

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

REPORT ON AUDIT OF FINANCIAL STATEMENTS

DECEMBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund (the General Fund), and the budgetary comparison statement of the General Fund of the Livingston Parish Convention and Visitors Bureau (the Bureau) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bureau's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above 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, 2019, and the budgetary comparison statement of the General Fund and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Bureau's December 31, 2018 financial statements, and we expressed an unmodified opinion on those audited financial statement in our report dated June 25, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2020, on our consideration of the Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Bureau's 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 26, 2020

Livingston Parish Convention and Visitors Bureau
Albany, Louisiana
Management's Discussion and Analysis
December 31, 2019

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, 2019, the Bureau's government wide assets exceeded its liabilities by \$1,458,441 (net position). Of this amount, \$1,226,001 (unrestricted net position) may be used to meet the Bureau's ongoing obligations at its discretion and the balance of \$232,440 represents its net investment in capital assets.

For the year ended December 31, 2019, the Bureau's total net position increased by \$190,079.

The Bureau's total revenue on the government-wide basis decreased \$19,014. Tourist Tax Revenue, the main source of revenue for the Bureau, increased \$13,211 from \$333,975 in 2018 to \$347,186 for 2019, Improvement Fund Revenue increased \$16,251 from \$166,440 in 2018 to \$182,691 in 2019, and Promotional Fund Grant Revenue decreased \$47,131 in 2019 over the 2018 total grants.

Total expenses on the government-wide basis decreased \$137,485, with the greatest decreases consisting of LA Tourism Recovery – BP expense of \$134,218, Grants expense of \$8,750, Insurance expense of \$5,176, Intergovernmental Payments of \$5,000, and Travel expense of \$7,272. There was an increase in Advertising and Publications expense of \$25,869.

At December 31, 2019, the Bureau's general fund reported an ending fund balance of \$1,226,001, an increase of \$199,132 for the year. Of the ending fund balance, \$1,226,001 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 9 and 10 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 11 through 15 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 16 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, 2019 and 2018**

	Governmental Activities		Increases
	2019	2018	(Decreases)
Assets:			
Current and Other Assets	\$ 1,249,037	\$ 1,046,098	\$ 202,939
Capital Assets	232,440	241,493	(9,053)
Total Assets	<u>1,481,477</u>	<u>1,287,591</u>	<u>193,886</u>
Liabilities:			
Accounts Payable	13,990	10,913	3,077
Other Liabilities	<u>9,046</u>	<u>8,316</u>	<u>730</u>
Total Liabilities	<u>23,036</u>	<u>19,229</u>	<u>3,807</u>
Net Position:			
Net Investment in Capital Assets	232,440	241,493	(9,053)
Unrestricted	<u>1,226,001</u>	<u>1,026,869</u>	<u>199,132</u>
Total Net Position	<u>\$ 1,458,441</u>	<u>\$ 1,268,362</u>	<u>\$ 190,079</u>

Approximately 84% of the Bureau's net position is unrestricted and may be used to meet the Bureau's ongoing obligations at its discretion and approximately 16% reflects its net investment in capital assets net of depreciation. The Bureau's activities increased its net position by \$19,079 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, 2019 and 2018**

	Governmental Activities		Increases	Percentage
	2019	2018	(Decreases)	Change
Revenues:				
General Revenues:				
Tourist Tax Collected	\$ 347,186	\$ 333,975	\$ 13,211	3.96%
Intergovernmental - Improvement Fund	182,691	166,440	16,251	9.76%
LA Tourism Recovery Grant	102,869	150,000	(47,131)	(31.42)%
Interest Income	19,774	13,824	5,950	43.04%
Net Increase (Decrease) in Fair Value of Investments	205	-	205	100.00%
Gain on Disposition of Capital Assets	-	7,500	(7,500)	(100.00)%
Total Revenues	<u>652,725</u>	<u>671,739</u>	<u>(19,014)</u>	<u>(2.83)%</u>
Expenses:				
General Government	<u>462,646</u>	<u>600,131</u>	<u>(137,485)</u>	<u>(22.91)%</u>
Total Expenses	<u>462,646</u>	<u>600,131</u>	<u>(137,485)</u>	<u>(22.91)%</u>
Change in Net Position	190,079	71,608	118,471	(165.44)%
Net Position, Beginning of Year	<u>1,268,362</u>	<u>1,196,754</u>	<u>71,608</u>	<u>5.98%</u>
Net Position, Ending of Year	<u>\$ 1,458,441</u>	<u>\$ 1,268,362</u>	<u>\$ 190,079</u>	<u>14.99%</u>

Governmental Activities

Revenues for governmental activities decreased by \$19,014 or 2.83 percent, due primarily to an increase in LA Tourism Recovery Grant revenue of \$47,131. There were increases in Tourist Tax Revenue of \$13,211 and Improvement Fund Revenue of \$16,251.

Expenses decreased by 22.91 percent or \$137,485, with the greatest decrease consisting of LA Tourism Recovery – BP expense of \$134,218. Other decreases in expenses were Grants expense of \$8,750, Insurance expense of \$5,176, Intergovernmental Payments of \$5,000, and Travel expense of 7,272. There was an increase in Advertising and Publications expense of \$25,869.

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 \$1,226,001. Of this amount, \$3,939 was considered nonspendable under GASB 54 fund balance and \$1,222,062 was unassigned. Total fund balance represented 270 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, 2020.

Capital Assets and Debt Administration

Capital Assets

The Bureau's investment in capital assets as of December 31, 2019 amounts to \$232,400 (net of depreciation). The total decrease in the Bureau's investment in capital assets for the current fiscal year was \$9,053 (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.

Capital Assets (Net of Depreciation) As of December 31, 2019 and 2018

	Governmental Activities	
	2019	2018
Capital Assets		
Land	\$ 120,350	\$ 120,350
Building and Improvements	148,265	138,495
Infrastructure	60,000	60,000
Machinery and Equipment	53,288	53,288
Furniture and Fixtures	15,057	15,057
Vehicles	40,641	40,641
Subtotal Capital Assets	437,601	427,831
Less: Accumulated Depreciation	(205,161)	(186,338)
Capital Assets, Net	<u>\$ 232,440</u>	<u>\$ 241,493</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, 2019

(With Comparative Totals as of December 31, 2018)

ASSETS

	Governmental Activities	
	2019	2018
Cash and Cash Equivalents	\$ 180,781	\$ 216,374
Investments	965,053	733,802
Receivables:		
Intergovernmental	99,264	95,577
Prepaid Expenses	3,939	345
Capital Assets:		
Non-depreciable	120,350	120,350
Depreciable, Net	112,090	121,143
Total Assets	<u>\$ 1,481,477</u>	<u>\$ 1,287,591</u>

LIABILITIES

Accounts Payable	\$ 13,990	\$ 10,913
Accrued Payroll	2,812	2,295
Other Liabilities	6,234	6,021
Total Liabilities	<u>23,036</u>	<u>19,229</u>

NET POSITION

Net Investment in Capital Assets	232,440	241,493
Unrestricted	1,226,001	1,026,869
Total Net Position	<u>1,458,441</u>	<u>1,268,362</u>
Total Liabilities and Net Position	<u>\$ 1,481,477</u>	<u>\$ 1,287,591</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, 2019

(With Comparative Totals for the Year Ended December 31, 2018)

	Governmental Activities	
	2019	2018
Governmental Activities:		
Expenses:		
General Government:		
Salaries and Wages	\$ 178,365	\$ 177,825
Advertising and Publications	61,282	35,413
Board Meetings	1,959	2,162
Collection Cost	10,923	10,527
Conferences	4,247	5,325
Dues and Subscriptions	15,728	11,485
Equipment Rental	4,423	4,475
Grants	10,500	19,250
GUMBO Regional Marketing	6,000	6,209
Insurance	22,454	27,630
Intergovernmental Payments	9,000	14,000
LA Tourism Recovery - BP	-	134,218
Meals	3,092	4,268
Office Supplies	3,234	5,112
Other Operating Expenses	1,480	975
Payroll Taxes	13,605	13,536
Professional Fees	31,303	33,605
Promotions	26,195	26,210
Repairs and Maintenance	7,459	6,196
Telephone	3,349	3,338
Travel	15,910	23,182
Utilities	10,462	13,544
Vehicle	2,853	2,845
Depreciation	18,823	18,801
Total Expenses	462,646	600,131
General Revenues:		
Tourist Tax Collected	347,186	333,975
Intergovernmental - Improvement Fund	182,691	166,440
LA Tourism Recovery Grant	102,869	150,000
Interest Income	19,774	13,824
Net Increase in Fair Value of Investments	205	-
Gain on Disposition of Capital Assets	-	7,500
Total General Revenues	652,725	671,739
Change in Net Position	190,079	71,608
Net Position - Beginning of Year	1,268,362	1,196,754
Net Position - End of Year	<u>\$ 1,458,441</u>	<u>\$ 1,268,362</u>

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, 2019
(With Comparative Totals as of December 31, 2018)

ASSETS

	2019	2018
Cash and Cash Equivalents	\$ 180,781	\$ 216,374
Investments	965,053	733,802
Due From Other Governments	99,264	95,577
Prepaid Expenses	3,939	345
Total Assets	<u>\$ 1,249,037</u>	<u>\$ 1,046,098</u>

LIABILITIES AND FUND BALANCES

Liabilities:		
Accounts Payable	\$ 13,990	\$ 10,913
Accrued Payroll	2,812	2,295
Other Liabilities	6,234	6,021
Total Liabilities	23,036	19,229
Fund Equity:		
Nonspendable:		
Prepaid Expenses	3,939	345
Unassigned	1,222,062	1,026,524
Total Fund Balances	1,226,001	1,026,869
Total Liabilities and Fund Balances	<u>\$ 1,249,037</u>	<u>\$ 1,046,098</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, 2019
(With Comparative Totals as of December 31, 2018)

	<u>2019</u>	<u>2018</u>
Fund Balance - Total Governmental Fund	\$ 1,226,001	\$ 1,026,869
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	437,601	427,831
Less: Accumulated Depreciation	<u>(205,161)</u>	<u>(186,338)</u>
	<u>232,440</u>	<u>241,493</u>
Net Position of Governmental Activities	<u>\$ 1,458,441</u>	<u>\$ 1,268,362</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, 2019
 (With Comparative Totals for the Year Ended December 31, 2018)

	2019	2018
Revenues:		
Tourist Tax Collected	\$ 347,186	\$ 333,975
Intergovernmental - Improvement Fund	182,691	166,440
LA Tourism Recovery Grant	102,869	150,000
Interest Income	19,774	13,824
Net Increase in Fair Value of Investments	205	-
Total Revenues	<u>652,725</u>	<u>664,239</u>
Expenditures:		
General Government:		
Salaries and Wages	178,365	177,825
Advertising and Publications	61,282	35,413
Board Meetings	1,959	2,162
Collection Cost	10,923	10,527
Conferences	4,247	5,325
Dues and Subscriptions	15,728	11,485
Equipment Rental	4,423	4,475
Grants	10,500	19,250
GUMBO Regional Marketing	6,000	6,209
Insurance	22,454	27,630
Intergovernmental Payments	9,000	14,000
LA Tourism Recovery - BP	-	134,218
Meals	3,092	4,268
Office Supplies	3,234	5,112
Other Operating Expenses	1,480	975
Payroll Taxes	13,605	13,536
Professional Fees	31,303	33,605
Promotions	26,195	26,210
Repairs and Maintenance	7,459	6,196
Telephone	3,349	3,338
Travel	15,910	23,182
Utilities	10,462	13,544
Vehicle	2,853	2,845
	<u>443,823</u>	<u>581,330</u>
Capital Outlay	9,770	51,080
Total Expenditures	<u>453,593</u>	<u>632,410</u>
Excess of Revenues Over Expenditures	199,132	31,829
Other Financing Source:		
Proceeds from Sale of Capital Asset	-	7,500
Excess of Revenues and Other Sources Over Expenditures	199,132	39,329
Fund Balance at Beginning of Year	<u>1,026,869</u>	<u>987,540</u>
Fund Balance at End of Year	<u><u>\$ 1,226,001</u></u>	<u><u>\$ 1,026,869</u></u>

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, 2019
(With Comparative Totals for the Year Ended December 31, 2018)

	<u>2019</u>	<u>2018</u>
Net Change in Fund Balance - Total Governmental Fund	\$ 199,132	\$ 39,329
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.		
Capital Outlays	9,770	51,080
Depreciation Expense	<u>(18,823)</u>	<u>(18,801)</u>
	(9,053)	32,279
Add accumulated depreciation on capital assets retired during the year	-	28,234
Less cost basis of capital assets retired during the year	<u>-</u>	<u>(28,234)</u>
Change in Net Position of Governmental Activities	<u>\$ 190,079</u>	<u>\$ 71,608</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 -
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Tourist Tax Collected	\$ 340,000	\$ 340,000	\$ 347,186	\$ 7,186
Intergovernmental - Improvement Fund	160,000	160,000	182,691	22,691
LA Tourism Recovery Grant	-	102,869	102,869	-
Interest Income	5,000	12,000	19,774	7,774
Net Increase in Fair Value of Investments	-	-	205	205
Total Revenues	505,000	614,869	652,725	37,856
Expenditures:				
Public Works:				
Salaries and Wages	186,000	175,000	178,365	(3,365)
Advertising and Publications	45,000	60,000	61,282	(1,282)
Board Meetings	3,000	2,500	1,959	541
Collection Cost	11,000	11,000	10,923	77
Conferences	4,000	4,000	4,247	(247)
Dues and Subscriptions	10,000	13,000	15,728	(2,728)
Equipment Rental	5,000	4,800	4,423	377
Grants	25,000	10,000	10,500	(500)
GUMBO Regional Marketing	8,000	6,000	6,000	-
Insurance	28,000	24,500	22,454	2,046
Intergovernmental Payments	14,000	9,000	9,000	-
Meals	5,000	3,500	3,092	408
Office Supplies	5,000	3,500	3,234	266
Other Operating Expenses	2,900	1,550	1,480	70
Payroll Taxes	13,500	13,500	13,605	(105)
Professional Fees	36,000	33,800	31,303	2,497
Promotions	20,000	30,000	26,195	3,805
Repairs and Maintenance	8,000	7,000	7,459	(459)
Telephone	3,500	3,300	3,349	(49)
Travel	24,000	16,350	15,910	440
Utilities	13,500	11,000	10,462	538
Vehicle	4,000	3,000	2,853	147
	474,400	446,300	443,823	2,477
Capital Outlay	20,000	20,000	9,770	10,230
Total Expenditures	494,400	466,300	453,593	12,707
Excess of Revenues Over Expenditures	10,600	148,569	199,132	50,563
Fund Balance at Beginning of Year	1,026,869	1,026,869	1,026,869	-
Fund Balance at End of Year	\$ 1,037,469	\$ 1,175,438	\$ 1,226,001	\$ 50,563

The accompanying notes constitute an integral part of this statement.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

(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 expressed 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 seven 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, 2019

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 reflects 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, 2019, it is the only fund of the Bureau.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

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, 2019

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 receivable 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, 2019. 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, 2019

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, 2019, 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, 2019

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, 2019

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 (page 11). 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.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

N. Summary Financial Information for 2018

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 District's financial statements for the year ended December 31, 2018, 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, 2019:

	Book Balance	Bank Balance
Interest Bearing Demand Deposits	\$ 121,070	\$ 136,696
Interest Bearing Money Market Deposits	59,711	59,711
	<u>\$ 180,781</u>	<u>\$ 196,407</u>

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. The pledged securities are deemed by Louisiana State Law to be under the control and possession and in the name of the Bureau regardless of its designation by the financial institution in which it is deposited. As of December 31, 2019, none of the Bureau's bank balance of \$196,407 was exposed to custodial credit risk.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

(4) Investments -

As of December 31, 2019, 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 Home Loan Banks						
Consolidated Bond	\$ 49,803	\$ 49,626	\$ -	\$ 49,626	\$ -	\$ -
Federal National Mortgage Association	94,340	94,503	20,004	74,499	-	-
United States Treasuries	99,568	99,785	50,013	49,772	-	-
	243,711	243,914	<u>\$ 70,017</u>	<u>\$ 173,897</u>	<u>\$ -</u>	<u>\$ -</u>
LAMP	721,139	721,139				
Total Investments	<u>\$ 964,850</u>	<u>\$ 965,053</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. 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, 2019: U.S. Treasury investments of \$99,785 are valued using quoted market prices (Level 1 inputs) and Federal Home Loan Bank and Federal National Mortgage Association investments of \$144,129 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.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

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 \$243,914 were exposed to custodial credit risk.

Investments also consist of \$721,139 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. 59.

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. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. 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.

GASB 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

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

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

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 92 days as of December 31, 2019.
5. **Foreign currency risk**: Not applicable to 2a7-like pools.

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

The Due From Other Governments at December 31, 2019 consist of the following:

Livingston Parish School Board - Tourist Tax	\$ 50,945
State of Louisiana - Improvement Fund	48,319
Total Due from Other Governments	<u>\$ 99,264</u>

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

(6) Changes in Capital Assets -

Capital asset activity for the year ended December 31, 2019 for governmental is as follows:

	Balance <u>December 31, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>December 31, 2019</u>
<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	138,495	9,770	-	148,265
Infrastructure	60,000	-	-	60,000
Vehicles	40,641	-	-	40,641
Machinery and Equipment	53,288	-	-	53,288
Furniture and Equipment	15,057	-	-	15,057
Total Capital Assets being Depreciated	307,481	9,770	-	317,251
Less Accumulated Depreciation:				
Buildings and Improvements	61,484	6,757	-	68,241
Infrastructure	60,000	-	-	60,000
Vehicles	4,064	8,128	-	12,192
Machinery and Equipment	46,798	3,424	-	50,222
Furniture and Equipment	13,992	514	-	14,506
Total Accumulated Depreciation	186,338	18,823	-	205,161
Total Capital Assets being Depreciated, Net	121,143	(9,053)	-	112,090
Total Governmental Activities Capital Assets, Net	\$ 241,493	\$ (9,053)	\$ -	\$ 232,440

Depreciation expense for the year ended December 31, 2019 is \$18,823, as reported in the Statement of Activities.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

(7) Long-Term Debt -

The Livingston Parish Convention and Visitors Bureau has no long-term debt transactions for the year ended December 31, 2019.

(8) Leases -

The Bureau entered into an operating lease agreement with the Xerox Corporation for a multifunction copier/printer in February 2018. The life of the lease is five years (sixty months) and the minimum lease payment is \$344 per month. Additional charges for printing are stipulated in the lease.

Rental expense under this leases was \$4,423 for the year ended December 31, 2019. Future minimum lease payments under this lease are \$4,125 for the next three years and \$687 for the final year.

(9) Litigation -

At December 31, 2019, 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.

(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:

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

<u>Name, Title, Contact Number</u>	<u>Address</u>	<u>Compensation Received</u>	<u>Term Expiration</u>
Lynn Sibley, Chairperson (225) 954-0493	1315 Fondren Sibley Rd. Walker, LA 70785	\$ -	2/11/2023
Lanelle Arceneaux, Vice-Chairperson (985) 974-1442	243340 Carl Bowman Rd. Springfield, LA 70462	-	2/11/2020
Donna Jennings, Secretary/Treasurer (985) 667-8308	13170 Montrose South Denham Springs, LA 70726	-	2/11/2023
Bridgette Gilbert, Board Member (225) 361-1765	238 N. College East Denham Springs, LA 70726	-	2/11/2020
Dean Lawrence, Board Member (225) 413-4191	38926 Hwy 16 Denham Springs, LA 70706	-	2/11/2023
David Richardson, Board Member (225) 276-8088	20090 Aydele Ln. French Settlement, LA 70733	-	2/11/2023
Clark Forrest, Board Member (985) 351-5653	30147 Forrest Lane Holden, LA 70744	-	2/11/2020
		<u>\$ -</u>	

(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, 2019:

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 77,637
Benefits - Insurance	11,202
Benefits - Retirement	2,404
Per Diem	-
Cellular Phone Reimbursement	1,550
Other Reimbursements	-
Continuing Professional Education Fees	-
Conference Travel/Lodging	1,473
Special Meals	959
	<u>\$ 95,225</u>

(13) Current Accounting Pronouncements -

In May 2017, the Governmental Accounting Standards Board issued GASB Statement No 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or, if applied to earlier periods, the beginning of the earliest period restated). However, lessors should not restate the assets underlying their existing sales-type or direct financing leases. Any residual assets for those leases become the carrying values of the underlying assets.

Management is currently evaluating the effects of each of the new GASB pronouncements.

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

(14) Subsequent Events -

The COVID-19 outbreak in the United States and throughout the world has caused business disruption through mandated and voluntary closings of schools and businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration and its impacts on the Bureau's citizens, employees and vendors. Therefore, the extent to which COVID-19 may impact the Bureau's financial condition or results of operations cannot be reasonably estimated at this time.

Management has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through June 26, 2020, 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*

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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*

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, 2019, 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 26, 2020.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *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 26, 2020

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE YEAR ENDED DECEMBER 31, 2019

Current Year Findings:

Internal Control Over Financial Reporting

None

Compliance and Other Matters

None

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2019

Prior Year Findings:

Internal Control Over Financial Reporting

None

Compliance and Other Matters

None

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

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

DECEMBER 31, 2019

ALBANY, LOUISIANA

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Independent Accountant's Report
on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by Livingston Parish Convention and Visitors Bureau (the Bureau) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Bureau's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) ***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.
– **No exceptions.**

Payroll and Personnel

2. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files. – **No Exceptions.**
3. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #2 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.) – **No Exceptions**
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials. – **No Exceptions.**
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records. – **No exceptions.**
4. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files. – **No termination payments during 2019.**
5. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines. – **No exceptions.**

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.

The purpose of this report is 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

Denham Springs, Louisiana
June 26, 2020