

**LIVINGSTON PARISH CONVENTION AND
VISITORS BUREAU**

REPORT ON AUDIT OF FINANCIAL STATEMENTS

DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Livingston Parish Convention and Visitors Bureau
Albany, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund (the General Fund) of the General Fund of the Livingston Parish Convention and Visitors Bureau (the Bureau) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the major fund (the General Fund) of the Livingston Parish Convention and Visitors Bureau as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparison statement of the General Fund 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 (GAAS) 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bureau 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.

Responsibility of Management for the Audit of the Financial Statements

The Bureau's 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 Bureau'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.

Auditor's 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 auditor's 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 GAAS 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 GAAS, 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 Bureau'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 Bureau'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.

Report on Summarized Comparative Information

We have previously audited the Bureau's December 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 24, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 29, 2023, on our consideration of the Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of 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 Bureau's internal control over financial reporting and compliance.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
June 29, 2023

Livingston Parish Convention and Visitors Bureau
Albany, Louisiana
Management's Discussion and Analysis
December 31, 2022

Introduction

The Livingston Parish Convention and Visitors Bureau (the Bureau) is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments (GASB 34), as amended, and related standards.

The Bureau's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Bureau's financial activity, (c) identify changes in the Bureau's financial position, (d) identify any significant variations from the Bureau's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Bureau's financial statements in this report.

Financial Highlights

At December 31, 2022, the Bureau's government wide assets exceeded its liabilities by \$1,919,239 (net position). Of this amount, \$1,726,748 (unrestricted net position) may be used to meet the Bureau's ongoing obligations at its discretion and the balance of \$192,491 represents its net investment in capital assets.

For the year ended December 31, 2022, the Bureau's total net position decreased by \$9,594.

The Bureau's total revenue on the government-wide basis decreased \$287,131. Tourist Tax Revenue, the main source of revenue for the Bureau, decreased \$32,403 from \$503,374 in 2021 to \$470,971 for 2022, Improvement Fund Revenue increased \$92,144 from \$74,114 in 2021 to \$166,258 in 2022, and Grant Revenue decreased \$279,106 in 2022 from the 2021 total grants.

Total expenses on the government-wide basis increased \$114,532, with the greatest increases consisting of Advertising and Publications expense of \$30,475, Salaries and Wages expense of \$31,619, Grants expense of \$23,000, and LA Tourism Revival Grant expense of \$94,088.

At December 31, 2022, the Bureau's general fund reported an ending fund balance of \$1,726,748, a decrease of \$3,533 for the year. Of the ending fund balance, \$1,721,224 is unassigned fund balance.

Overview of the Annual Financial Report

The financial statement focus is on both the Bureau as a whole and on the major individual fund. Both perspectives, government-wide and the major fund, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Bureau's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the Bureau's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Bureau's finances in a manner similar to a private-sector business.

The Statement of Net position presents information on the Bureau's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the Bureau is improving or deteriorating.

The Statement of Activities presents information showing how the Bureau's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the Bureau's general tax and other revenues. This is intended to summarize and simplify the reader's analysis of the cost of various governmental services.

The Bureau's activities are presented as Governmental activities.

Governmental activities - The Bureau's basic services are reported here. These activities are financed primarily by tourist tax revenue and Louisiana improvement fund revenues.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Bureau, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Bureau uses a governmental fund to account for financial transactions. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for most of the Bureau's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Bureau's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Bureau's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Bureau's more immediate decisions on the current use of financial resources.

Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on page 12 through 16 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 31 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Bureau's net position for the current year as compared to the prior year.

**Net Position
As of December 31, 2022 and 2021**

| | <u>Governmental Activities</u> | | <u>Increases</u> |
|----------------------------------|--------------------------------|---------------------|--------------------|
| | <u>2022</u> | <u>2021</u> | <u>(Decreases)</u> |
| Assets: | | | |
| Current and Other Assets | \$ 1,750,982 | \$ 1,744,358 | \$ 6,624 |
| Capital Assets | 192,491 | 198,552 | (6,061) |
| Total Assets | <u>1,943,473</u> | <u>1,942,910</u> | <u>563</u> |
| Liabilities: | | | |
| Accounts Payable | 13,744 | 5,107 | 8,637 |
| Other Liabilities | 10,490 | 8,970 | 1,520 |
| Total Liabilities | <u>24,234</u> | <u>14,077</u> | <u>10,157</u> |
| Net Position: | | | |
| Net Investment in Capital Assets | 192,491 | 198,552 | (6,061) |
| Unrestricted | 1,726,748 | 1,730,281 | (3,533) |
| Total Net Position | <u>\$ 1,919,239</u> | <u>\$ 1,928,833</u> | <u>\$ (9,594)</u> |

Approximately 90% of the Bureau's net position is unrestricted and may be used to meet the Bureau's ongoing obligations at its discretion and approximately 10% reflects its net investment in capital assets net of depreciation. The Bureau's activities decreased its net position by \$9,594 for the year.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the Bureau's activities for the current year as compared to the prior year. For more detailed information, see the Statement of Activities in this report.

Changes in Net Position
For the Years Ended December 31, 2022 and 2021

| | <u>Governmental Activities</u> | | <u>Increases</u> | <u>Percentage</u> |
|---|--------------------------------|---------------------|--------------------|-------------------|
| | <u>2022</u> | <u>2021</u> | <u>(Decreases)</u> | <u>Change</u> |
| Revenues: | | | | |
| General Revenues: | | | | |
| Tourist Tax Collected | \$ 470,971 | \$ 503,374 | \$ (32,403) | (6.44%) |
| Intergovernmental - Improvement Fund | 166,258 | 74,114 | 92,144 | 124.33% |
| LA Tourism Recovery Grants | 19,843 | 298,949 | (279,106) | (93.36%) |
| Insurance Proceeds | - | 82,662 | (82,662) | (100.00%) |
| Interest Income | 17,933 | 3,093 | 14,840 | 479.79% |
| Net Increase (Decrease) in Fair Value of Investments | (3,303) | (1,859) | (1,444) | 77.68% |
| Gain on Disposition of Capital Assets | 1,500 | - | 1,500 | 100.00% |
| Total Revenues | <u>673,202</u> | <u>960,333</u> | <u>(287,131)</u> | <u>(29.90%)</u> |
| Expenses: | | | | |
| General Government | <u>682,796</u> | <u>568,264</u> | <u>114,532</u> | <u>20.15%</u> |
| Total Expenses | <u>682,796</u> | <u>568,264</u> | <u>114,532</u> | <u>20.15%</u> |
| Change in Net Position | (9,594) | 392,069 | (401,663) | (102.45%) |
| Net Position, Beginning of Year | <u>1,928,833</u> | <u>1,536,764</u> | <u>392,069</u> | <u>25.51%</u> |
| Net Position, Ending of Year | <u>\$ 1,919,239</u> | <u>\$ 1,928,833</u> | <u>\$ (9,594)</u> | <u>(0.50%)</u> |

Governmental Activities

Revenues for governmental activities decreased by \$287,131 or 29.9 percent, due primarily to a decrease in LA Tourism Recovery Grant revenue of \$279,106. There was also a decrease in Tourist Tax Revenue of \$32,403 and an increase in Improvement Fund Revenue of \$92,144.

Expenses increased by 20.15 percent or \$114,532, with the greatest increases consisting of Advertising and Publications expense of \$30,475, Salaries and Wages expense of \$31,619, Grants Expense of \$23,000, and Louisiana Tourism Revival Grant expense of \$94,088. There were also decreases in Natural Disaster Repairs of \$76,951 and Promotions expense of \$10,839.

Fund Financial Analysis

As noted earlier, the Bureau uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Bureau has only one fund type – governmental funds.

Governmental Funds

The general fund is the only fund of the Bureau. At the end of the current year, the total fund balance for the general fund was \$1,726,748. Of this amount, \$5,524 was considered nonspendable under GASB 54, Fund Balance Reporting and \$1,721,224 was unassigned. Total fund balance represented 259 percent of total general fund expenditures.

General Fund Budgetary Highlights

The Executive Director prepares the annual budget which is based on what is expected to be collected during the fiscal year and is then approved by the Board. The adopted budget constitutes the authority of the Bureau to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment.

There were no funds that had actual revenues and other sources under budgeted revenues and other sources or actual expenditures and other uses over budgeted amounts resulting in unfavorable variances greater than five percent in accordance with the Local Government Budget Act for the fiscal year ended December 31, 2022.

Capital Assets and Debt Administration

Capital Assets

The Bureau's investment in capital assets as of December 31, 2022 amounts to \$198,552 (net of depreciation). The total decrease in the Bureau's investment in capital assets for the current fiscal year was \$16,732 (net of depreciation).

The following table provides a summary of the Bureau's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 6 of the financial statements.

As of December 31, 2022 and 2021

| | Governmental Activities | |
|--------------------------------|-------------------------|-------------------|
| | 2022 | 2021 |
| Capital Assets | | |
| Land | \$ 120,350 | \$ 120,350 |
| Building and Improvements | 152,040 | 148,265 |
| Infrastructure | 60,000 | 60,000 |
| Machinery and Equipment | 60,632 | 53,288 |
| Furniture and Fixtures | 15,057 | 15,057 |
| Vehicles | 40,641 | 40,641 |
| Subtotal Capital Assets | 448,720 | 437,601 |
| Less: Accumulated Depreciation | (256,229) | (239,049) |
| Capital Assets, Net | <u>\$ 192,491</u> | <u>\$ 198,552</u> |

Other Factors Affecting the Bureau

The Livingston Parish Convention and Visitors Bureau's management approach is conservative. This is reflected in conformance of enacted budgets and in the efforts of the Bureau to control the level of expenditures.

Contacting the Bureau's Financial Management

This financial report is designed to provide the Bureau's citizens, taxpayers, creditors and investors with a general overview of the Bureau's finances and show the Bureau's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Eric Edwards, Executive Director, Livingston Parish Convention and Visitors Bureau, Post Office Box 1057, Albany, LA 70711.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

STATEMENT OF NET POSITION

AS OF DECEMBER 31, 2022
(With Comparative Totals as of December 31, 2021)

ASSETS

| | Governmental Activities | |
|-------------------------------|-------------------------|---------------------|
| | 2022 | 2021 |
| Cash and Cash Equivalents | \$ 415,266 | \$ 862,598 |
| Investments | 1,271,486 | 774,795 |
| Intergovernmental Receivables | 58,706 | 101,965 |
| Prepaid Expenses | 5,524 | 5,000 |
| Capital Assets: | | |
| Non-depreciable | 120,350 | 120,350 |
| Depreciable, Net | 72,141 | 78,202 |
| Total Assets | <u>\$ 1,943,473</u> | <u>\$ 1,942,910</u> |

LIABILITIES

| | | |
|-------------------|---------------|---------------|
| Accounts Payable | \$ 13,744 | \$ 5,107 |
| Accrued Payroll | 4,969 | 4,019 |
| Other Liabilities | 5,521 | 4,951 |
| Total Liabilities | <u>24,234</u> | <u>14,077</u> |

NET POSITION

| | | |
|------------------------------------|---------------------|---------------------|
| Net Investment in Capital Assets | 192,491 | 198,552 |
| Unrestricted | 1,726,748 | 1,730,281 |
| Total Net Position | <u>1,919,239</u> | <u>1,928,833</u> |
| Total Liabilities and Net Position | <u>\$ 1,943,473</u> | <u>\$ 1,942,910</u> |

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Totals for the Year Ended December 31, 2021)

| | Governmental Activities | |
|---|-------------------------|--------------|
| | 2022 | 2021 |
| Governmental Activities: | | |
| Expenses: | | |
| General Government: | | |
| Salaries and Wages | \$ 182,071 | \$ 150,452 |
| Advertising and Publications | 98,628 | 68,153 |
| Board Meetings | 3,166 | 1,745 |
| Collection Cost | 14,748 | 14,246 |
| Conferences | 6,638 | 4,073 |
| Dues and Subscriptions | 14,766 | 5,032 |
| Equipment Rental | 4,363 | 4,785 |
| Grants | 42,500 | 19,500 |
| GUMBO Regional Marketing | 6,000 | 6,000 |
| Insurance | 35,225 | 27,290 |
| Intergovernmental Payments | - | 9,000 |
| Louisiana Tourism Revival Grant | 151,743 | 57,655 |
| Meals | 5,833 | 3,276 |
| Natural Disaster Repairs | - | 76,951 |
| Office Supplies | 5,384 | 5,691 |
| Other Operating Expenses | 3,974 | 3,448 |
| Payroll Taxes | 13,856 | 11,447 |
| Professional Fees | 32,077 | 31,383 |
| Promotions | 7,138 | 17,977 |
| Repairs and Maintenance | 9,831 | 10,827 |
| Telephone | 2,441 | 2,135 |
| Travel | 5,951 | 5,101 |
| Utilities | 12,365 | 10,812 |
| Vehicle | 6,918 | 4,553 |
| Depreciation | 17,180 | 16,732 |
| Total Expenses | 682,796 | 568,264 |
| General Revenues: | | |
| Tourist Tax Collected | 470,971 | 503,374 |
| Intergovernmental - Improvement Fund | 166,258 | 74,114 |
| Grants | 19,843 | 298,949 |
| Insurance Proceeds | - | 82,662 |
| Interest Income | 17,933 | 3,093 |
| Net Decrease in Fair Value of Investments | (3,303) | (1,859) |
| Gain on Disposition of Capital Assets | 1,500 | - |
| Total General Revenues | 673,202 | 960,333 |
| Change in Net Position | (9,594) | 392,069 |
| Net Position - Beginning of Year | 1,928,833 | 1,536,764 |
| Net Position - End of Year | \$ 1,919,239 | \$ 1,928,833 |

The accompanying notes constitute an integral part of this statement.

FUND FINANCIAL STATEMENTS

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

BALANCE SHEET - GENERAL FUND

AS OF DECEMBER 31, 2022
(With Comparative Totals as of December 31, 2021)

| | <u>2022</u> | <u>2021</u> |
|----------------------------|---------------------|---------------------|
| Cash and Cash Equivalents | \$ 415,266 | \$ 862,598 |
| Investments | 1,271,486 | 774,795 |
| Due From Other Governments | 58,706 | 101,965 |
| Prepaid Expenses | <u>5,524</u> | <u>5,000</u> |
| Total Assets | <u>\$ 1,750,982</u> | <u>\$ 1,744,358</u> |

LIABILITIES AND FUND BALANCES

| | | |
|-------------------------------------|---------------------|---------------------|
| Liabilities: | | |
| Accounts Payable | \$ 13,744 | \$ 5,107 |
| Accrued Payroll | 4,969 | 4,019 |
| Other Liabilities | <u>5,521</u> | <u>4,951</u> |
| Total Liabilities | 24,234 | 14,077 |
| Fund Equity: | | |
| Nonspendable: | | |
| Prepaid Expenses | 5,524 | 5,000 |
| Unassigned | <u>1,721,224</u> | <u>1,725,281</u> |
| Total Fund Balances | <u>1,726,748</u> | <u>1,730,281</u> |
| Total Liabilities and Fund Balances | <u>\$ 1,750,982</u> | <u>\$ 1,744,358</u> |

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

AS OF DECEMBER 31, 2022
(With Comparative Totals as of December 31, 2021)

| | <u>2022</u> | <u>2021</u> |
|--|----------------------------|----------------------------|
| Fund Balance - Total Governmental Fund | \$ 1,726,748 | \$ 1,730,281 |
| Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because: | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund | | |
| Governmental Capital Assets | 443,020 | 437,601 |
| Less: Accumulated Depreciation | <u>(250,529)</u> | <u>(239,049)</u> |
| | <u>192,491</u> | <u>198,552</u> |
| Net Position of Governmental Activities | <u><u>\$ 1,919,239</u></u> | <u><u>\$ 1,928,833</u></u> |

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Totals for the Year Ended December 31, 2021)

| | 2022 | 2021 |
|---|--------------|--------------|
| Revenues: | | |
| Tourist Tax Collected | \$ 470,971 | \$ 503,374 |
| Intergovernmental - Improvement Fund | 166,258 | 74,114 |
| Grants | 19,843 | 298,949 |
| Insurance Proceeds | - | 82,662 |
| Interest Income | 17,933 | 3,093 |
| Net Decrease in Fair Value of Investments | (3,303) | (1,859) |
| Total Revenues | 671,702 | 960,333 |
| Expenditures: | | |
| General Government: | | |
| Salaries and Wages | 182,071 | 150,452 |
| Advertising and Publications | 98,628 | 68,153 |
| Board Meetings | 3,166 | 1,745 |
| Collection Cost | 14,748 | 14,246 |
| Conferences | 6,638 | 4,073 |
| Dues and Subscriptions | 14,766 | 5,032 |
| Equipment Rental | 4,363 | 4,785 |
| Grants | 42,500 | 19,500 |
| GUMBO Regional Marketing | 6,000 | 6,000 |
| Insurance | 35,225 | 27,290 |
| Intergovernmental Payments | - | 9,000 |
| Louisiana Tourism Revival Grant | 151,743 | 57,655 |
| Meals | 5,833 | 3,276 |
| Natural Disaster Repairs | - | 76,951 |
| Office Supplies | 5,384 | 5,691 |
| Other Operating Expenses | 3,974 | 3,448 |
| Payroll Taxes | 13,856 | 11,447 |
| Professional Fees | 32,077 | 31,383 |
| Promotions | 7,138 | 17,977 |
| Repairs and Maintenance | 9,831 | 10,827 |
| Telephone | 2,441 | 2,135 |
| Travel | 5,951 | 5,101 |
| Utilities | 12,365 | 10,812 |
| Vehicle | 6,918 | 4,553 |
| Total Expenditures | 665,616 | 551,532 |
| Capital Outlay | 11,119 | - |
| Total Expenditures | 676,735 | 551,532 |
| Excess (Deficiency) of Revenues Over Expenditures | (5,033) | 408,801 |
| Other Financing Source: | | |
| Proceeds from Sale of Capital Asset | 1,500 | - |
| Net Change in Fund Balance | (3,533) | 408,801 |
| Fund Balance at Beginning of Year | 1,730,281 | 1,321,480 |
| Fund Balance at End of Year | \$ 1,726,748 | \$ 1,730,281 |

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

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 DECEMBER 31, 2022
(With Comparative Totals for the Year Ended December 31, 2021)

| | 2022 | 2021 |
|--|------------|------------|
| Net Change in Fund Balance - Total Governmental Fund | \$ (3,533) | \$ 408,801 |
| <p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p> | | |
| Capital Outlays | 11,119 | - |
| Depreciation Expense | (17,180) | (16,732) |
| | (6,061) | (16,732) |
| Add accumulated depreciation on capital assets retired during the year | 5,700 | - |
| Less cost basis of capital assets retired during the year | (5,700) | - |
| Change in Net Position of Governmental Activities | \$ (9,594) | \$ 392,069 |

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2022

| | Original Budget | Final Budget | Actual | Variance With Final Budget |
|--|---------------------|---------------------|---------------------|----------------------------------|
| Revenues: | | | | |
| Tourist Tax Collected | \$ 345,000 | \$ 450,000 | \$ 470,971 | \$ 20,971 |
| Intergovernmental - Improvement Fund | 160,000 | 160,000 | 166,258 | 6,258 |
| Grants | - | 19,843 | 19,843 | - |
| Interest Income | 10,000 | 8,000 | 17,933 | 9,933 |
| Net Decrease in Fair Value of Investments | - | - | (3,303) | (3,303) |
| Total Revenues | 515,000 | 637,843 | 671,702 | 33,859 |
| Expenditures: | | | | |
| General Government: | | | | |
| Salaries and Wages | 185,000 | 190,000 | 182,071 | 7,929 |
| Advertising and Publications | 45,000 | 75,000 | 98,628 | (23,628) |
| Board Meetings | 3,000 | 3,000 | 3,166 | (166) |
| Collection Cost | 11,000 | 15,000 | 14,748 | 252 |
| Conferences | 4,000 | 6,000 | 6,638 | (638) |
| Dues and Subscriptions | 10,000 | 11,000 | 14,766 | (3,766) |
| Equipment Rental | 5,000 | 4,000 | 4,363 | (363) |
| Grants | 30,000 | 55,000 | 42,500 | 12,500 |
| GUMBO Regional Marketing | 8,000 | 8,000 | 6,000 | 2,000 |
| Insurance | 28,000 | 38,000 | 35,225 | 2,775 |
| Intergovernmental Payments | 9,000 | - | - | - |
| Louisiana Tourism Revival Grant | - | 166,258 | 151,743 | 14,515 |
| Meals | 5,000 | 6,000 | 5,833 | 167 |
| Office Supplies | 5,000 | 5,000 | 5,384 | (384) |
| Other Operating Expenses | 3,900 | 5,300 | 3,974 | 1,326 |
| Payroll Taxes | 13,500 | 13,500 | 13,856 | (356) |
| Professional Fees | 36,000 | 46,000 | 32,077 | 13,923 |
| Promotions | 20,000 | 25,000 | 7,138 | 17,862 |
| Repairs and Maintenance | 8,000 | 8,000 | 9,831 | (1,831) |
| Telephone | 3,500 | 2,500 | 2,441 | 59 |
| Travel | 24,000 | 8,000 | 5,951 | 2,049 |
| Utilities | 13,500 | 13,500 | 12,365 | 1,135 |
| Vehicle | 4,000 | 7,000 | 6,918 | 82 |
| | 474,400 | 711,058 | 665,616 | 45,442 |
| Capital Outlay | 20,000 | 20,000 | 11,119 | 8,881 |
| Total Expenditures | 494,400 | 731,058 | 676,735 | 54,323 |
| Excess (Deficiency) of Revenues Over Expenditures | 20,600 | (93,215) | (5,033) | 88,182 |
| Other Financing Source: | | | | |
| Proceeds from Sale of Capital Asset | - | - | 1,500 | 1,500 |
| Net Change in Fund Balance | 20,600 | (93,215) | (3,533) | 89,682 |
| Fund Balance at Beginning of Year | 1,730,281 | 1,730,281 | 1,730,281 | - |
| Fund Balance at End of Year | <u>\$ 1,750,881</u> | <u>\$ 1,637,066</u> | <u>\$ 1,726,748</u> | <u>\$ 89,682</u> |

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

(1) **Summary of Significant Accounting Policies and Nature of Operations**

The Livingston Parish Convention and Visitors Bureau (the “Bureau”), formerly the Livingston Tourism Bureau, is a body corporate, created by the Livingston Parish Police Jury, now the Livingston Parish Council, by Ordinance 79-12-1 as provided for by Louisiana Revised Statutes (R.S.) 33:4574. The Bureau was created for the express purpose of the promotion of tourism within Livingston Parish. The operations of the Bureau in carrying out its purpose are funded primarily by the collection of an occupancy tax (tourist tax) as provided for by R.S. 33:4574.1-1.1 and State Improvement Fund Revenue as provided for by R.S. 47:302.41. The Bureau is governed by a board of nine directors who are appointed by the Livingston Parish Council.

The financial statements of the Bureau have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

A. Financial Reporting Entity

This report includes all funds which are controlled by or dependent on the Bureau’s Board of Directors. Control by or dependence on the board was determined on the basis of taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

In accordance with Governmental Accounting Standards Board, Statement 61, the Bureau is considered a related party of the Livingston Parish Council, the governing body of the parish. While the Livingston Parish Council appoints board members, the Livingston Parish Council does not significantly influence the operations of the Bureau nor is the Bureau held accountable to the Livingston Parish Council for fiscal matters.

B. Basis of Presentation

The Bureau’s basic financial statements include both government-wide (reporting the Bureau as a whole) and fund financial statements (reporting the Bureau’s major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. There were no activities of the Bureau categorized as a business-type activity.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

Basic Financial Statements - Government-Wide Statements

In the government-wide Statement of Net Position, the governmental activity column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis.

The government-wide Statement of Activities reports both the gross and net cost of the Bureau's functions. The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants. The Bureau does not have any program revenues or capital grants.

The net costs (by function) are normally covered by general revenue (taxes, interest and investment earnings, etc.).

The Bureau does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Bureau as an entity and the change in the Bureau's net position resulting from the current year's activities.

Basic Financial Statements - Fund Financial Statements

The financial transactions of the Bureau are reported in an individual fund in the fund financial statements. This fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. This fund is reported by generic classification within the financial statements.

The Bureau uses the following fund type:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the Bureau:

The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for in another fund. At December 31, 2022, it is the only fund of the Bureau.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

C. Basis of Accounting and Measurement Focus

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

1. Accrual -

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Property taxes, franchise taxes, tourist taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if they are measurable and available. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Substantially all other revenue items are considered to be measurable and available only when cash is received by the government.

2. Modified Accrual -

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A sixty-day availability period is used for revenue recognition for all governmental fund type revenues. Expenditures are recorded when the related fund liability is incurred. Depreciation is not recognized in the Governmental Fund Financial Statements.

D. Deposits and Investments

The Bureau's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law limits the Bureau to deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or national banks having principal offices in Louisiana.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

In accordance with state law, the Bureau limits its investments to those allowed under R.S. 33:2955. Certificates of deposit are classified as investments if their original maturities exceed 90 days. Investments are reported at fair market value.

E. Receivables and Revenues

Tourist tax receivables are reported net of collection cost charged by the Livingston Parish School Board for collecting the tax on behalf of the Bureau. Tourist tax revenue and receivable are recorded in the month collected by the vendor.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. The Bureau did not have any inventory at December 31, 2022. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental activities columns in the government-wide financial statement. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Bureau maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Estimated Lives</u> |
|-----------------------------------|------------------------|
| Buildings and Improvements | 10 - 40 Years |
| Infrastructure | 20 Years |
| Vehicles, Machinery and Equipment | 5 - 15 Years |

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

H. Encumbrances

Encumbrances outstanding at year end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls. The Governmental Fund's budget is maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and contracts (encumbrances) issued for goods or services not received at year end.

The actual results of operations are presented in accordance with GAAP and the Bureau's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred. At December 31, 2022, the Bureau had no outstanding encumbrances.

I. Compensated Absences

The Bureau has the following policy related to vacation and sick leave: Each full-time employee, after one year of service, is entitled to annual vacation and sick leave as follows:

| | <u>Years of Service</u> | | |
|---------------------------------------|-------------------------|----------|-----------|
| | <u>1</u> | <u>2</u> | <u>5+</u> |
| Vacation Leave - Days Earned per Year | 7 | 14 | 20 |
| Sick Leave - Days Earned per Year | 12 | 12 | 12 |

Vacation leave cannot be accrued and must be taken in the anniversary year it is acquired. Sick leave can accrue at a rate of one day for each month of continuous employment until a maximum of 180 days has been accumulated. Sick leave is not paid upon termination or retirement.

J. Net Position

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

Net Investment in Capital Assets Component of Net Position - The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

Restricted Component of Net Position - The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted Component of Net Position - The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

K. Fund Equity

The Bureau implemented the provisions of Governmental Accounting Standards Board Statement No. 54 which redefined how fund balances are presented in fund financial statements. In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - 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 - Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts that can only be used for specific purposes determined by a formal action of the Bureau board. These amounts cannot be used for any other purpose unless the Bureau board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

Assigned - Amounts that are designated as committed by the Bureau board but are not spendable until a budget ordinance is passed.

Unassigned - All amounts not included in other spendable classifications. The Bureau board has not adopted a policy to maintain the general fund's unassigned fund balance above a certain minimum level.

The details of the fund balances are included in the Balance Sheet - General Fund. As noted above, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the Bureau board or the assignment has been changed by the Bureau board. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

L. Budgetary Practices

The Bureau utilizes the following budgetary practices:

The Executive Director of the Bureau prepares the annual budget, which is based on what is expected to be collected during the fiscal year, and the budget is approved by the Bureau's Board. The adopted budget constitutes the authority of the Bureau to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment. All budget amounts presented in the financial statements have been adjusted for legally authorized revisions of annual budget during the year. Appropriations lapse at the end of each year.

Budgets for the general fund are adopted on a basis consistent with generally accepted accounting principles (GAAP) and are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

M. 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. Actual results could differ from those estimates, and such differences may be material.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

N. Current Year Adoption of New Accounting Standards

The following statement of the Governmental Accounting Standards Board (GASB) is effective for the Bureau's 2022 fiscal year. The Bureau has adopted and implemented these statements in the preparation of the financial statements for the year ended December 31, 2022.

1. During the year, the District adopted GASB Statement No. 87, *Leases*. This new accounting standard had no material effect on the Bureau's financial statements.

O. Reclassification of Prior Year Amounts

Certain prior year balances have been reclassified to conform to the current year presentation.

P. Summary Financial Information for 2021

The financial statements include certain prior year summarized information in total. Such information does not include sufficient details to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Bureau's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

(2) **Cash and Cash Equivalents -**

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit with original maturity dates of 90 days or less. Under state law the Bureau may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the Bureau may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Cash and cash equivalents and investments are stated at cost, which approximates market. These deposits must be secured under state law by federal deposit insurance, or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. The following is a summary of cash and cash equivalents and investments at December 31, 2022:

| | <u>Book Balance</u> | <u>Bank Balance</u> |
|--|-------------------------|-------------------------|
| Interest Bearing Demand Deposits | \$ 388,308 | \$ 396,323 |
| Interest Bearing Money Market Deposits | 26,958 | 26,958 |
| | <u>\$ 415,266</u> | <u>\$ 423,281</u> |

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Bureau’s deposits may not be returned to it. To mitigate this risk, state law requires for these deposits (or the resulting bank balances) to be secured by federal deposit insurance or the pledge of securities by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Even though the pledged securities may be considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Bureau that the fiscal agent has failed to pay deposited funds upon demand. At December 31, 2022, the District has \$423,281 in demand deposits and money market deposits (collected bank balances) for cash and cash equivalents. \$276,958 of the demand deposits and money market deposit are secured from risk by \$276,958 of federal deposit insurance and the remaining \$146,094 of demand deposits and money market deposits are secured by pledged securities. The \$146,094 is exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

(4) Investments -

As of December 31, 2022, the Bureau had the following investments and maturities:

| Investment Type | Amortized Cost | Fair Value | Investment Maturities (in Years) | | | |
|---|--------------------|--------------------|----------------------------------|------------------|-------------|-----------------|
| | | | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| U.S. Government and Agencies: | | | | | | |
| Federal National Mortgage Association | \$ 49,336 | \$ 45,134 | \$ - | \$ 45,134 | \$ - | \$ - |
| Federal Home Loan Mortgage Corporation | 122,547 | 121,408 | 121,408 | - | - | - |
| Federal Home Loan Bank | 9,808 | 9,644 | 9,644 | - | - | - |
| United States Treasuries | 102,801 | 102,838 | 78,481 | 24,357 | - | - |
| | 284,492 | 279,024 | <u>\$ 209,533</u> | <u>\$ 69,491</u> | <u>\$ -</u> | <u>\$ -</u> |
| LAMP | 992,462 | 992,462 | | | | |
| Total Investments | <u>\$1,276,954</u> | <u>\$1,271,486</u> | | | | |

Fair Value Measurements. Certificates of deposits with original maturity dates greater than 90 days which are stated at cost which approximates fair value are considered investments.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposits with redemption terms that do not consider market rates, are reported using a cost-based measure which is permitted per GASB Statement No. 31. The U.S. Government and Agencies investments are reflected at fair value.

The Bureau categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Bureau has the following fair value measurements as of December 31, 2022: United States Treasury investments of \$102,838, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Federal Home Loan Bank investments of \$176,186 are valued using quoted prices for similar assets in markets that are active (Level 2 inputs).

Interest Rate Risk. The Bureau does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk. For an investment, this is the risk that, in the event of failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In the case of certificates of deposit, this is the risk that in the event of a bank failure, the Bureau's investments may not be returned to it. The Bureau's investments in U.S. Government and Agencies carry the explicit guarantee of the U.S. government; therefore none of the Bureau's investments in U.S. Government and Agencies of \$279,024 were exposed to custodial credit risk.

Investments also consist of \$992,462 in the Louisiana Asset Management Pool (LAMP), a local government external investment pool. The LAMP investment is stated at the value of the pool shares, which is the same as the fair value which is permitted per GASB Statement No. 79.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

1. **Credit risk:** LAMP is rated AAAM by Standards and Poor's.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

2. **Custodial credit risk**: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. **Concentration of credit risk**: Pooled investments are excluded from the five percent disclosure requirement.
4. **Interest rate risk**: LAMP is designed to be highly liquid to give participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 52 days as of December 31, 2022.
5. **Foreign currency risk**: Not applicable.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by writing to LAMP, Inc., 650 Poydras Street, Suite 2220, New Orleans, Louisiana 70130, or by calling (800) 249-5267.

(5) **Receivables -**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends and the period aging and write-off of accounts receivable. The major receivable balance for the governmental activities is from Tourist tax.

In the fund financial statements, the material receivable in governmental funds also includes a revenue accrual for Tourist tax since it is both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded only if paid within 60 days, since they would be considered both measurable and available. Allowances for uncollectible

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

accounts receivable are based upon historical trends and the periodic aging and write-off of accounts receivable.

Due From Other Governments at December 31, 2022 consists of \$58,706 due from the Livingston Parish School Board for Tourist tax.

(6) Changes in Capital Assets -

Capital asset activity for the year ended December 31, 2022 for governmental is as follows:

| | Balance December 31, 2021 | Additions | Deletions | Balance December 31, 2022 |
|---|------------------------------|------------|-----------|------------------------------|
| <u>Governmental Activities</u> | | | | |
| Capital Assets not being Depreciated: | | | | |
| Land | \$ 120,350 | \$ - | \$ - | \$ 120,350 |
| Total Capital Assets not being Depreciated | 120,350 | - | - | 120,350 |
| Capital Assets being Depreciated: | | | | |
| Buildings and Improvements | 148,265 | 3,775 | - | 152,040 |
| Infrastructure | 60,000 | - | - | 60,000 |
| Vehicles | 40,641 | - | - | 40,641 |
| Machinery and Equipment | 53,288 | 7,344 | 5,700 | 54,932 |
| Furniture and Equipment | 15,057 | - | - | 15,057 |
| Total Capital Assets being Depreciated | 317,251 | 11,119 | 5,700 | 322,670 |
| Less Accumulated Depreciation: | | | | |
| Buildings and Improvements | 83,383 | 7,885 | - | 91,268 |
| Infrastructure | 60,000 | - | - | 60,000 |
| Vehicles | 28,448 | 8,128 | - | 36,576 |
| Machinery and Equipment | 52,162 | 852 | 5,700 | 47,314 |
| Furniture and Equipment | 15,056 | 315 | - | 15,371 |
| Total Accumulated Depreciation | 239,049 | 17,180 | 5,700 | 250,529 |
| Total Capital Assets being Depreciated, Net | 78,202 | (6,061) | - | 72,141 |
| Total Governmental Activities Capital Assets, Net | \$ 198,552 | \$ (6,061) | \$ - | \$ 192,491 |

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

Depreciation expense for the year ended December 31, 2022 is \$17,180, as reported in the Statement of Activities.

(7) Long-Term Debt -

The Livingston Parish Convention and Visitors Bureau has no long-term debt transactions for the year ended December 31, 2022.

(8) Leases -

The Bureau has no outstanding leases at December 31, 2022 that meet the recognition criteria of Governmental Accounting Standards Board Statement No. 87, *Leases*.

(9) Litigation -

At December 31, 2022, there is no litigation pending against the Bureau.

(10) Risk Management -

The Bureau is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Bureau maintains commercial insurance policies for the claims related to the aforementioned risks. The Bureau's payment of the insurance policy deductible is the only liability associated with these policies.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

(11) Compensation Paid Board Members -

None of the board of directors receive compensation for serving on the board. The listing of board members are as follows:

| <u>Name, Title, Contact Number</u> | <u>Address</u> | <u>Compensation Received</u> | <u>Term Expiration</u> |
|---|---|----------------------------------|----------------------------|
| Dean Lawrence, Co-Chair (225) 413-4191 | 38926 Hwy 16 Denham Springs, LA 70706 | \$ - | 2/11/2023 |
| Harold Marcell Parker Jr., Board Member, (985) 507- 6992 | 30125 Horseshoe Road N. Independence, LA 70443 | - | 2/11/2023 |
| Donna Jennings, Co-Chair (225) 445-0046 | 13170 Montrose South Denham Springs, LA 70726 | - | 2/11/2023 |
| Wayne Guilbeau, Board Member (985) 320-5313 | PO Box 1295 Springfield, LA 70462 | - | 2/11/2023 |
| Lynn Sibley, Board Member (225) 954-0493 | 1315 Fondren Sibley Rd. Walker, LA 70785 | - | 2/11/2023 |
| Kim McCon Aydell, Secretary/Treasurer (225) 975-0530 | PO Box 362 French Settlement, LA 70733 | - | 2/11/2023 |
| Robert Reynolds, Board Member (225) 315-3776 | 30619 N. John Drive Denham Springs, LA 70726 | - | 2/11/2023 |
| Bobbi Jo Guerin, Board Member (225) 337-0041 | 33865 Clinton Allen Rd. Denham Springs, LA 70706 | - | 2/11/2024 |
| Jared Clay Parker, Board Member (985) 507-2952 | 34954 Newsom Lane Denham Springs, LA 70706 | - | 2/11/2024 |
| | | <u>\$ -</u> | |

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2022

(12) Schedule of Compensation, Benefits and Other Payments to Agency Head -

In accordance with Louisiana Revised Statute 24:513A, the following is a Schedule of Compensation and Benefits received by Eric Edwards, Executive Director, who was the acting agency head for the year ended December 31, 2022:

| <u>Purpose</u> | <u>Amount</u> |
|------------------------------|-------------------|
| Salary | \$ 84,140 |
| Benefits - Insurance | 14,185 |
| Benefits - Retirement | 2,602 |
| Cellular Phone Reimbursement | 1,306 |
| Other Reimbursements | 384 |
| Conference Travel/Lodging | 499 |
| Special Meals | 1,372 |
| | <u>\$ 104,489</u> |

(13) Subsequent Events -

Management has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through June 29, 2023, the date which the financial statements were available to be issued.

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

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Livingston Parish Convention and Visitors Bureau
Albany, 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 the major fund of the Livingston Parish Convention and Visitors Bureau (the Bureau) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements, and have issued our report thereon dated June 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bureau's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau'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 Bureau'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 Bureau's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

financial statements. 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 *Government 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 Bureau'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 Bureau's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
June 29, 2023

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE YEAR ENDED DECEMBER 31, 2022

A. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Noted

Noncompliance material to financial statements noted?

Yes No

B. Internal Control Over Financial Reporting

None

C. Compliance and Other Matters

None

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2022

A. Internal Control Over Financial Reporting

None

B. Compliance and Other Matters

None

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

DECEMBER 31, 2022

ALBANY, LOUISIANA

Independent Accountant’s Report
on Applying Agreed-Upon Procedures

To the Board of Directors
Livingston Parish Convention and Visitors Bureau
Albany, Louisiana
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) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022 through December 31, 2022. Livingston Parish Convention and Visitors Bureau’s (the Bureau) management is responsible for those C/C areas identified in the SAUPs.

The Bureau 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 January 1, 2022 through December 31, 2022. 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 exceptions 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. – **No exceptions.**
 - 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. – **No exceptions.**
 - c) ***Disbursements***, including processing, reviewing, and approving. – **No exceptions.**
 - 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). – **No exceptions.**

- 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 rates of pay or approval and maintenance of pay rate schedules. – **No exceptions.**
- 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. – **No exceptions.**
- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers. – **No exceptions.**
- h) **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). – **No exceptions.**
- 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.

Exception - The Bureau has written policies and procedures on ethics including a requirement to notify employees of changes to the policy; however, there is no formal documentation requirement included in the policy.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements. – **No exceptions.**
- 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) **Prevention of 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 Bureau has written policies and procedures on sexual harassment including agency responsibilities and training. However, the policy does not mention the annual reporting requirement.

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. – **No exceptions.**

- 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 funds. *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.* – **No exceptions.**
- 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. – **No exceptions.**
- 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. – **No exceptions.**

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:
 - 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); – **No exceptions.**
 - b) Bank reconciliations include written evidence that a member of management or a 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 – **No exceptions.**
 - 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. – **No exceptions.**

Collections (excluding electronic funds transfers)

- 4. 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).
 - A. 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:
 - i. Employees responsible for cash collections do not share cash drawers/registers. – **No exceptions.**
 - ii. 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. – **No exceptions.**

- iii. 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. – **No exceptions.**
 - iv. 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. – **No exceptions.**
- B. 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** – The Bureau’s management has indicated that the current policy does not cover employee theft.
- C. 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:
- i. Observe that receipts are sequentially pre-numbered. – **No exceptions.**
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip. – **No exceptions.**
 - iii. Trace the deposit slip total to the actual deposit per the bank statement. – **No exceptions.**
 - iv. 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). – **No exceptions.**
 - v. Trace the actual deposit per the bank statement to the general ledger. – **No exceptions.**

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

5. 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). – **No exceptions.**
- A. For each location selected under #5 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:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase. – **No exceptions.**
 - ii. At least two employees are involved in processing and approving payments to vendors. – **No exceptions.**
 - iii. 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. – **No exceptions.**

- iv. 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. – **No exceptions.**
 - v. 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. – **No exceptions.**
- B. For each location selected under #5 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: – **No exceptions.**
- i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity. – **No exceptions.**
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5, as applicable. – **No exceptions.**
- C. 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. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements. – **No exceptions.**

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

6. 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. – **No exceptions.**
- A. 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:
- i. 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.] – **No exceptions.**
 - ii. Observe that finance charges and late fees were not assessed on the selected statements. – **No exceptions.**

- B. 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. – **No exceptions.**

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

7. 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:
- i. 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).
 - Exception** - For one of five reimbursements tested, we noted an error in the mileage calculation. Due to the error in the mileage calculation, mileage was reimbursed at a rate that was higher than the IRS rate in effect at the time (\$0.79 per mile rather than \$0.585 per mile).
 - ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased. – **No exceptions.**
 - iii. 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). – **No exceptions.**
 - iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement. – **No exceptions.**

Contracts

8. 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:
- i. 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. – **No exceptions.**
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter). – **No exceptions.**
 - iii. 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). – **No exceptions.**

- iv. 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. – **No exceptions.**

Payroll and Personnel

9. 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. – **No exceptions.**
 - A. 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:
 - i. Observe that all selected employees or officials²¹ documented their daily attendance and leave (e.g., vacation, sick, compensatory); – **No exceptions.**
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials. – **No exceptions.**
 - iii. Observe any leave accrued or taken during the pay period is reflected in the entity’s cumulative leave records. – **No exceptions.**
 - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file. – **No exceptions.**
 - B. 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. – **No exceptions.**
 - C. 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. – **No exceptions.**

Ethics

10. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain ethics documentation from management, and:
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and – **No exceptions.**
 - ii. 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 were no changes to the Bureau’s ethics policy during the fiscal period.**
- A. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170. – **No exceptions.**

Debt Service

11. 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution. – **No debt was issued during current fiscal period.**
- A. 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). – **The District did not have any debt outstanding during the current fiscal period.**

Fraud Notice

12. 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 as required by R.S. 24:523. – **There were no misappropriations of public funds or of assets noted during the fiscal period.**
- A. 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. – **No exceptions.**

Information Technology Disaster Recovery/Business Continuity

13. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. 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.**
 - ii. 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..**
 - iii. 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.**

- A. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9. **No employees terminated employment during the current fiscal year.**

Sexual Harassment

14. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343. – **No exceptions.**

- A. 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). – **No exceptions.**
- B. 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:

Exception – The Bureau prepared a report stating that the Bureau received no reports or claims of sexual harassment from January through December 2022. However, this report was dated as of March 12, 2023, which is after the annual deadline of February 1.

- i. Number and percentage of public servants in the agency who have completed the training requirements; – **No exceptions.**
- ii. Number of sexual harassment complaints received by the agency; – **No exceptions**
- iii. Number of complaints which resulted in a finding that sexual harassment occurred; – **No exceptions**
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and – **No exceptions**
- v. Amount of time it took to resolve each complaint. – **No exceptions.**

Management’s Response/Corrective Action to Exceptions – The Bureau’s responses to the exceptions identified in our performance of the SAUPs are attached. The Bureau’s responses were not subjected to any procedures applied in the SAUPs and, accordingly, we express no opinion or any assurance on them.

We were engaged by the Bureau 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, 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 Bureau 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.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
June 28, 2023

June 26, 2023

Management's Response to Findings for 2022 Audit

2022-1-i Ethics

Management will specifically address in an updated written policy for ethics, a formal documentation requirement. This list will be kept on file at the LPCVB's office for any review needed.

2022-1-l Ethics

Management will add an annual reporting requirement.

2022-4-B Collections

Management will add coverage to their insurance policy for employee theft.

2022-7-i Travel and Travel-Related Expense Reimbursements

Management will double check current IRS mileage rates for each employee.

2022-14-B Sexual Harassment

Management will make sure the correct deadline is met in the sexual harassment report each year.

Eric Edwards



Executive Director, Livingston Parish CVB

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