

Financial Report

Lafourche Parish Tourist Commission

Raceland, Louisiana

December 31, 2020



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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Lafourche Parish Tourist Commission,
Raceland, Louisiana.

We have audited the accompanying financial statements of the governmental activities and the General Fund of Lafourche Parish Tourist Commission, State of Louisiana (the "Commission"), a component unit of Lafourche Parish Council, State of Louisiana, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 Commission'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 Commission'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 financial position of the governmental activities and the General Fund of Lafourche Parish Tourist Commission as of December 31, 2020, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer on page 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is the responsibility of management and was derived from and relates directly to the underlying accounts and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2021 on our consideration of Lafourche Parish Tourist Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Bougesis Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
June 11, 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Lafourche Parish Tourist Commission

December 31, 2020

Management's Discussion and Analysis of the Lafourche Parish Tourist Commission's (the "Commission") financial performance presents a narrative overview and analysis of the Commission's financial activities for the year ended December 31, 2020. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Commission's assets exceeded its liabilities at the close of fiscal year 2020 by \$2,641,260 (net position), which represents a 7.66% increase from last fiscal year.

The Commission's revenue increased \$28,736 (or 3.07%) primarily due to an increase in hotel/motel taxes received from Lafourche Parish.

The Commission's expenses decreased \$146,078 (or 15.81%) primarily due to decreases in personal services and other services and charges.

The Commission did not have a deficit fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's financial statements. The Commission's annual report consists of three parts: (1) management's discussion and analysis (this section) (2) financial statements; and (3) various governmental compliance reports and schedules by certified public accountants and management.

The financial statements include two kinds of statements that present different views of the Commission:

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private sector business. The Statement of Net Position presents information on all of the Commission's assets, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating. The Statement of Activities presents information showing how the Commission's net position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Commission is culture and recreation.

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 only fund of the Commission is a governmental fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains an individual governmental fund. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund. The Commission adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 10 through 14 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Notes to the Financial Statements**

The notes 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 in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Commission's financial position. As of December 31, 2020, assets exceeded liabilities by \$2,641,260. A large portion of the Commission's net position (38.85%) reflects its net investment in capital assets (e.g., construction in progress, buildings and land improvements; office furniture, fixtures and equipment, and intangible assets). Consequently, these assets are not available for future spending.

Condensed Statements of Net Position

	December 31,		Dollar
	2020	2019	Change
Current and other assets	\$ 1,621,941	\$ 1,409,173	\$ 212,768
Capital assets	1,026,100	1,087,840	(61,740)
Total assets	<u>2,648,041</u>	<u>2,497,013</u>	<u>151,028</u>
Current and other liabilities	4,563	41,032	(36,469)
Long-term liabilities outstanding	2,218	2,658	(440)
Total liabilities	<u>6,781</u>	<u>43,690</u>	<u>(36,909)</u>
Net position:			
Net investment in capital assets	1,026,100	1,087,840	(61,740)
Unrestricted	1,615,160	1,365,483	249,677
Total net position	<u>\$ 2,641,260</u>	<u>\$ 2,453,323</u>	<u>\$ 187,937</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**Governmental Activities**

Governmental activities increased the Commission's net position by \$187,937. Key elements of this increase are as follows:

Condensed Statement of Activities

	For the Year Ended December 31,		Dollar	Total
	2020	2019	Change	Percent Change
Revenues:				
Taxes - hotel/motel	\$ 939,213	\$ 898,036	\$ 41,177	4.59%
Miscellaneous	26,379	38,820	(12,441)	-32.05%
Total revenues	965,592	936,856	28,736	3.07%
Expenses:				
Economic and development assistance	777,655	923,733	(146,078)	-15.81%
Change in net position	187,937	13,123	174,814	1332.12%
Net position, beginning of year	2,453,323	2,440,200	13,123	0.54%
Net position, end of year	<u>\$ 2,641,260</u>	<u>\$ 2,453,323</u>	<u>\$ 187,937</u>	7.66%

The net increase in revenue is primarily due to the increase in hotel/motel tax for Lafourche Parish as a result of the oil and gas industry keeping workers quarantined in local hotel/motels during the Coronavirus (COVID-19) Pandemic. The net decrease in expenses is primarily due to decreases in other services and charges, personal services, and supplies and materials. The net decrease in expenses for other services and charges is due to COVID-19 restrictions resulting in a decrease in advertisement/promotional expenses. The net decreases in expenses for personal services is due to employee turnover during the fiscal year as well as a decrease in employee benefit expenses.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Commission's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Commission's General Fund's ending fund balance is \$1,614,920 which is an increase of \$249,512 in comparison with the prior year. The unassigned fund balance of \$1,614,920 is available for spending at the Commission's discretion.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND (Continued)**General Fund Budgetary Highlights**

The budget was amended once during the year ended December 31, 2020. The primary reason for amending the budget was to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

Expenditures

- Personal services decreased by \$54,500 primarily due to an expected decrease in salaries and employee benefit expenses.
- Other services and charges increased by \$35,500 due to an expected increase in advertising and promotional expenses.

During the year, actual revenues were more than budgeted and actual expenditures were less than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION**Capital Assets**

The Commission's net investment in capital assets for its governmental activities as of December 31, 2020, amounts to \$1,026,100 (net of accumulated depreciation). This net investment in capital assets includes buildings and land improvements, office furniture, fixtures and equipment and intangible assets as follows:

	<u>2020</u>	<u>2019</u>
Intangible assets	\$ 39,975	\$ 39,975
Buildings and land improvements	1,357,308	1,357,308
Office furniture, fixtures, and and equipment	<u>113,721</u>	<u>112,214</u>
Totals	<u>\$ 1,511,004</u>	<u>\$ 1,509,497</u>

No major capital asset purchases occurred during the current fiscal year, however, the Commission did purchase three laptop computers.

Additional information on the Commission's capital assets can be found in Note 3, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The 2021 budget reflects the same projection in hotel/motel tax as the 2020 amended budget.
- Budgeted expenditures are expected to increase from the 2020 amended budget in the advertising and promotion areas. Payroll and payroll tax expenses reflect the annual personnel costs of three full-time employees, one part-time employee, and an option of adding an additional part-time employee. Employee benefits reflect the cost of health insurance, 457 (b) deferred compensation program for full-time employees and supplemental insurance cost (vision and dental) offered to employees.
- The 2021 budgeted expenditures equal budgeted revenues.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Lafourche Parish Tourist Commission 4484 Highway 1, Raceland, Louisiana 70394.

**STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET**

Lafourche Parish Tourist Commission

December 31, 2020

	<u>General Fund</u>	<u>Adjustments (Exhibit B)</u>	<u>Statement of Net Assets</u>
Assets			
Cash and cash equivalents	\$ 1,486,825	\$ -	\$ 1,486,825
Due from Lafourche Parish School Board	74,886	-	74,886
Taxes receivable	57,772	-	57,772
Prepaid insurance	-	-	-
Prepaid expenses	-	2,458	2,458
Capital assets:			
Depreciable, net of accumulated depreciation	-	1,026,100	1,026,100
Total assets	<u>\$ 1,619,483</u>	<u>1,028,558</u>	<u>2,648,041</u>
Liabilities			
Accounts payable and accrued expenditures	\$ 4,563	-	4,563
Long-term liabilities:			
Due in more than one year	-	2,218	2,218
Total liabilities	<u>4,563</u>	<u>2,218</u>	<u>6,781</u>
Fund Balance/Net Position			
Fund balances:			
Unassigned	<u>1,614,920</u>	<u>(1,614,920)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 1,619,483</u>	<u>(1,614,920)</u>	<u>6,781</u>
Net position:			
Net investment in capital assets		1,026,100	1,026,100
Unrestricted		<u>1,615,160</u>	<u>1,615,160</u>
Total net position		<u>\$ 2,641,260</u>	<u>\$ 2,641,260</u>

See notes to financial statements.

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

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

Fund Balance - Governmental Fund		\$ 1,614,920
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 governmental fund.		
Governmental capital assets	\$ 1,511,004	
Less accumulated depreciation	<u>(484,904)</u>	1,026,100
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.		
Prepaid insurance		2,458
Long-term liabilities are not due and payable in the current period and therefore not reported in the governmental funds.		
Compensated absences payable		<u>(2,218)</u>
Net Position of Governmental Activities		<u><u>\$ 2,641,260</u></u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT
OF GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE**

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

	General Fund	Adjustments (Exhibit D)	Statement of Activities
Revenues			
Taxes - hotel/motel:			
Parish	\$ 660,841	\$ -	\$ 660,841
State	278,372	-	278,372
Miscellaneous:			
Grants	19,055	-	19,055
Interest	7,324	-	7,324
Total revenues	<u>965,592</u>	<u>-</u>	<u>965,592</u>
Expenditures/Expenses			
Current:			
Economic development and assistance:			
Personal services	164,486	(440)	164,046
Supplies and materials	18,047	-	18,047
Other services and charges	505,906	1,352	507,258
Repairs and maintenance	24,288	-	24,288
Capital outlay	3,353	(3,353)	-
Depreciation	-	64,016	64,016
Total economic development and assistance	<u>716,080</u>	<u>61,575</u>	<u>777,655</u>
Excess of Revenues Over Expenditures	249,512	(249,512)	-
Change in Net Position	-	187,937	187,937
Fund Balance/Net Position			
Beginning of year	<u>1,365,408</u>	<u>1,087,915</u>	<u>2,453,323</u>
End of year	<u>\$ 1,614,920</u>	<u>\$ 1,026,340</u>	<u>\$ 2,641,260</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES**

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

Net Change in Fund Balance - Governmental Fund		\$ 249,512
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		-
Capital outlay	\$ 3,353	
Depreciation expense	<u>(64,016)</u>	(60,663)
The net effect of miscellaneous transactions involving capital assets, such as dispositions, trade-ins and donations, is to decrease capital outlay.		
Disposal of capital assets		(1,077)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.		
Decrease in compensated absences payable	440	
Decrease in prepaid insurance	<u>(275)</u>	<u>165</u>
Change in Net Position of Governmental Activities		<u>\$ 187,937</u>

See notes to financial statements.

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes - hotel/motel:				
Parish	\$ 510,000	\$ 510,000	\$ 660,841	\$ 150,841
State	349,000	349,000	278,372	(70,628)
Miscellaneous:				
Grant	20,000	20,000	19,055	(945)
Interest	15,000	15,000	7,324	(7,676)
Total revenues	<u>894,000</u>	<u>894,000</u>	<u>965,592</u>	<u>71,592</u>
Expenditures				
Current:				
Economic development and assistance:				
Personal services	279,500	225,000	164,486	60,514
Supplies and materials	29,000	29,000	18,047	10,953
Other services and charges	585,500	621,000	505,906	115,094
Repairs and maintenance	20,000	19,000	24,288	(5,288)
Total economic development and assistance	914,000	894,000	712,727	181,273
Capital outlay	<u>-</u>	<u>-</u>	3,353	(3,353)
Total expenditures	<u>914,000</u>	<u>894,000</u>	<u>716,080</u>	<u>177,920</u>
Excess (Deficit) of Revenues Over Expenditures	(20,000)	-	249,512	249,512
Fund Balance				
Beginning of year	<u>1,385,939</u>	<u>1,365,408</u>	<u>1,365,408</u>	-
End of year	<u>\$ 1,365,939</u>	<u>\$ 1,365,408</u>	<u>\$ 1,614,920</u>	<u>\$ 249,512</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Lafourche Parish Tourist Commission**

December 31, 2020

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Lafourche Parish Tourist Commission (the "Commission") conform to 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 following is a summary of significant accounting policies:

a. Reporting Entity

The Commission is a component unit of the Lafourche Parish Council, (the "Council") and as such, these financials will be included in the comprehensive annual financial report (CAFR) of the Council for the year ended December 31, 2020.

GASB Statement No. 14, *"The Financial Reporting Entity"*, GASB Statement No. 39, *"Determining Whether Certain Organizations Are Component Units-an Amendment of GASB Statement No. 14"*, and GASB Statement No. 61, *"The Financial Reporting Entity Omnibus - An amendment of GASB Statements No. 14 and 34"* criterion for determining which component units should be considered part of the Commission for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the Commission and the potential component unit.
4. Imposition of will by the Commission on the potential component unit.
5. Financial benefit/burden relationship between the Commission and the potential component unit.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Reporting Entity (Continued)

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

b) Basis of Presentation

The Commission's financial statements consist of the government-wide statements on all activities of the Commission and the governmental fund financial statements.

Government-Wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Commission. The government-wide presentation focuses primarily on the sustainability of the Commission as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements:

The daily accounts and operations of the Commission are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the governmental fund of the Commission:

General Fund - The General Fund is the general operating fund of the Commission. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund is always a major fund.

c) Measurement Focus and Basis of Accounting

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Measurement Focus and Basis of Accounting (Continued)

Government-Wide Financial Statements:

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. Hotel/motel sales and use taxes are recognized as revenue in the period they are collected by the merchants.

Fund Financial Statements:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Hotel/motel sales and use taxes are recognized as revenue in the period they are collected by the merchants. Miscellaneous revenues are recorded as revenues when received in cash by the Commission because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

d) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners (the "Board") adopted a budget for the Commission's General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and a public hearing on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board of Commissioners. The Commission amended its budget once during the year. All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

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

The General Fund budget presentation is included in the financial statements.

f) Accounts Receivable

The financial statements for the Commission contain no allowance for uncollectible accounts. Uncollectible amounts due for hotel/motel taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Investments

Investments include deposits in the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortization cost rather than market value to report net position to complete share prices if certain conditions are not met.

h) Prepaid expenses

The Commission has recorded prepaid expenses in its government-wide financial statements. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Capital Assets

The accounting treatment over property and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$500 or more are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of website development and logo branding have been capitalized in accordance with GASB Statement No. 51, *"Accounting and Financial Reporting for Intangible Assets."* Other costs incurred for repairs and maintenance are expensed as incurred.

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

Buildings and land improvements	5 - 50 years
Office furniture, fixtures, and equipment	5 - 25 years
Intangible assets	5 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Compensated Absences

Accumulated paid leave time is recorded as an expenditure of the period in which paid in the governmental funds.

Full-time regular team members are entitled to ten annual paid time off (PTO) days beginning on the first day of employment. Eligible employees earn 12 days of PTO after one year of employment, 15 days of PTO after two years of employment, 20 days of PTO after four years of employment, 25 days of PTO after ten years of employment, and 30 days of PTO after fifteen years of employment. All unused annual PTO will be forfeited as of December 31 with the exception of 7 days of PTO, which can be carried over to the following year. It is the policy of the Commission to pay terminated employees for any unused PTO provided a two week resignation is given.

The liability for paid leave time is recorded as a non-current liability in the government-wide statements.

k) Equity

Government-Wide Statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets, if any. As of December 31, 2020 the Commission had no outstanding borrowings.
- b. Restricted - Consists of assets, liabilities and net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed. As of December 31, 2020, the Commission did not have restricted resources.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Equity (Continued)

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- a. Non-spendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to maintain intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by a formal action of the Commission's Board of Commissioners. Commitment may be established, modified, or rescinded only through ordinances or resolutions approved by the Commission's Board of Commissioners.
- d. Assigned - amounts that do not meet the criteria to be classified as either restricted or committed, but are intended to be used for specific purposes. Amounts may be assigned by majority vote of the Board of Commissioners or the Director.
- e. Unassigned - all other spendable amounts.

For the classification of governmental fund balances, the Commission considers an expenditure to be made from the most restrictive first when more than one classification is available. The Commission's fund balance was classified as unassigned as of December 31, 2020.

l) Advertising/Promotion

It is the Commission's policy to recognize advertising expenditures/expense as incurred. During the year ended December 31, 2020, the Commission incurred \$369,178 in advertising/promotion charges.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) New GASB Statements

During the year ending December 31, 2020, the Commission implemented the following GASB Statements:

Statement No. 88, "*Certain Disclosures Related to Debt, including Direct Borrowings*" improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The Statement clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. This Statement did not affect the financial statements.

The GASB has issued the follow Statements which will become effective in future years as shown below:

Statement No. 87, "*Leases*" increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and 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. Management has yet determined the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) New GASB Statements (Continued)

Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period"* establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 90, *"Majority Equity Interest"* the primary objectives of this Statement are to improve the consistency and comparability of reporting government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It specifies that a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. The requirements are effective for reporting periods beginning December 15, 2020. Management has not yet determined the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) New GASB Statements (Continued)

Statement No. 91, "*Conduit Debt Obligations*" provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statements achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 92, "*Omnibus 2020*" establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement apply to all financial statements of all state and local governments at dates varying from upon issuance to fiscal periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 93, "*Replacement of Interbank Offered Rates*" some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. This Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) New GASB Statements (Continued)

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for years beginning after June 15, 2022. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 96, "*Subscription-based Information Technology Arrangements*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscriptions payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for the years beginning after June 15, 2022. Management has yet to determine the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) New GASB Statements (Continued)

Statement No. 97, "*Certain Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*" provides objectives to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component unites in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for internal revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for the years beginning after June 15, 2021. Management has yet to determine the effect of this Statement on the financial statements.

Note 2 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investment, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Deposits:

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

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Deposits: (Continued)

The year-end balances of deposits are as follows:

	<u>Bank Balances</u>	<u>Reported Amounts</u>
Cash	<u>\$ 300,772</u>	<u>\$ 299,415</u>

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission has a written policy for custodial credit risk. As of December 31, 2020, \$50,722 of the Commission's bank balance of \$300,772 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent and are deemed to be held in the Commission's name by state statutes.

As of December 31, 2020, deposits were adequately collateralized, under state law, by securities held by unaffiliated banks for the account of the Commission. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Investments:

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

As a means of limiting its exposure to fair value losses arising from interest rates, the Board's investment policy emphasized maintaining liquidity to match specific cash flows.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Investments: (Continued)

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Commission's investment policy requires the application of the prudent-person rule. This policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of principal, secondly to maintain liquidity to meet operating requirements, and finally to obtain the most favorable rate of return.*

The Commission's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAm. For an investment, custodial credit risk is that risk that, in the event of failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value.

For purposes of determining participants' shares, investments are valued as amortized cost. The fair value of participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Investments: (Continued)

Investments in LAMP as of December 31, 2020, amounted to \$1,187,410 and are classified on the Statement of Net Position under "cash and cash equivalents".

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

Bank deposits	\$ 299,415
Investment in LAMP	<u>1,187,410</u>
Total cash and cash equivalents	<u>\$ 1,486,825</u>

Note 3 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance January 1, 2020	Additions	Deletions	Balance December 31, 2020
Capital assets being depreciated:				
Buildings and land improvements	\$ 1,357,308	\$ -	\$ -	\$ 1,357,308
Office furniture, fixtures, and equipment	112,214	3,353	(1,846)	113,721
Intangibles	<u>39,975</u>	<u>-</u>	<u>-</u>	<u>39,975</u>
Total capital assets being depreciated	<u>1,509,497</u>	<u>3,353</u>	<u>(1,846)</u>	<u>1,511,004</u>
Less accumulated depreciation for:				
Buildings and land improvements	(338,402)	(42,887)	-	(381,289)
Office furniture, fixtures, and equipment	(61,613)	(13,134)	769	(73,978)
Intangibles	<u>(21,642)</u>	<u>(7,995)</u>	<u>-</u>	<u>(29,637)</u>
Total accumulated depreciation	<u>(421,657)</u>	<u>(64,016)</u>	<u>769</u>	<u>(484,904)</u>
Total capital assets, net	<u>\$ 1,087,840</u>	<u>\$ (60,663)</u>	<u>\$ (1,077)</u>	<u>\$ 1,026,100</u>

During the year ended December 31, 2020, the Commission purchased three laptop computers.

Note 4 - LONG-TERM LIABILITIES

Long-term liabilities consist entirely of accumulated unpaid annual leave due after one year. For the year ended December 31, 2020, the Commission recognized a decrease in annual leave as shown below:

Balance at January 1, 2020	\$ 2,658
Decrease for the year ended December 31, 2020	<u>(440)</u>
Balance at December 31, 2020	<u>\$ 2,218</u>

Note 5 - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to worker's compensation; torts; theft of, damage to and destruction of assets; error and omission; and natural disasters for which the Commission carries commercial insurance. No settlements were made during the year that exceeded the Commission's insurance coverage.

Note 6 - COMMITMENTS

In February 2019, the Commission entered into a four year operating lease agreement for office equipment. The lease terms provide for monthly rental payments of \$350. Rental expenses for operating leases for the year ended December 31, 2020 totaled \$4,603.

Minimum lease payments over the remaining term of the lease are as follows:

2021	\$ 4,200
2022	4,200
2023	<u>700</u>
Total	<u>\$ 9,100</u>

Note 7 - BOARD MEMBERS

As set forth in the Commission's by-laws, the Board serves without compensation.

Note 8 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determine the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through June 11, 2021, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION SECTION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

Agency Head: President

Purpose	Timothy Bush (10 months)	Cody Gray (2 months)
Salary	\$ 61,085	\$ 9,006
Benefits - insurance	8,159	4,375
Benefits - retirement	1,459	110
Benefits - other	-	-
Car allowance	-	-
Vehicle provided by government	-	-
Per diem	-	-
Reimbursements	560	-
Travel	-	-
Registration fees	2,900	800
Conference travel	4,197	-
Continuing professional education fees	-	-
Housing	-	-
Unvouchered expenses	-	-
Meals	238	-
	<u>\$ 78,598</u>	<u>\$ 14,291</u>

Note:

The President functions as the Chief Executive Officer of the Commission. Timothy Bush was the President from January 1, 2020 to October 16, 2020; Cody Gray assumed the President's position effective October 17, 2020.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Commissioners,
Lafourche Parish Tourist Commission,
Raceland, 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 General Fund of Lafourche Parish Tourist Commission (the "Commission") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Commission's financial statements and have issued our report thereon dated June 11, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *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 Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Bourgeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

Houma, Louisiana,
June 11, 2021.

SCHEDULE OF FINDINGS AND RESPONSES

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are
not considered to be a material weakness? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

b) Federal Awards

Lafourche Parish Tourist Commission did not expend federal awards in excess of \$750,000 during the year ended December 31, 2020 and therefore is exempt from the audit requirements under the Uniform Guidance.

Section II - Financial Statement Findings

Compliance

No compliance findings material to the financial statements were noted during the audit for the year ended December 31, 2020.

Section III - Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

Section I - Internal Control and Compliance Material to the Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2019.

No significant deficiencies were reported during the audit for the year ended December 31, 2019.

Compliance

No compliance findings material to the financial statements were noted during the audit for the year ended December 31, 2019.

Section II - Internal Control and Compliance Material to Federal Awards

Lafourche Parish Tourist Commission did not expend federal awards in excess of \$750,000 during the year ended December 31, 2019 and therefore is exempt from the audit requirements under the Uniform Guidance.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2019.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Lafourche Parish Tourist Commission

For the year ended December 31, 2020

Section I - Internal Control and Compliance Material to the Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2020.

No significant deficiencies were reported during the audit for the year ended December 31, 2020.

Compliance

No compliance findings material to the financial statements were noted during the audit for the year ended December 31, 2020.

Section II - Internal Control and Compliance Material to Federal Awards

Lafourche Parish Tourist Commission did not expend federal awards in excess of \$750,000 during the year ended December 31, 2020 and therefore is exempt from the audit requirements under the Uniform Guidance.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2020.