

Jefferson Davis Parish
Tourist Commission
Jennings, Louisiana

BASIC FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

Year Ended June 30, 2023

Jefferson Davis Parish Tourist Commission
June 30, 2023

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INDEPENDENT AUDITORS' REPORT

Jefferson Davis Parish Tourist Commission
Jennings, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Jefferson Davis Parish Tourist Commission (the Commission), a component unit of the Jefferson Davis Parish Police Jury, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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 Commission, as of June 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a

material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 34, Schedule of Employer's Share of Net Pension Liability on page 35, and the Schedule of Employer's Contribution on page 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

The Commission has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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, economical, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jefferson Davis Parish Tourist Commission's basic financials statements. The other supplementary information on page 39 is presented for purposes of additional analysis and is not required part of the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head is the responsibility of management and was 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 Compensation, Benefits and Other Payments to Agency Head is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2023, on our consideration of the Jefferson Davis Parish Tourist Commission's internal control over financial reporting and our tests of its compliance with certain provisions of law, regulations, contract, grants, 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 the 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 Jefferson Davis Parish Tourist Commission's internal control over financial reporting and compliance.

Joseph J. Williams, CPA, FSA

Lake Charles, Louisiana
September 26, 2023

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana

Statement of Net Position
June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest bearing deposits	\$ 551,506
Receivables, net of allowances of \$-0-	107,783
Prepaid expenses	20,506
Total current assets	<u>679,795</u>
Noncurrent assets:	
Capital assets, net of depreciation	652,761
Total noncurrent assets	<u>652,761</u>
Total assets	1,332,556
DEFERRED OUTFLOWS OF RESOURCES	
Pension related deferrals	<u>148,801</u>
Total assets and deferred outflows of resources	<u><u>\$ 1,481,357</u></u>
LIABILITIES	
Current liabilities:	
Accounts, salaries, and other payables	\$ 13,654
Accrued compensated absences	15,061
Total current liabilities	<u>28,715</u>
Noncurrent liabilities:	
Net pension liability	119,863
Total noncurrent liabilities	<u>119,863</u>
Total liabilities	148,578
DEFERRED INFLOWS OF RESOURCES	
Pension related deferrals	16,393
NET POSITION	
Net investment in capital assets	652,761
Unrestricted	663,625
Total net position	<u>1,316,386</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 1,481,357</u></u>

The accompanying notes are an integral part of the basic financial statements.

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana

Statement of Activities
For the Year Ended June 30, 2023

		Program Revenues				Net (Expenses) Revenues and Change in Net Position
	Expenses	Charges for Services and Use	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities						
Promotion of tourism	\$ 728,685	\$ -	\$ -	\$ -		\$ (728,685)
General revenues:						
Sales taxes:						
Local collections						173,266
State appropriations						159,479
Miscellaneous						143,928
Intergovernmental						201,056
Interest						14,901
Total general revenues and special items						692,630
Change in net position						(36,055)
Net position-beginning						1,352,441
Net position-ending						\$ 1,316,386

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana

Balance Sheet - Governmental Fund
June 30, 2023

	<u>GENERAL FUND</u>
ASSETS	
Cash and cash equivalents	\$ 551,506
Receivables	<u>107,783</u>
TOTAL ASSETS	<u><u>\$ 659,289</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts, salaries, and other payables	<u>\$ 13,654</u>
TOTAL LIABILITIES	13,654
Fund balances:	
Unassigned	<u>645,635</u>
Total Fund Balance	<u>645,635</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 659,289</u></u>

The accompanying notes are an integral part of the basic financial statements.

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana

**Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2023**

FUND BALANCE OF GOVERNMENTAL FUNDS		\$ 645,635
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Other assets used in governmental activities that are not financial resources, and therefore, are not reported in the governmental funds.</p>		
Prepaid expenses		20,506
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>		
Capital assets	\$ 809,766	
Accumulated depreciation	<u>(157,005)</u>	
		652,761
<p>General long-term debt of governmental activities are not payable from current resources and, therefore not reported in the funds,</p>		
Compensated absences payable		(15,061)
Net pension liability		(119,863)
<p>Pension related deferrals</p>		
Outflows		148,801
Inflows		<u>(16,393)</u>
Net Position of Governmental Activities		<u><u>\$ 1,316,386</u></u>

The accompanying notes are an integral part of the basic financial statements.

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2023

	<u>GENERAL FUND</u>
REVENUES	
Sales taxes:	
Local collections	\$ 173,266
State appropriation	159,479
Miscellaneous	143,928
Intergovernmental	201,056
Interest	14,901
Total revenues	<u>692,630</u>
EXPENDITURES	
Personnel:	
Salaries-director	95,000
Salaries-other	182,350
Payroll taxes	8,304
Retirement	25,561
Employee health insurance	35,371
Advertising	67,245
Promotional	28,191
Operational:	
Tour	14,243
Merchandise	81,846
Dues and subscriptions	6,576
Insurance	26,100
Travel	9,218
Other operating expenses:	
Accounting services	8,450
Legal and professional	9,000
Equipment rentals	46
Expense reimbursement	12,983
Repairs and maintenance	11,197
Telephone	696
Utilities	17,929
Internet and IT support	16,257
Office	20,614
Postage	135
Capital outlay	-
Total expenditures	<u>677,312</u>
Excess of revenues over expenditures	15,318
Fund balances – beginning	<u>630,317</u>
Fund balances – ending	<u><u>\$ 645,635</u></u>

The accompanying notes are an integral part of the basic financial statements.

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2023**

Total net changes in fund balances at June 30, 2023 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 15,318
Amounts reported for governmental activities in the Statement of Activities are different because:	
Other assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds.	
Change in prepaid expenses	8,458
Capital assets used in governmental activities are not financial resources and therefore are not reported as such in governmental funds.	
Increase in accumulated depreciation	(32,710)
General long-term debt of governmental activities are not payable from current resources and, therefore, are not reported in the governmental funds.	
Change in compensated absences payable	(6,344)
In the Statement of Activities, certain operating expenses are measure by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This is the amount by which the amounts incurred exceeds the amount actually paid.	
Pension expense	(23,679)
Non-employer contributions to cost-sharing pension plan	2,902
Change in net position of governmental activities	<u>\$ (36,055)</u>

The accompanying notes are an integral part of the basic financial statements.

Notes to Financial Statements

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies

The mission of the Jefferson Davis Parish Tourist Commission (the Commission) is to promote and encourage recreational activities, the acquisition, preservation, and development of historic and recreational sites, recreational facilities, and tourist attractions in Jefferson Davis Parish (“the Parish”). It operates a tourist information center within the Parish and coordinates advertisements and promotion of tourism for the Parish. The more significant of the Commission’s accounting policies are described below.

A. Reporting Entity

The Commission was created by the Jefferson Davis Parish Police Jury pursuant to (LSA-RS 33:4574) through the passage of Parish Ordinance 579 on May 9, 1973. The Commission purposes shall be the promotion and encouragement of recreational activities, the acquisition, preservation, and development of historic and recreational sites, recreational facilities, and tourist attractions, and to engage in activities which would promote such development. The Commission has authority, within its boundaries, to exercise all powers necessary or convenient for the carrying out of such purposes.

Under the provision of Parish Ordinance 579, the Commission shall be governed and controlled by a board of commissioners composed of five members. These commissioners, appointed by the Jefferson Davis Parish Police Jury, assume their duties for an unstated term and shall serve without compensation.

As the governmental authority of the parish, for reporting purposes, the Jefferson Davis Parish Police Jury is the financial reporting entity for Jefferson Davis Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading.

GASB Statement No. 14, *The Reporting Entity*, as amended by GASB Statement No. 61, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations of which the nature and significance of their relationship with the primary government is such that exclusion of these organizations from the primary government’s financial statements would be misleading. Therefore, an organization is considered to be a component unit of the police jury if one of the following criteria is met:

- (1) Appointing a voting majority of an organization’s governing body, and (a) the ability of the police jury to impose its will on that organization or (b) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
- (2) Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury and there is the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies (continued)

A. Reporting Entity (continued)

- (3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The police jury appoints a voting majority of the board and has the ability to impose its will on the organization; therefore the Commission was determined to be a component unit of the Jefferson Davis Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Joint Venture

The Commission entered into a joint venture with the City of Jennings and the Town of Welsh to create the Jefferson Davis Parish Economic Development Commission, which was formed to enhance the economic development of Jefferson Davis Parish. This joint venture has not been included in the reporting entity. Financial Statements for this joint venture can be obtained from the Jefferson Davis Parish Economic Development Commission.

C. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the fiduciary funds. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for the governmental activities of the entity and for each function of the entity's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies (continued)

C. Basis of Presentation (continued)

Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The minimum number of funds is maintained consistent with legal and managerial requirements. The various funds of a governmental entity are classified into two categories: governmental and proprietary (enterprise). The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expense of that individual governmental or enterprises fund are at least 10 percent of the corresponding total for all funds of that category or type: and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are a least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the Commission are described below:

Governmental Funds:

General Fund – The General Fund is the general accounting fund of the Commission. It accounts for all financial resources of the Commission.

D. Measurement Focus / Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item (b) below.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies (continued)

D. Measurement Focus / Basis of Accounting (continued)

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a) All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expense, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB statement No. 33 *Accounting and Financial Reporting for Nonexchange Transactions*.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligations bond principal and interest which are reported when due.

Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

When both restricted and unrestricted resources are available for use, it is the Commission’s policy to use restricted resources first, then unrestricted resources as they are needed.

Revenues –Sales tax revenues are collected by the Jefferson Davis Parish School Board and are remitted to the Commission monthly. Taxes are remitted in the month following collection and are considered measurable at the month of collection. Accordingly, sales taxes collected in June 2023 and remitted in July 2023 have been reported as a receivable.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies (continued)

D. Measurement Focus / Basis of Accounting (continued)

Each fiscal year, the Louisiana Legislature has the authority to appropriate funds from state sales tax collections to be distributed to tourist and convention commissions throughout the state to be used for tourism development, including support for historic preservation and arts and humanities. The amount appropriated by the state is limited to state sales taxes on hotels and motels within Jefferson Davis Parish. The amounts appropriated by the state have been recorded in these financial statements. Payments are remitted quarterly.

E. Budgetary Practices

The Commission has adopted a budget for its general fund. The budgetary practices include notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget prior to adoption. Any amendment involving increases in expenditures must be approved by the Commission. Budgeted amounts in the accompanying financial statements include all amendments. All budgeted amounts, which are not expended or obligated through contracts, lapse at year end. The Commission's budget is materially consistent with accounting principles generally accepted in the United States of America.

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Capital Assets

In the (FFS), fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

In the (GWFS), fixed assets are accounted for as capital assets. The Commission maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets, which include building, improvements, furniture and fixtures, and other assets, are to be reported in the government-wide financial statements. All capital assets are valued at historical cost or if contributed property, at their estimated fair value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies (continued)

G. Capital Assets (continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful life by type of assets is as follows:

Buildings	30 years
Improvements	5-20 years
Furniture and fixtures	5-10 years

H. Compensated Absences

Employees accrue earned vacation on a monthly basis according to years of service. Employees are permitted to carry forward a maximum of one-third of their annual earned vacation with a maximum of 20 days. Employees accrue sick leave at the rate of twelve days per year. Sick leave is cumulative up to a maximum of 130 days. Upon termination of employment, employees are paid any unused vacation leave, but any remaining sick leave is forfeited. At June 30, 2023, the Commission had accrued vacation leave of \$15,061.

I. Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission's pension plan and additions to / deductions from the plan's fiduciary net position have been determined on the accrual basis, which is the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. Equity Classifications

Government-Wide Statements – Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – consist of capital assets including restricted capital assets, net of accumulated depreciation and related debt.
- b. Restricted net position – consists of net resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – all other net resources that do not meet the definition of “restricted” or “net investment in capital assets, net of related debt”.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as needed.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

1. Organization and Significant Accounting Policies (continued)

J. Equity Classifications (continued)

Governmental Fund Statements – Equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable fund balance – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted fund balance – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed fund balance – amounts that can be used for specific purposes determined by a formal action of the Board of Directors. The Board of Directors is the highest level of decision-making authority for the Jefferson Davis Parish Tourist Commission. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by board members.

Assigned fund balance – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Commission’s policy, only board members may assign amounts for specific purposes.

Unassigned fund balance – all other spendable amounts.

As of June 30, 2023, the General Fund has an unassigned fund balance of \$645,635. The Commission would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

K. Advertising

Advertising costs are recorded as an expenditure when they are paid.

L. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

M. Recently Issued Accounting Pronouncements

In June 2022, GASB issued Statement No. 101, “Compensated Absences” the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 31, 2023, with earlier application encouraged. The District has early implemented this pronouncement. Accrued compensated absences as of June 30, 2023 was \$15,061.

**Jefferson Davis Parish Tourist Commission
June 30, 2023**

Notes to Financial Statements

2. Deposits and Investments

As of June 30, 2023, the Commission has cash and interest-bearing deposits (book balances) as follows:

Deposit Type	Governmental Activities
Cash on hand	\$ -
Interest-bearing deposits	551,506
Total	\$ 551,506

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Commission’s deposits may not be recovered. Under state law, the Commission’s deposits (or resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the Commission or the pledging bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2023, the Commission has \$575,617 in deposits (collected bank balances) in local financial institutions. These deposits are secured from risk by \$250,000 of federal deposit insurance and \$379,298 of pledged securities held by the custodial bank in the name of the Commission. As such, these deposits are not considered subject to custodial credit risk according to GASB Statement No. 3.

3. Receivables

The following is a summary of receivables at year end:

Local sources:	
Taxes:	
Sales and use	\$ 14,798
Reimbursement	3,714
State sources:	
State appropriations	89,271
	\$ 107,783

**Jefferson Davis Parish Tourist Commission
June 30, 2023**

Notes to Financial Statements

4. Capital Assets:

Capital assets activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital assets being depreciated:				
Improvements	\$ 68,027	\$ -	\$ -	\$ 68,027
Buildings	701,590	-	-	701,590
Furniture and fixtures	40,149	-	-	40,149
Total capital assets being depreciated	809,766	-	-	809,766
Less accumulated depreciation for:				
Improvements	38,217	4,535	-	42,752
Buildings	73,977	23,656	-	97,633
Furniture and fixtures	12,101	4,519	-	16,620
Total accumulated depreciation	124,295	32,710	-	157,005
Total capital assets being depreciated, net	685,471	(32,710)	-	652,761
Total capital assets	\$ 685,471	\$ (32,710)	\$ -	\$ 652,761

Depreciation expense of \$32,710 was charged to governmental activities: Promotion of tourism.

5. Risk Management

The Commission is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Commission has elected to continue coverage through the Commission commercial insurance policy. The Commission is insured up to policy limits for each of the above risks. There were no significant changes in the coverages, retentions, or limits during the year ended June 30, 2023. There were no settled claims exceeding the commercial coverages in any previous three fiscal years.

6. Litigation and Claims

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. No claim expenditures or liabilities are reported in the accompanying financial statements. The Commission is not presently involved in any litigation as defendant.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

7. Economic Development Commission Joint Venture

The Commission in conjunction with the City of Jennings and the Town of Welsh has entered into an agreement to create the Jefferson Davis Parish Economic Development Commission (EDC). The EDC was chartered on January 30, 2007. The purpose is to act as an agency to enhance economic development and sustainable growth in Jefferson Davis Parish. According to the charter, each member is responsible for contributing an amount equal to the percentage of participation that the member holds in the Commission. The annual proportion of participation shall be as follows:

<u>Member</u>	<u>Percentage</u>	<u>Not to Exceed</u>
City of Jennings	39.50%	\$ 75,000
Jefferson Davis Parish Tourist Commission	39.50%	\$ 75,000
Town of Welsh	21.00%	\$ 40,000

The EDC consists of seven commissioners as follows: three residents of the City of Jennings, three representatives appointed by the Commission, and one resident of the Town of Welsh.

The EDC members are to be appointed by the governing body of their place of residence. The EDC has the power and authority to employ a director to oversee and manage the operation of the commission office, hire other staff as needed, adopt its own budget, and enter into contracts for professional services necessary for the operations of the EDC.

The EDC is a governmental fund and the Commission has not included its 39.5% share of net position in these financial statements.

Condensed financial information for the Jefferson Davis Economic Development Commission as of December 31, 2022 (the latest available compiled financial statements) is as follows:

	<u>Total</u>	<u>(39.5%)</u>
Total assets	\$ 198,487	\$ 78,402
Total liabilities	<u>(7,445)</u>	<u>(2,941)</u>
Net position	<u>191,042</u>	<u>75,461</u>
Total program revenues	\$ 175,000	\$ 69,125
General revenues	16,035	6,334
Total expenses	<u>187,977</u>	<u>74,251</u>
Change in net position	<u>\$ 3,058</u>	<u>\$ 1,208</u>

As of December 31, 2022, the EDC had no long-term debt outstanding.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

8. Related Party Transactions

Pursuant to the \$75,000 contribution agreement between the EDC and the Commission, the Board of Directors established a Cooperative Endeavor Agreement. It was agreed that the Commission would provide, in lieu of their annual \$75,000 contribution, all management and they would jointly provide equipment and services to the EDC. In turn, the EDC would pay the Commission a management fee. For the year ended June 30, 2023, the Commission has received \$84,600.

9. Board of Directors Compensation

The Board of Directors is a voluntary board; therefore no compensation has been paid to any member.

10. Pension Plan

Employees of the Commission are provided retirement through the Parochial Employees' Retirement System. All employees are members of Plan A.

A. Parochial Employees' Retirement System (PERS)

Plan Description

Parochial Employees' Retirement System of Louisiana (PERS) is the administrator of a cost-sharing multiple employer defined benefit pension plan ("Plan"). The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and social security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System. PERS is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Commission are members of Plan A.

Benefits Provided

The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

Retirement Benefits

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty or more years of creditable service.
2. Age 55 with twenty-five years of creditable service.
3. Age 60 with a minimum of ten years of creditable service.
4. Age 65 with a minimum of seven years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with thirty years of service.
2. Age 62 with ten years of service.
3. Age 67 with seven years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Deferred Retirement Option Plan (DROP) Benefits

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty for those members who are enrolled prior to January 1, 2017 and to age 62 for those members who are enrolled January 1, 2017 and later.

Survivor's Benefits

Upon the death of any member of Plan A with five or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Cost-of-Living Increases

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost-of-living adjustment commencing at age 55.

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2022, the actuarially determined contribution rate was 7.10% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2022, was 11.5% for Plan A. According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

The Commission's contractually required contribution rate for the year ended June 30, 2023, was 11.5% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the Commission were \$25,561 for the year ended June 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Commission reported a liability of \$119,863 for its proportionate share of the Net Pension Liability of the Plan. The Net Pension Liability was measured as of December 31, 2022, and the total pension asset used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Commission's proportion of the Net Pension Asset was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the Commission's proportion was 0.031143%, which was an increase of .004472 percentage points from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the Commission recognized pension expense of (\$50,337) less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$1,097.

At June 30, 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,432	\$ (13,206)
Changes of assumptions	3,825	-
Net difference between projected and actual earnings on pension plan investments	-	-
Change in proportion and differences between employer contributions and proportionate share of contributions	128,356	(3,187)
Employer contributions subsequent to the measurement date	12,188	-
Total	\$ 148,801	\$ (16,393)

Deferred outflows of resources of \$12,188 related to PERS resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS will be recognized in pension expense as follows:

Year Ended June 30	
2024	\$ (16,234)
2025	\$ (19,967)
2026	\$ (39,480)
2027	\$ (56,727)

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension asset of PERS as of December 31, 2022 are as follows:

Valuation Date	December 31, 2022
Actuarial Cost Method	Plan A - Entry Age Normal
Investment Rate of Return	6.40%, net of investment expense, including inflation
Expecting Remaining Service Lives	4 years
Projected Salary Increases	Plan A - 4.75%
Costs-of-Living Adjustment	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	33%	1.17%
Equity	51%	3.58%
Alternatives	14%	0.73%
Real assets	2%	0.12%
Totals	100%	5.60%
Inflation		2.10%
Expected arithmetic nominal return		7.70%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Jefferson Davis Parish Tourist Commission
June 30, 2023

Notes to Financial Statements

10. Pension Plan (continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the PERS net pension liability calculated using the discount rate of 6.40%, as well as what the Commission's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of December 31, 2022:

	PLAN A		
	Changes in Discount Rate		
	2022		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	5.40%	6.40%	7.40%
Net Pension Liability (Asset)	\$ 296,425	\$ 119,863	\$ (28,162)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at www.persla.org or www.la.state.la.us.

Payables to the Pension Plan

These financial statements do not include a payable to the pension plan because there were no legally required contributions due at June 30, 2023.

Required Supplemental Information

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Sales taxes:				
Local collections	\$ 220,000	\$ 175,000	\$ 173,266	\$ (1,734)
State appropriation	150,000	150,000	159,479	9,479
Miscellaneous revenue	135,000	145,000	143,928	(1,072)
Intergovernmental revenue	193,600	183,600	201,056	17,456
Interest Income	1,000	1,000	14,901	13,901
Total Revenues	<u>699,600</u>	<u>654,600</u>	<u>692,630</u>	<u>38,030</u>
EXPENDITURES				
Personnel:				
Salaries-director	95,000	95,000	95,000	-
Salaries-other	207,816	207,816	182,350	25,466
Payroll taxes	10,000	10,000	8,304	1,696
Retirement expense	28,500	28,500	25,561	2,939
Employee health insurance	36,000	36,000	35,371	629
Advertising:	50,000	50,000	67,245	(17,245)
Promotional	49,400	49,400	28,191	21,209
Operational:				
Tour expense	10,000	10,000	14,243	(4,243)
Merchandise expense	75,000	75,000	81,846	(6,846)
Dues and subscription	12,000	12,000	6,576	5,424
Insurance	21,400	21,400	26,100	(4,700)
Travel expense	12,000	12,000	9,218	2,782
Other operating expenses:				
Accounting	8,450	8,450	8,450	-
Legal & professional	8,000	8,000	9,000	(1,000)
Equipment rentals	650	650	46	604
Expense reimbursement	12,000	12,000	12,983	(983)
Miscellaneous	500	500	-	500
Repairs and maintenance	24,000	24,000	11,197	12,803
Telephone	1,000	1,000	696	304
Utilities	16,000	16,000	17,929	(1,929)
Internet and IT support	16,000	16,000	16,257	(257)
Office expense	16,000	16,000	20,614	(4,614)
Postage	500	500	135	365
Total Expenditures	<u>710,216</u>	<u>710,216</u>	<u>677,312</u>	<u>32,904</u>
Excess of revenues over expenditures	(10,616)	(55,616)	15,318	5,126
Fund balances – beginning	<u>630,317</u>	<u>630,317</u>	<u>630,317</u>	
Fund balances – ending	<u>\$ 619,701</u>	<u>\$ 574,701</u>	<u>\$ 645,635</u>	

See accompanying independent auditors' report and the accompanying notes to the required supplemental information

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY

For the Year Ended June 30, 2023

Year Ended	Proportion of the net pension liability	Proportionate share of the net pension (asset) liability	Covered employee payroll	Share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.031143%	\$ 119,863	\$ 265,343	45.2%	91.74%
2022	0.026671%	\$ (125,632)	\$ 203,044	-61.9%	110.46%
2021	0.024767%	\$ (43,427)	\$ 165,417	-26.3%	104.00%
2020	0.025830%	\$ 1,216	\$ 163,785	0.7%	99.90%
2019	0.025639%	\$ 113,795	\$ 157,616	72.2%	88.90%
2018	0.024910%	\$ (18,489)	\$ 153,326	-12.1%	102.00%
2017	0.025295%	\$ 52,095	\$ 150,018	34.7%	94.10%
2016	0.190950%	\$ 50,264	\$ 144,753	34.7%	92.20%
2015	0.024667%	\$ 6,744	\$ 139,586	4.8%	99.20%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

JEFFERSON DAVIS PARISH TOURIST COMMISSION
Jennings, Louisiana
SCHEDULE OF EMPLOYER'S CONTRIBUTION

For the Year Ended June 30, 2023

Year Ended	Contractually required contribution	Contributions in relation to contractual required contribution	Contribution deficiency (excess)	Employer's covered employee payroll	Contributions as a % of covered employee payroll
2023	\$ 24,296	\$ 24,296	\$ -	\$ 265,343	9.2%
2022	\$ 21,921	\$ 21,921	\$ -	\$ 203,044	10.8%
2021	\$ 19,238	\$ 19,238	\$ -	\$ 157,047	12.2%
2020	\$ 19,678	\$ 19,678	\$ -	\$ 165,760	11.9%
2019	\$ 18,422	\$ 18,422	\$ -	\$ 160,190	11.5%
2018	\$ 18,605	\$ 18,605	\$ -	\$ 155,043	12.0%
2017	\$ 19,330	\$ 19,330	\$ -	\$ 151,610	12.7%
2016	\$ 20,408	\$ 20,408	\$ -	\$ 148,425	13.7%
2015	\$ 21,515	\$ 21,515	\$ -	\$ 141,082	15.2%
2014	\$ 20,351	\$ 20,351	\$ -	\$ 138,090	14.7%

See accompanying independent auditors' report and the accompanying notes to the required supplemental information.

Notes to Required Supplementary Information

1. Budget

Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Commission. Legally, the Commission must adopt a balanced budget; that is total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Commission to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and /or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

2. Pensions

Changes of Benefit Terms

PERS - There were no changes of benefit terms for the year ended June 30, 2023.

Changes of Assumptions

PERS – For the actuarial valuation for the year ended June 30, 2023, the discount rate remained the same at 6.40%. Inflation rate remained the same at 2.3%.

Other Supplemental Schedules

**Jefferson Davis Parish Tourist Commission
Jennings, Louisiana
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD
For the Year Ended June 30, 2023**

Agency Head Name: Creed Romano, Chief Executive Officer

Purpose	Amount
Salary	\$ 95,000
Benefits-insurance	4,969
Benefits-retirement	9,025
Benefits-dues	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	490
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	\$ 109,484

Other Reports



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS H. O'NEAL
JESSICA LOTT-HANSEN

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 *Governmental Auditing Standards*

Board of Commissioners
Jefferson Davis Parish Tourist Commission
Jennings, 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 governmental activities and each major fund as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Jefferson Davis Parish Tourist Commission (the Commission) basic financial statements and have issued our report thereon dated September 26, 2023.

Report on 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 my opinion 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of 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 no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

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 results 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. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Joseph Williams, CPA, FSA

Lake Charles, Louisiana
September 26, 2023

**Jefferson Davis Parish Tourist Commission
Jennings, Louisiana**

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiency identified not considered
to be a material weakness? No

Noncompliance material to financial statements noted? No

Section II – Current Year Findings and Management Corrective Action Plan

There were no findings in the current year.

Section III – Prior Year Findings and Management Corrective Action Plan

There were no findings in the current year.



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS H. O'NEAL
JESSICA LOTT-HANSEN

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Jefferson Davis Tourist Commission
Jefferson Davis Parish
Jennings, Louisiana

To the Governing Board of the Jefferson Davis Tourist Commission (the Commission) and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Jefferson Davis Tourist Commission's management is responsible for those C/C areas identified in the SAUPs.

The Jefferson Davis Tourist Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/Electronic Municipal Market Access ("EMMA") reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exception: The Jefferson Davis Tourist Commission maintains written policies for travel and expense reimbursements and payroll/personnel. The Commission's written policies and procedures do not address any of the other areas above.

Management's response: Management is aware of the exceptions and will consider implementing additional written policies.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
-

There were no exceptions noted as a result of applying this procedure.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue fund. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

There were no exceptions noted as a result of applying this procedure.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Per the prior year audit report, the unrestricted fund balance in the general fund did not have a negative ending balance; therefore, making this procedure not applicable.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

There were no exceptions noted as a result of applying this procedure.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

We obtained a list of bank accounts from management and management's representation that the list was complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

There were no exceptions noted as a result of applying this procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

There were no exceptions noted as a result of applying this procedure.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no exceptions noted as a result of applying this procedure.

Collections (excluding electronic funds transfers)

4.

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained a listing of all deposit sites for the fiscal period and management's representation that the listing is complete.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

Exception: Employees who collect cash will share a register at times.

Management's response: Management is aware of the exception and will consider implementing additional procedures. Currently, Linda, director of the Tourist Commission, ties out the daily sales report to deposits to compensate for this exception.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

There were no exceptions noted as a result of applying this procedure.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

There were no exceptions noted as a result of applying this procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

There were no exceptions noted as a result of applying this procedure.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Exception: All employees involved in collecting cash are not bonded.

Management's response: Management is aware of the exception and will consider obtaining coverage for employees that handle cash.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made

on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

There are no pre-numbered receipts, therefore, this procedure is not applicable.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

There are no pre-numbered receipts, therefore, this procedure is not applicable.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

There were no exceptions noted as a result of applying this procedure.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

There were no exceptions noted as a result of applying this procedure.

- e) Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions noted as a result of this procedure.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

5.

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Per discussion with management, we noted only one location processes payments for the fiscal period.

- B. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

There were no exceptions noted as a result of applying this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

There were no exceptions noted as a result of applying this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

There were no exceptions noted as a result of applying this procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

There were no exceptions noted as a result of applying this procedure.

- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

There were no electronic disbursements, therefore, this procedure is not applicable.

- C. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

There were no exceptions noted as a result of applying this procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

There were no exceptions noted as a result of applying this procedure.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g. sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

This procedure is not applicable due to the entity not having any electronic non-payroll disbursements for this period.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

6.

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

We obtained a listing of active credit cards, bank debit cards, fuel cards, and P-cards for the fiscal period and management's representation that the listing is complete.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception
-

reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

There were no exceptions noted as a result of applying this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

There were no exceptions noted as a result of applying this procedure.

- C. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Exception: One itemized receipt was missing in the amount of \$24.18.

Management’s response: Management is aware of the exception and will ensure all receipts are properly attached going forward.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

7.

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Obtained a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing is complete.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

There were no exceptions noted as a result of applying this procedure.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

There were no exceptions noted as a result of applying this procedure.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

There were no exceptions noted as a result of applying this procedure.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no exceptions noted as a result of applying this procedure.

Contracts

8.

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

We obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities from management and management's representation that the listing is complete.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

None of the selected contracts were subject to bid law; therefore, this procedure is not applicable.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

There were no exceptions noted as a result of applying this procedure.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

There were no amendments during the fiscal period; therefore, this procedure is not applicable.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions noted as a result of applying this procedure.

Payroll and Personnel

9.

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

We obtained a listing of employees and management's representation that the listing is complete.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

There were no exceptions noted as a result of applying this procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

There were no exceptions noted as a result of applying this procedure.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

There were no exceptions noted as a result of applying this procedure.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

There were no exceptions noted as a result of applying this procedure.

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

There were no exceptions noted as a result of applying this procedure.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

There were no exceptions noted as a result of applying this procedure.

Ethics

10.

A. Using the 5 randomly selected employees/officials from procedure #9 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

There were no exceptions noted as a result of applying this procedure.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
-

There is no written ethics policy, therefore, no documentation demonstrating that employees were notified of changes to it.

- c) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

The agency has appointed an ethics designee.

Debt Service

11.

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

No debt was issued during the fiscal period; therefore, this procedure is not applicable.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

No debt was issued during the fiscal period, therefore, this procedure is not applicable.

Fraud Notice

12.

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

- B. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

The Commission has posted on its premises the notice required by R.S. 24:523.1.

Information Technology Disaster Recovery/Business Continuity

13.

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical

medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

There were no exceptions noted as a result of applying this procedure.

Sexual Harassment

14.

- A. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

There were no exceptions noted as a result of applying this procedure.

- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

There were no exceptions noted as a result of applying this procedure.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - i) Number and percentage of public servants in the agency who have completed the training requirements;
 - ii) Number of sexual harassment complaints received by the agency;
 - iii) Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
-

v) Amount of time it took to resolve each complaint.

There were no exceptions noted as a result of applying this procedure.

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Jefferson Davis Tourist Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Loyly, Williams, Co., LLC

Lake Charles, LA
September 26, 2023
