

**WEBSTER PARISH CONVENTION AND
VISITORS COMMISSION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2017

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Annual Financial Statements
As of and for the Year Ended December 31, 2017
With Supplemental Information Schedules

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Independent Accountants' Review Report

To the Board of Commissioners of the
Webster Parish Convention and
Visitors Commission

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the Webster Parish Convention and Visitors Commission as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Webster Parish Convention and Visitors Commission. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary information

The accompanying supplementary schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion, on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison schedule be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is a representation of management.

The accompanying Budgetary Comparison Schedule has been reviewed by us, and based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The Management Discussion and Analysis, 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.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated June 29, 2018 on the results of our agreed-upon procedures.

Wesley Martin $\frac{1}{3}$ Cole LLC

Minden, Louisiana

June 29, 2018

BASIC FINANCIAL STATEMENTS

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Statement of Net Position
December 31, 2017

		Governmental Activities
ASSETS		
Cash	\$	553,315
Investments		232,341
Due from other governments		52,243
Capital assets (net)		539
 Total assets		 838,438
LIABILITIES		
Accounts payable		7,059
Total liabilities		7,059
NET POSITION		
Net investment in capital assets		539
Unrestricted		830,840
 Total net position	 \$	 831,379

See accompanying notes and independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Statement of Activities
For the Year Ended December 31, 2017

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Governmental activities</u>
		Operating grants & contributions	Net (expenses)/ revenue
Governmental activities:			
Culture and tourism	\$ 261,259	\$ -	\$ (261,259)
 General revenues:			
Occupancy taxes			162,691
Intergovernmental - state			142,813
Interest			<u>3,036</u>
Total general revenues			308,540
 Change in net position			47,281
 Net position - beginning			<u>784,098</u>
Net position - ending			<u>\$ 831,379</u>

See accompanying notes and independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Government Fund
Balance Sheet
December 31, 2017

	<u>General Fund</u>
ASSETS	
Cash	\$ 553,315
Investments	232,341
Due from other governments	<u>52,243</u>
Total assets	<u>\$ 837,899</u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 5,836
Payroll liabilities	<u>1,223</u>
Total liabilities	<u>7,059</u>
Fund balances:	
Unassigned	<u>830,840</u>
Total fund balances	<u>830,840</u>
Total liabilities and fund balances	<u>\$ 837,899</u>

See accompanying notes and independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Financial Statement of Net Position
December 31, 2017

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balance, Total Governmental Fund (Statement C)	\$ 830,840
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund	<u>539</u>
Net Position of Governmental Activities (Statement A)	<u>\$ 831,379</u>

See accompanying notes and independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Governmental Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2017

	<u>General Fund</u>
Revenues:	
Taxes - occupancy	\$ 162,691
Intergovernmental revenue - state and parish	142,813
Interest	3,036
Total revenues	308,540
 Expenditures:	
Current:	
Operating management fees	33,300
Tax collection fees	2,280
Travel and seminars	8,211
Advertising and printing	54,993
Dues and subscriptions	2,072
Professional fees	43,167
Telephone	11
Grant funds	23,686
Salary and related benefits	90,456
Insurance	201
Office supplies	671
Miscellaneous	714
Capital outlay	850
Total expenditures	260,612
 Excess of revenues over expenditures	 47,928
Fund balance at beginning of year	782,912
 Fund balance at end of year	 \$ 830,840

See accompanying notes and independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund to the
Statement of Activities
For the Year Ended December 31, 2017

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ 47,928
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and report as depreciation expense. This is the amount by which capital outlay was more than depreciation expense in the current period.	<u>(647)</u>
Change in net position of governmental activities (Statement B)	<u>\$ 47,281</u>

See accompanying notes and independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

INTRODUCTION

The Webster Parish Convention and Visitors Commission was created by Ordinance No. 859 of Webster Parish Police Jury in May 1991. The purposes of the Commission are (1) to represent the business and civic community on an organized and non-profit basis for the solicitation and servicing of conventions and for the promotion of visitor activity within the Parish of Webster and (2) to present necessary facilities, equipment, and services to visitors and convention officials.

The governing authority of the Commission is a board of directors composed of seven members who shall serve without compensation. The directors are appointed by the Webster Parish Police Jury from nominations made by various governmental entities and other organizations within the Parish. The Directors are appointed to serve a term of either two or three years depending on the predecessor's term length.

The accounting and reporting practices of the Webster Parish Convention and Visitors Commission conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants, and to the applicable Louisiana Revised Statutes.

Governmental Accounting Standards Board (GASB) Statements establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government.

Based on consideration of the foregoing criteria, the Webster Parish Convention and Visitors Commission is deemed to be a separate reporting entity. These financial statements include only information pertaining to all funds of the Commission. Certain units of the local government over which the Commission exercises no oversight responsibility, such as the Webster Parish Police Jury, other independently elected officials, and municipalities within the parish are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Commission.

Based on the previous criteria, the Commission has determined that there are no component units that are part of the reporting entity.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

Webster Parish Convention and Visitors Commission (Commission). Fiduciary funds are not included in government-wide financial statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses: The Commission reports all direct expenses by function in the Statement of Activities. Indirect expenses not allocated to functions are reported separately in the Statement of Activities.

Separate financial statements are provided for governmental funds. The major individual governmental fund, which is the general fund, is reported in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accompanying financial statements of the Commission have been prepared in conformity 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 accepted standard setting body for establishing governmental accounting and financial reporting principles.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Occupancy and sales taxes are recognized as revenues in the year for which they are earned. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Although most expenditures are recorded when a liability is incurred, as under accrual

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

accounting, the measurement focus of a governmental fund significantly affects what items are to be considered expenditures in the governmental fund. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recognized when due. Compensated absences and claims and judgments are recorded in governmental funds if claims are due and payable.

Occupancy and hotel sales taxes and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

The Commission reports the following major governmental fund:

The General Fund is the Commission's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources when expenses are incurred for purpose for which both restricted and unrestricted net position are available.

C. Deposits and investments

For reporting purposes, cash and cash equivalents include cash and demand deposits. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the Commission may invest in United States bonds, treasury notes, or certificates of deposit. These are classified as investments if their original maturities exceed 90 days; however, if original maturities are 90 days or less, they are classified as cash equivalents.

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure as per GASB Statement No. 31.

D. Due from other governments

In the government-wide statements, this item consists of all revenues earned at year-end and not yet received from other governments. No allowance for uncollectible accounts receivable is established since amounts are determined to be 100% collectible.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

E. Inventory

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

Inventory of the Commission consists of supplies used in promotional and marketing events. All purchased inventory items are valued at cost (first-in, first-out).

F. Capital assets

Capital assets, which include property, plant and equipment, are reported as governmental activities in the government-wide financial statements. 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 acquisition value at the date of donation. The Commission maintains a threshold level of \$2,500 or more for capitalizing capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed. Straight line depreciation is used. The estimated useful life for equipment is 5-10 years.

The costs of normal maintenance and repairs that do not add value to an asset or materially extend an asset's useful life are not capitalized.

G. Budgets and budgetary accounting

The Commission follows these procedures in establishing the budgetary data reflected in these financial statements:

- 1) An annual budget of receipts and expenditures is prepared and adopted by the Board of Commissioners.
- 2) The budget for the general fund is not adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 3) Appropriations lapse at the end of each fiscal year.
- 4) The revenues and expenditures shown on page 9 are reconciled with the amounts reflected on the budget comparison on page 18 as follows:

Excess of revenues and other sources over expenditures and other uses (GAAP Basis)	\$ 47,928
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Adjustments:	
Increase in hotel tax receivables	5,025
Decrease in payroll liability	259
Decrease in accounts payable	<u>4,657</u>

Excess of revenues and other sources over expenditures and other uses (CASH Basis)	\$ <u>33,159</u>
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WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

H. Fund equity classifications

The Commission implemented the provisions of Governmental Accounting Standards Board Statement 54, which redefined how fund balances are presented in the fund financial statements. In the 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. This category includes items that are not easily converted to cash such as inventories.

Restricted - Amounts that can be spent only for specific purposes because of 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 Board of Commissioners. The Board is the Commission's highest level of decision-making authority that can by adoption of a resolution, commit fund balance. Committed amounts cannot be used for any other purpose unless the Commission's board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

Assigned - Amounts that are constrained by the Commission's intent to use for a specific purpose but are neither restricted nor committed. Intent should be expressed by the Board.

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

The Commission reduces committed amounts, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The Commission considers restricted amounts to have been spent when expenditure has been incurred for purposes for which both restricted and unrestricted fund balance is available.

I. Comparative data

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

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

2. Cash and cash equivalents

At December 31, 2017, the Commission has cash and cash equivalents (book balances) totaling \$553,314. These deposits are stated at cost, which approximates market.

Custodial credit risk - Deposits: Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned 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. 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. At December 31, 2017, the Commission has \$799,311 in collected bank balances. These deposits and investments are secured from risk by \$593,506 of federal deposit insurance and \$299,384 of pledged securities.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Commission that the fiscal agent has failed to pay deposited funds upon demand. The Commission's policy does not address custodial credit risk.

Interest rate risk: The Commission's policy does not address interest rate risk.

3. Investments

At December 31, 2017, the Commission had investments of \$232,341, in three (3) certificates of deposit whose maturities are in excess of 90 days. The certificates of deposit are secured from risk by federal deposit insurance and pledged securities.

The Commission's investment policy does not address custodial credit risk or interest rate risk for investments.

4. Due from other governments

Amounts reported as due from other governments as of December 31, 2017 are as follows:

	<u>Occupancy tax</u>
Webster Parish Sales and Use Tax Commission	\$ 10,427
State of Louisiana	<u>41,817</u>
	<u>\$ 52,244</u>

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

5. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2017, for the commission is as follows:

	Balance <u>Jan 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec 31, 2017</u>
Governmental activities:				
Capital Assets being depreciated				
Equipment	\$ <u>3,236</u>	\$ _____	\$ _____	\$ <u>3,236</u>
Total capital assets being depreciated	<u>3,236</u>	_____	_____	<u>3,236</u>
Less accumulated depreciation for:				
Equipment	<u>2,050</u>	<u>647</u>	_____	<u>2,697</u>
Total accumulated depreciation	<u>2,050</u>	<u>647</u>	_____	<u>2,697</u>
Total capital assets, being depreciated net	<u>1,186</u>	<u>(647)</u>	_____	<u>539</u>
Governmental activities capital assets net	\$ <u>1,186</u>	\$ <u>(647)</u>	\$ _____	\$ <u>539</u>

Depreciation expense of \$647 was charged as direct expense of the governmental activities for the year ended December 31, 2017.

6. Hotel/motel occupancy taxes

Funds for the Commission are derived from an occupancy tax levied on hotel and motel rooms and overnight camp facilities located within the Parish of Webster, with the exception of the Methodist Conference Center. Effective July 1, 2006, the occupancy tax increased from 2% to 4%.

7. Retirement System

The Commission provides a defined contribution retirement plan, the Webster Parish Tourism Commission LA 457 DC Plan, to its full-time employees. The plan consists of a ROTH IRA held by each employee. The employees' portion of the retirement plan is withheld from their payroll check. The Commission then matches the contributions for each employee dollar for dollar. There is a maximum contribution amount of \$300 per month or \$3,600 per year for the Executive Director and \$200 per month or \$2,400 per year for other employees. No contributions are made once an employee is no longer with the Commission. There is a ninety (90) day waiting period for new employees to participate in the plan. There are no assets accumulated in a trust that provide retirement plan benefits to plan members. The benefit terms are established and can be amended by the Internal Revenue Service.

The Commission's contribution to the Roth IRA's for its employees for the year ending December 31, 2017 was \$2,700, and there was no liability outstanding as of year-end.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

8. Subsequent Events

In 2018, the Commission hired a new Executive Director who started in June.

Subsequent events have been evaluated through June 29, 2018, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WEBSTER PARISH CONVENTION & VISITORS COMMISSION
Minden, Louisiana

Governmental Fund Type - General Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (CASH) and Actual
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes - Occupancy	\$ 180,000	\$ 160,000	\$ 162,888	\$ 2,888
Intergovernmental revenue	153,000	151,000	137,592	(13,408)
Interest	-	-	3,036	3,036
Total revenues	<u>333,000</u>	<u>311,000</u>	<u>303,516</u>	<u>(7,484)</u>
Expenditures:				
Operating management fees	33,300	33,300	33,300	-
Professional fees	8,000	46,700	43,387	3,313
Tax collection fees	2,500	2,500	2,280	220
Travel and seminars	25,000	10,000	8,244	1,756
Advertising and printing	85,000	65,100	58,332	6,768
Dues and subscriptions	2,000	2,100	2,070	30
Grant funds	26,000	18,700	23,686	(4,986)
Salary and related benefits	94,700	93,200	95,545	(2,345)
Insurance	400	202	201	1
Telephone	2,000	150	131	19
Office supplies	2,000	600	689	(89)
Miscellaneous	3,000	800	713	87
Capital outlay	2,000	3,000	1,779	1,221
Total expenditures	<u>285,900</u>	<u>276,352</u>	<u>270,357</u>	<u>5,995</u>
Excess of revenues over expenditures	47,100	34,648	33,159	(1,489)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>751,547</u>	<u>751,547</u>
Fund balance at end of year	<u>\$ 47,100</u>	<u>\$ 34,648</u>	<u>\$ 784,706</u>	<u>\$ 750,058</u>

See independent accountants' review report.

OTHER REPORTS

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of the
Webster Parish Convention and
Visitors Commission

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Webster Parish Convention and Visitors Commission and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Commission's compliance with certain laws and regulations during the year ended December 31, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. Management of Webster Parish Convention and Visitors Commission is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

We observed no expenditures made during the year for equipment exceeding \$30,000 or public works projects exceeding \$150,000 that would be subject to the provisions of R.S. 38:2211-2296.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list for all board members with the required.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with a list of all employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management agreed-upon procedure 3 appeared on the lists provided by management in agreed-upon procedure 2.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original and the amended budget.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of the meeting held November 15, 2016, which indicated that the budget had been adopted by the Commissioners of the Webster Parish Convention and Visitors Commission. The budget was amended one time during the year. We traced the amendment to the budget to the minutes of the meeting held on November 21, 2017, which indicated that the amendments were appropriately adopted.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed the 5% limit.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- (a) Vouch payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payments were for the proper amount and made to the correct payee.

- (b) Determine if payments were properly coded to the correct fund and general ledger account; and

All six payments were properly coded to the correct fund and general ledger account.

(c) Determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated formal approval on the invoices and dual signatures on the cancelled checks of either the Chairman, Treasurer, and/or Executive Director, which also indicates approval.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law).

The Webster Parish Convention and Visitors Commission is only required to post a notice of each meeting and the accompanying agenda on the door of the Commission's office. Management asserted that such documents were properly posted, and we observed an agenda that was attached to each notice for the quarterly and special meetings.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We scanned the general ledger for bank all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advance, or gifts.

Payroll reports were examined along with a review of the minutes for the year. We noted no payments constituting advances and bonuses made to employees in our scan of the general ledger.

Prior Comments and Recommendations

The Webster Parish Convention and Visitors Commission's response to the findings identified in our prior year review is described in the accompanying schedule of prior year findings. The Webster Parish Convention and Visitor's Commission's response was not subjected to the procedures applied in the review of the financial statements and, accordingly, we express no opinion on it,

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Webster Parish Convention and Visitors Commission and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Wesley Martin & Cole LLC

Minden, Louisiana
June 29, 2018

SUPPLEMENTARY SCHEDULES

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

3/5/2018 (Date Transmitted)

Wise, Martin, and Cole, LLC
601 Main Street
Minden, LA 71055

(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of March 5, 2018

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No []

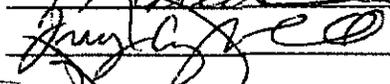
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

	Secretary	<u>3-5-18</u>	Date
	Treasurer	<u>2-26-18</u>	Date
	President	<u>2-26-2018</u>	Date

WEBSTER PARISH CONVENTION & VISITORS COMMISSION
Minden, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2017

The following serve on the Board of Commissioners without compensation:

Jerry Madden	Chairman
Nicky Patel	Commissioner
Ty Pendergrass	Commissioner
Karen Calvert	Commissioner
Jo McCullough	Commissioner
Jim Huffman	Commissioner
Francis Irving	Commissioner

See independent accountants' review report.

WEBSTER PARISH CONVENTION & VISITORS COMMISSION
Minden, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2017

Agency Head: Lynn Dorsey, Executive Director

Salary	\$ 47,504
Benefits – retirement	<u>2,700</u>
Total	\$ <u>50,204</u>

See independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Balance Sheet - Governmental Fund
December 31, 2017
With Comparative Totals for December 31, 2016

	General Fund	
	2017	2016
ASSETS		
Cash	\$ 553,315	\$ 524,141
Investments	232,341	229,306
Due from other government	52,243	47,219
Total assets	\$ 837,899	\$ 800,666
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 5,836	\$ 10,493
Payroll liabilities	1,223	7,261
Total liabilities	7,059	17,754
Fund balances:		
Unassigned	830,840	782,912
Total fund balances	830,840	782,912
Total liabilities and fund balances	\$ 837,899	\$ 800,666

See independent accountants' review report.

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Governmental Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2017
With Comparative Totals for the Year Ended December 31, 2016

	General Fund	
	2017	2016
Revenues:		
Taxes - occupancy	\$ 162,691	\$ 172,577
Intergovernmental revenue - state and parish	142,813	143,417
Interest	3,036	2,945
Miscellaneous income	-	-
Total revenues	308,540	318,939
Expenditures:		
Operating management fees	33,300	33,300
Tax collection fees	2,280	2,433
Travel and seminars	8,211	15,292
Advertising and printing	54,993	107,038
Dues and subscriptions	2,072	2,138
Professional fees	43,167	8,265
Telephone	11	4,235
Internet	-	660
Grant funds	23,686	24,808
North LA Coalition	-	5,000
Salary and related benefits	90,456	89,606
Insurance	201	209
Office supplies	671	1,742
Miscellaneous	714	1,951
Capital outlay	850	1,104
Total expenditures	260,612	297,781
Excess of revenues over expenditures	47,928	21,158
Fund balance at beginning of year	782,912	761,754
Fund balance at end of year	\$ 830,840	\$ 782,912

See independent accountants' review report.

OTHER INFORMATION

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Summary Schedule of Prior Findings
For the Year Ended December 31, 2017

Agreed-upon Procedure #2: *Code of Ethics for Public Officials and Public Employees*

Condition: One board member did not provide an updated list of the immediate family list that is required for the current fiscal year.

Current Status: Resolved; all board members submitted an updated list of immediate family members for 2017.

Agreed-upon Procedure #8: *Accounting and Reporting*

Condition: One of the six disbursements that was randomly selected was improperly coded in the General Fund.

Current Status: Resolved; all disbursements selected and tested in 2017 sample were properly coded.

Agreed-upon Procedure #11: *Advances and Bonuses*

Condition: In 2012, the Commission established an employee benefit plan. The terms allowed the Commission to match employee contributions, not exceeding \$300 per month. During 2016, the Commission paid \$6,000 in matching retirement contributions for the Executive Director, exceeding the \$300 monthly maximum as set in 2012. We found no written documentation evidencing the board's approval to pay the matching amount which exceeded the maximum allowed.

Current Status: Partially resolved; the Commission has removed the Executive Director's privilege to authorize payments to ensure payments are not drafted from the bank account. See current year finding *Agreed-upon Procedure #11.*

WEBSTER PARISH CONVENTION AND VISITORS COMMISSION
Minden, Louisiana

Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2017

Agreed-upon Procedure #11 Advances and Bonuses

Criteria: Examine payroll records and minutes for the year and determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts

Condition: In 2012, the Commission established an employee benefit plan. The terms allowed the Commission to match employee contributions, not exceeding \$300 per month. During 2016, the Commission paid \$6,000 in matching retirement contributions for the Executive Director, exceeding the \$300 monthly maximum as set in 2012. We found no written documentation evidencing the board's approval to pay the matching amount which exceeded the maximum allowed.

In 2017, the Commission settled a wrongful termination lawsuit with the former Executive Director. However, the terms of the settlement agreement did not address the overpayment of the matching retirement contributions made in 2016. Therefore, it appears that the Commission has still not recovered this money.

Management's Response:

In 2016 the commission overpaid then executive director by \$2,400.00 in retirement benefits. This overpayment was brought to the commission's attention in 2017 after the commission was engaged in efforts to terminate the executive director's employment with the commission for actions not related to this matter. In 2017 the commission did reach a legally negotiated settlement with the executive director in question. The settlement included a provision that as a condition of the settlement the commission would not seek to recover the retirement funds in question.

The commission certainly regrets that the overpayment in question occurred in 2016 & that when the overpayment came to light in 2017 the then executive director was on administrative leave providing the commission with limited options to recover the overpayment.