of nine members, known as commissioners, appointed by each of the three parishes' economic development commissions, parish presidents, and parish councils and confirmed by the Senate. The commissioners 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 that results in competition with local retail businesses or enterprises. The Commission is funded by a 4.0% tax on the occupancy of hotel rooms, motel rooms, and overnight camping facilities located within the boundaries of St. Charles, St. James, and St. John the Baptist Parishes.

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

**A. REPORTING ENTITY**

GASB Statements No. 14, 39 and 61 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Financial accountability by the state government is determined on the basis of the following criteria:

1. Legal status
2. Appointment of voting majority of governing board
3. Fiscal dependence
4. Imposition of will
5. Financial benefit or burden

The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the state government, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

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

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**B. METHOD OF ACCOUNTING**

GASB statements establish standards for external financial reporting for all state and local governmental entities which includes a statement of net position and a statement of activities. It requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted– This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. It establishes fund balance classifications that comprise hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are defined as follows:

Nonspendable – This component of fund balance includes amounts that cannot be spent due to form, including inventories and prepaid amounts. Also included are amounts that must be maintained intact legally or contractually.

Restricted – This component of fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed – This component of fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Commission’s highest level of decision-making authority. The Board of Commissioners must vote on commitments.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Assigned – This component of fund balance is intended to be used by the Commission for specific purposes that do not meet the criteria to be classified as restricted or committed. The Board of Commissioners can vote on applicable assigned amounts.

Unassigned – This component of fund balance is the residual classification for the Commission’s general fund and includes all spendable amounts not contained in the other classifications.

Stabilization Funds – This component of fund balance covers such things as revenue shortfalls, emergencies, or other purposes. The authority to set aside resources often comes from a statute, ordinance, or constitution.

**C. FUND TYPES**

The Commission reports the following fund types:

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.

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.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Government-Wide Financial Statements**

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. 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).

**Fund Financial Statements**

The amounts reflected in fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

of revenues, expenditures, and change in fund balance reports on the sources (i.e. revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Commission considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred.

**E. ENCUMBRANCES**

The Commission does not utilize encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers.

**F. OPERATING BUDGETARY DATA**

As required by Louisiana Revised Statute 39:1303, the Board of Commissioners (the Board) adopted a budget for the Commission's General Fund. 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 that are not expended or obligated through contracts lapse at year-end. The budget was amended once.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

**G. CASH AND CASH EQUIVALENTS**

The Commission considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

**H. 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.

**River Parishes Convention, Tourist,  
& Visitors Commission**  
**State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

I. INVESTMENTS

Under state law, the Commission may invest in United States bonds, treasury notes, certificates, and commercial paper. As of June 30, 2021, the Commission holds investments as follows:

|                         | <u>Market Value</u> |
|-------------------------|---------------------|
| Certificates of Deposit | <u>\$ 203,614</u>   |

J. CAPITAL ASSETS

Capital assets are presented on the Statement of Net Position.

Depreciation of all fixed assets is computed on the straight-line basis. Estimated useful lives are 3-10 years.

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.

K. 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. Estimates of the Commission primarily relate to fixed assets' useful lives.

L. New GASB Statement

Statement No. 87, "Leases", increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**Bank Deposits:**

State law requires that deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivisions.

The year-end balance of deposits is as follows:

|                           | Bank Balance | Reported Amount |
|---------------------------|--------------|-----------------|
| Cash and cash equivalents | \$ 99,069    | \$ 65,021       |
| Certificates of deposit   | 203,614      | 203,614         |
| Totals                    | \$ 302,683   | \$ 268,635      |

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities held by the Commission's agent in its name. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the Commission's agent.

At June 30, 2021, the Commission's deposits were FDIC insured and therefore adequately collateralized in accordance with state law.

**Investments:**

State statutes authorize the Commission to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

As a means of limiting its exposure to fair value losses arising from interest rates, the Commission's investment policy limits investments to securities with less than six months from the date of purchase unless the investment is matched to a specific cash flow. Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Commission's investment policy requires the application of the prudent-person rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence*

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)**

*exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of such funds in an effort to minimize risk while earning maximum returns.* The Commission's investment policy limits investments to those discussed earlier in this note.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

A reconciliation of deposits and investments as shown on the Statement of Net Position is as follows:

|                                |        |             |
|--------------------------------|--------|-------------|
| Reported amount of deposits    | \$     | 268,635     |
| Reported amount of investments |        | -           |
| <br>Total                      | <br>\$ | <br>268,635 |
| <br>Cash                       | <br>\$ | <br>65,021  |
| Investments                    |        | 203,614     |
| <br>Total                      | <br>\$ | <br>268,635 |

**NOTE 3 – CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

|                                | Balance<br>July 1, 2020 | Additions  | Retirements | Balance<br>June 30, 2021 |
|--------------------------------|-------------------------|------------|-------------|--------------------------|
| Scenic Byways signage/video    | \$ 59,029               | \$ -       | \$ -        | \$ 59,029                |
| Office furniture and equipment | 44,022                  | -          | -           | 44,022                   |
|                                | 103,051                 | -          | -           | 103,051                  |
| Less accumulated depreciation  | (61,404)                | (8,969)    |             | (70,373)                 |
| <br>Totals                     | \$ 41,647               | \$ (8,969) | \$ -        | \$ 32,678                |

The Commission does not own any capital assets not subject to depreciation.



**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 4 – COMPENSATED ABSENCES**

Employees of the Commission are granted from 12 to 21 days of vacation leave each year, depending on their length of service and position. Upon separation of employment, employees are compensated for accumulated vacation leave at the employee's current rate of pay. Employees of the Commission are granted 12 to 18 days of sick leave each year; however, only the Executive Director is compensated for accumulated sick leave upon separation of employment. No employee is eligible for any vacation or sick time before his or her first three months of continuous employment. As of June 30, 2021, employees have accumulated \$18,528 of employee leave benefits.

**NOTE 5 – PAYCHECK PROTECTION PROGRAM**

On April 9, 2021, after approval by the Louisiana Bond Commission, the Commission received a \$60,363 loan from a bank under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). Interest on the loan is 1.0%. Management expects that this loan will be repaid by SBA within 12 months and that all expenditures paid from the loan proceeds will be approved as eligible for loan forgiveness under the requirements of the PPP. Any amounts not forgiven would be amortized over a period of two years.

**NOTE 6 – LOUISIANA OFFICE OF TOURISM (LOT) GRANTS**

During the year, the Commission received two grants from the Department of Culture, Recreation and Tourism, Office of Tourism of the State of Louisiana (or "LOT"). The Cooperative Marketing Program grant provided for up to \$20,000 of eligible media expenses, of which the Commission was awarded \$19,925. The Sunshine Phase 2 grant provided for up to \$60,000 of eligible marketing expenses, of which the Commission was awarded the full amount.

**NOTE 7 – RETIREMENT PLAN**

All full-time employees are eligible to participate in the Commission's 457(b) Plan as of his/her first day of employment with the employer. The plan is a tax-deferred retirement plan, permissible for state and local governments under IRC Section 501. The normal retirement age under the Plan is 65. Employers or employees through salary reductions may contribute up to the IRC 402(g) limit of \$19,500 on behalf of participants under the plan. During the year, the Commission contributed \$19,996 to the Plan on behalf of participants.

**NOTE 8 – COMPENSATION OF BOARD MEMBERS**

Members of the Commission's Board serve without compensation.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Notes to Financial Statements  
Year Ended June 30, 2021

**NOTE 9 – POST-EMPLOYMENT BENEFITS**

Other than the retirement plan discussed in Note 7, the Commission does not offer post-retirement benefits to their employees.

**NOTE 10 – OPERATING LEASE**

The Commission entered into a three-year lease agreement with an unrelated party for the right to use office space to conduct its operations in LaPlace, Louisiana. Monthly payments of \$3,000 were due until lease expiration on September 5, 2021. Total rent expense incurred related to this agreement for the year ended June 30, 2021 is \$36,000. Extension of the lease is to be agreed upon by both parties. The parties have verbally agreed to a monthly rental of \$3,000 until a new lease agreement is executed.

**NOTE 11 – COOPERATIVE ENDEAVOUR AGREEMENT**

The Commission entered into a cooperative endeavour agreement with St. John the Baptist Parish in which the Commission was responsible for advertising and promoting rental of the St. John Community Center. Revenues related to this agreement during the year totaled \$29,750. The agreement is set to expire in February of 2022 and is not expected to be renewed.

**NOTE 12 – RISK MANAGEMENT**

The Commission is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to the public; and natural disasters for which the Commission carries commercial insurance or other insurance for the losses to which it is exposed. The Commission's premiums for general liability are based on various factors such as its operations and maintenance budget, exposure and claims experience.

**NOTE 13 – SUBSEQUENT EVENT**

Subsequent events were evaluated through December 17, 2021, which is the date the financial statements were available to be issued, and it was determined that the event discussed below occurred which requires disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

On July 23, 2021, the Commission received notice that the \$60,363 Paycheck Protection Program loan discussed in Note 5 had been fully forgiven by the United States Small Business Administration.

**REQUIRED SUPPLEMENTARY INFORMATION**

**River Parishes Convention, Tourist,  
& Visitors Commission**  
State of Louisiana  
Budgetary Comparison Schedule  
Year Ended June 30, 2021

|   | <b>Budgeted Amounts</b> |                   | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Revised<br/>Budget<br/>Over/(Under)</b> |
|---|-------------------------|-------------------|---------------------------|--|
|   | <b>Original</b>         | <b>Final</b>      |                           |  |
| <b>REVENUES</b>                                 |                         |                   |                           |  |
| Parish taxes                                    | \$ 230,000              | \$ 575,000        | \$ 705,487                | \$ 130,487   |
| State appropriation                             | 100,000                 | 125,000           | 201,547                   | 76,547   |
| Membership                                      | 62,000                  | 11,000            | -                         | (11,000)   |
| LOT CMP grant                                   | 20,000                  | 20,000            | 19,925                    | (75)   |
| LOT Sunshine grant                              | -                       | -                 | 60,000                    | 60,000   |
| St. John center                                 | 21,000                  | 21,000            | 29,750                    | 8,750  |
| Interest income                                 | 5,000                   | 5,000             | 4,260                     | (740)  |
| Other   | 10,000                  | 15,000            | 4,000                     | (11,000)   |
| <b>TOTAL REVENUES</b>                           | <b>448,000</b>          | <b>772,000</b>    | <b>1,024,969</b>          | <b>252,969</b>   |
| <b>EXPENDITURES</b>                             |                         |                   |                           |  |
| Other services and charges                      | 596,840                 | 651,840           | 939,124                   | 287,284  |
| Personnel services                              | 316,020                 | 389,060           | 365,032                   | (24,028)   |
| Supplies and materials                          | 41,000                  | 43,000            | 53,730                    | 10,730   |
| Repairs and maintenance                         | 8,000                   | 8,000             | 29,957                    | 21,957   |
| <b>TOTAL EXPENDITURES</b>                       | <b>961,860</b>          | <b>1,091,900</b>  | <b>1,387,843</b>          | <b>295,943</b>   |
| <b>EXCESS OF EXPENDITURES<br/>OVER REVENUES</b> | <b>(513,860)</b>        | <b>(319,900)</b>  | <b>(362,874)</b>          | <b>(42,974)</b>  |
| <b>FUND BALANCE, beginning</b>                  | <b>632,505</b>          | <b>632,505</b>    | <b>632,505</b>            | <b>-</b>   |
| <b>FUND BALANCE, ending</b>                     | <b>\$ 118,645</b>       | <b>\$ 312,605</b> | <b>\$ 269,631</b>         | <b>\$ (42,974)</b>   |

See Independent Auditor's Report.

**SUPPLEMENTARY INFORMATION**

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Schedule of Expenditures - General Fund  
Year Ended June 30, 2021

**Other Services and Charges**

|                                  |            |
|----------------------------------|------------|
| Professional fees                | \$ 406,744 |
| Advertising                      | 277,379    |
| Public relations                 | 43,760     |
| Lease                            | 36,000     |
| Sponsorships                     | 31,850     |
| Dues                             | 31,669     |
| Accounting fees                  | 21,955     |
| General insurance                | 21,811     |
| Legal fees                       | 16,203     |
| Trade show registration          | 9,269      |
| Board meeting expenses           | 6,326      |
| Printing and production          | 6,122      |
| Rental of copy machine           | 5,860      |
| Telephone                        | 5,435      |
| Other                            | 4,649      |
| Familiarization tours            | 4,004      |
| Utilities                        | 3,958      |
| Travel, entertainment, and meals | 3,720      |
| Training and development seminar | 1,369      |
| Film                             | 1,041      |
|                                  | 939,124    |
| Total other services and charges | 939,124    |

**Personnel Services**

|                            |         |
|----------------------------|---------|
| Salaries and payroll taxes | 293,024 |
| Employee benefits          | 72,008  |
|                            | 365,032 |
| Total personnel services   | 365,032 |

**Supplies and Materials**

|                              |        |
|------------------------------|--------|
| Office supplies and expenses | 30,927 |
| Promotional items            | 21,319 |
| Postage                      | 1,484  |
|                              | 53,730 |
| Total supplies and materials | 53,730 |

**Repairs and Maintenance**

|                           |                     |
|---------------------------|---------------------|
|                           | 29,957              |
| <b>TOTAL EXPENDITURES</b> | <b>\$ 1,387,843</b> |

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Schedule of Compensation, Benefits, and Other  
Payments to the Executive Director  
Year Ended June 30, 2021

**Agency Head Name:** Buddy Boe, Executive Director  
(July 1, 2020 to May 31, 2021)

| <b>Purpose</b>                       | <b>Amount</b>     |
|--------------------------------------|-------------------|
| Salary                               | \$ 103,394        |
| Benefits - retirement / insurance    | 23,869            |
| Benefits - vehicle allowance         | 6,000             |
| Benefits - cell phone reimbursements | 1,200             |
| Travel - hotels                      | 182               |
|                                      | <u>\$ 134,645</u> |

**Agency Head Name:** John "Jay" Robichaux, Executive Director  
(June 1, 2021 to June 30, 2021)

| <b>Purpose</b>                       | <b>Amount</b>    |
|--------------------------------------|------------------|
| Salary                               | \$ 9,651         |
| Benefits - retirement / insurance    | 52               |
| Benefits - vehicle allowance         | 692              |
| Benefits - cell phone reimbursements | 138              |
|                                      | <u>\$ 10,533</u> |

This schedule is used to satisfy the reporting requirements of 24:513(A)(3).

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**



**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified Public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners  
River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana  
LaPlace, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the government activities and each major fund of River Parishes Convention, Tourist, & Visitors Commission (the Commission), a component unit of the State of Louisiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated December 17, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings and Responses as item 2021-001.

### **Commission's Response to Findings**

The Commission's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Commission's response was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Houma, Louisiana  
December 17, 2021

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Schedule of Findings and Responses  
Year Ended June 30, 2021

**Section I – Summary of Auditor’s Results**

1. The auditor’s report expresses a unmodified opinion on the financial statements of the River Parishes Convention, Tourist, & Visitors Commission.
2. No deficiencies in internal control were noted during the audit of the financial statements.
3. One instance of noncompliance and other matters was noted that would be required to be reported in accordance with *Government Auditing Standards*.
4. A management letter was not issued.
5. The Commission did not receive or expend federal funds during the year.

**Section II – Financial Statement Findings**

**2021-001 – Budget Amendment**

Statement of Condition: The Commission amended its budget once during the year when expenditures exceeded budgeted amounts; however, actual expenditures still exceeded budgeted amounts by greater than 5% at year end.

Criteria: Louisiana Revised Statutes 39:1310 and 1311 require governmental entities to adopt a budget amendment if there is a 5% unfavorable variance in revenues or expenditures.

Effect of Condition: Management of the Commission amended the budget during the year, but did not prevent an unfavorable variance greater than 5% at year end.

Cause of Condition: Management monitored the budget based on the cash basis of accounting and failed to account for certain changes when making its amendments near year-end. Year-end accruals and oversight caused the unfavorable variance.

Recommendation: We recommend that the Commission adopt procedures that will require it to monitor budget to actual revenue and expenditures at more frequent intervals and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Planned Action: The Commission will implement the recommendation as detailed above.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Schedule of Findings and Responses  
Year Ended June 30, 2021

**Section III – Internal Control Findings**

This section is not applicable.

**Section IV – Findings and Questioned Costs – Major Federal Award Program Audit**

This section is not applicable.

**REPORTS BY MANAGEMENT**

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Schedule of Prior Findings and Resolution Matters  
Year Ended June 30, 2021

Note: Prior findings relate to the June 30, 2019 and June 30, 2020 audit engagements.

**Section I – Internal Control and Compliance Material to the Financial Statements**

**2019-002 – Payment Made Without Contractual Relationship**

Condition: Pursuant to a Request for Proposal, the Commission entered into a Tourism Marketing Agreement, which expired on June 30, 2019, with an advertising agency (Agency) whereby the Agency was obligated to provide professional services (as such not subject to Louisiana Public Bid Law) including advertising, media buying, graphic design, travel research, creative direction and management, branding, and website design and maintenance. As part of the agreement the Commission was obligated to the Agency for all media and third-party costs incurred by the Agency in fulfilling its contractual responsibilities. Under the terms of the contract, the Agency submitted a \$20,254.98 invoice dated June 14, 2019 to the Commission for April, May, and June 2019 services provided and third-party costs incurred. On June 17, 2019 a third-party vendor of the Agency (providing media, advertising, and related expenses for the benefit of the Commission) notified the Commission's Executive Director that the Agency was delinquent in making payments to the vendor in the amount of \$25,970. By resolution the Executive Director is authorized to enter into any obligation less than \$2,500 with a duration less than twelve months. That same resolution authorizes the Executive Director to enter into obligations greater than \$2,500 with written authorization from the Commission's Chairwoman or Treasurer. Because of the third-party vendor notification of \$25,970 of delinquent invoices, the Commission's Chairwoman approved payment of \$20,254.09 to the third-party vendor "in lieu" of payment to the Agency. To date, the Agency has sent communication to the Commission requesting payment but has not initiated available legal remedies.

Recommendation: The Commission should make formal demand that the third-party vendor return the \$20,255 incorrect payment to the Commission. Upon receipt such funds should be immediately paid to the Agency. Also, to avoid future similar issues, the Commission should address its policy which allows the Chairwoman or Treasurer to approve obligations of an unlimited amount. A dollar threshold should be established whereby approval is required by resolution of the full Board of Commissioners in a public meeting.

Planned Action: At the regular meeting of the Board of Commissioners on October 16, 2019, a motion was passed to request that the Parish of St. John District Attorney, the Commission's legal representative, assign counsel to demand the recovery of funds. Upon receipt, payment will be to the proper party. We will also consider changes to our policy which presently allow the Chairwoman or Treasurer to authorize obligations of an unlimited amount.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Schedule of Prior Findings and Resolution Matters  
Year Ended June 30, 2021

2019-002 – Payment Made Without Contractual Relationship (Cont.)

Status: Ongoing. Legal counsel was retained by the Commission to pursue the return of funds, but no resolution has been reached as of June 30, 2021.

2020-001 – Budget Amendment

Statement of Condition: The Commission amended its budget three times during the year when actual expenditures exceeded budgeted expenditures; however, actual expenditures exceeded budgeted expenditures by greater than 5% at year end.

Recommendation: We recommend that the Commission adopt procedures that will require it to monitor budget to actual revenue and expenditures at more frequent intervals and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Planned Action: The Commission will implement the recommendation as detailed above.

Status: Ongoing.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**River Parishes Convention, Tourist,  
& Visitors Commission  
State of Louisiana**  
Management's Corrective Action Plan for Current Year Findings  
Year Ended June 30, 2021

**Section I – Internal Control and Compliance Material to the Financial Statements**

**2021-001 – Budget Amendment**

Statement of Condition: The Commission amended its budget once during the year when actual revenues and expenditures exceeded budgeted amounts; however, actual revenues and expenditures still exceeded budgeted amounts by greater than 5% at year end.

Recommendation: We recommend that the Commission adopt procedures that will require it to monitor budget to actual revenue and expenditures at more frequent intervals and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Planned Action: The Commission will implement the recommendation as detailed above.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.