

**Terrebonne Parish Veterans'  
Memorial District**

Annual Financial Report  
As of and for the  
Year Ended December 31, 2020

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Annual Financial Report  
Year Ended December 31, 2020

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Terrebonne Parish Veterans' Memorial District (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District'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 an opinion 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 from 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 entity'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 entity'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 opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Terrebonne Parish Veterans' Memorial District, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***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 8 and the budgetary comparison schedule on page 26 be presented to supplement the basic financial statements. Such information, although not 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.

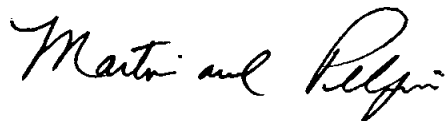
#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Terrebonne Parish Veterans' Memorial District's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to District Board President on page 27 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 District Board President is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to District Board President is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2021, on our consideration of the District'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 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 District's internal control over financial reporting and compliance.

A handwritten signature in cursive script, appearing to read "Martin and Pelgrin".

Houma, Louisiana  
April 30, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Terrebonne Parish Veterans' Memorial District**  
**Terrebonne Parish Consolidated Government**

Management's Discussion and Analysis  
December 31, 2020

As management of the Terrebonne Parish Veterans' Memorial District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2020.

**FINANCIAL HIGHLIGHTS**

- Terrebonne Parish Veterans' Memorial District's assets exceeded its liabilities and deferred inflows of resources by \$1,890,602 (net position) as of December 31, 2020.
- Revenues exceeded expenses by \$84,037 during the year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to the District's financial statements. The Terrebonne Parish Veterans' Memorial District's financial statements consist of the following components:

**Statement of Net Position.** This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

**Statement of Activities.** Consistent with the full accrual basis method of accounting, this statement accounts for the entity-wide current year revenues and expenses regardless of when cash is received or paid.

**Balance Sheet – Governmental Funds.** This statement presents the District's assets, liabilities, and fund balances for its general fund and capital projects fund.

**Statement of Revenues, Expenditures, and Change in Fund Balances – Governmental Funds.** Consistent with the modified accrual basis method of accounting, this statement accounts for current year revenues when received except when they are measurable and available. Expenditures are accounted for in the period that goods and services are used in the government's activities. In addition, capital asset purchases are expensed and not recorded as an asset. The statement also exhibits the relationship of revenues and expenditures with the change in fund balance.

**Notes to Financial Statements.** The accompanying notes provide additional information essential to a full understanding of the data provided in the financial statements.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Management's Discussion and Analysis  
December 31, 2020

**BASIC FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities and deferred inflows of resources by \$1,890,602 at the close of the most recent year, December 31, 2020. The largest portion of the District's total assets is capital assets, net of accumulated depreciation (85%).

**The District's Net Position**

	December 31,	
	2020	2019
<b>ASSETS</b>		
Cash	\$ 61,741	\$ 51,013
Investments	106,521	105,834
Other assets	536,396	503,372
Capital assets, net of accumulated depreciation	3,992,986	4,110,678
Total assets	4,697,644	4,770,897
<b>LIABILITIES</b>		
Payables	48,998	34,119
Bonds payable		
Due within one year	180,000	180,000
Due in more than one year	2,055,000	2,235,000
Total liabilities	2,283,998	2,449,119
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Ad valorem taxes revenue	510,420	503,517
State revenue sharing	12,624	11,696
Total deferred inflows of resources	523,044	515,213
<b>NET POSITION</b>		
Net investment in capital assets	1,757,986	1,695,678
Unrestricted	132,616	110,887
Total net position	\$ 1,890,602	\$ 1,806,565

- Bonds payable accounts for 98% of total liabilities.



**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Management's Discussion and Analysis  
December 31, 2020

**BASIC FINANCIAL ANALYSIS (Cont.)**

During the year, the District's net position increased by \$84,037. The elements of the increase are as follows:

**The District's Change in Net Position**

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
Taxes	\$ 503,786	\$ 474,424
Intergovernmental:		
State of Louisiana revenue sharing	11,696	11,687
Rental income	7,150	6,500
Interest income	687	2,346
Other	997	796
Total revenues	<u>524,316</u>	<u>495,753</u>
<b>EXPENSES</b>		
General government:		
Ad valorem tax deductions	22,878	19,226
Cultural and recreation:		
Other services and charges	212,516	205,187
Depreciation	117,692	117,920
Repairs and maintenance	19,007	24,630
Supplies and materials	12,713	11,952
Interest expense	55,473	55,253
Total expenses	<u>440,279</u>	<u>434,168</u>
<b>CHANGE IN NET POSITION</b>	84,037	61,585
<b>NET POSITION - BEGINNING</b>	<u>1,806,565</u>	<u>1,744,980</u>
<b>NET POSITION - ENDING</b>	<u>\$ 1,890,602</u>	<u>\$ 1,806,565</u>

As indicated above, net position increased by \$84,037, which indicates revenues were sufficient to cover expenses incurred during the year. The increase in change in net position from the prior year is primarily due to the increase in tax revenues.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Management's Discussion and Analysis  
December 31, 2020

**CAPITAL ASSETS**

As of December 31, 2020, the District had \$3,992,986 invested in capital assets as follows:

Buildings	\$ 4,314,540
Improvements other than buildings	237,508
Artifacts	82,565
Office furniture, fixtures, and equipment	16,399
	<hr/>
	4,651,012
Less accumulated depreciation	(658,026)
	<hr/>
	<u>\$ 3,992,986</u>

**BONDS PAYABLE**

Series 2016 limited tax bonds are recorded as liabilities. The total amount of principal paid on these bonds during the year was \$180,000 resulting in an ending balance of \$2,235,000. Interest paid was \$51,876. More detailed information about the bonds is presented in the notes to the financial statements.

**BUDGET**

The District amended its general fund budget once during the fiscal year. The budget for revenues was \$524,850, and the budget for expenditures was \$254,551.

**Revenues**

The District's budget for revenues was increased as follows:

Total revenues original budget	\$ 525,767
Total revenues revised budget	524,850
	<hr/>
	<u>\$ (917)</u>

The District's general fund budgeted revenues were \$761 more than actual revenues, an unfavorable variance of 0.14%.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Management's Discussion and Analysis  
December 31, 2020

**Expenditures**

The District's budget for expenditures was decreased as follows:

Total expenditures original budget	\$ 264,223
Total expenditures revised budget	254,551
	<u>\$ (9,672)</u>

The District's actual expenditures were \$12,563 more than the budgeted expenditures, a 4.94% unfavorable variance.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with such an interest. Call the District's office at (985) 873-6459, attention Kandace Mauldin, Chief Financial Officer, Terrebonne Parish Consolidated Government, if you should have any further questions concerning any of the information provided in this report or have a request for additional financial information.

## **FINANCIAL STATEMENTS**

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Statement of Net Position  
December 31, 2020

	<b>Government Activities</b>
<b>ASSETS</b>	
Current assets	
Cash	\$ 61,741
Investments	106,521
Due from other governmental units	373,264
Taxes receivable	136,581
Other assets	<u>26,551</u>
Total current assets	704,658
Capital assets, net of accumulated depreciation of \$658,026	<u>3,992,986</u>
<b>TOTAL ASSETS</b>	<u><u>4,697,644</u></u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	26,438
Interest payable	<u>22,560</u>
	48,998
Bonds payable	
Due within one year	180,000
Due after one year	<u>2,055,000</u>
<b>TOTAL LIABILITIES</b>	<u><u>2,283,998</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Ad valorem taxes revenue	510,420
State revenue sharing	<u>12,624</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u><u>523,044</u></u>
<b>NET POSITION</b>	
Net investment in capital assets	1,757,986
Unrestricted	<u>132,616</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 1,890,602</u></u>

See accompanying notes.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Statement of Activities  
Year Ended December 31, 2020

	<b>Government Activities</b>
<b>REVENUES</b>	
Taxes	\$ 503,786
Intergovernmental:	
State of Louisiana revenue sharing	11,696
Rental income	7,150
	<u>522,632</u>
<b>TOTAL REVENUES</b>	
<b>EXPENSES</b>	
Current:	
General government:	
Ad valorem tax deductions	22,878
Cultural and recreation:	
Other services and charges	212,516
Depreciation	117,692
Repairs and maintenance	19,007
Supplies and materials	12,713
	<u>384,806</u>
<b>TOTAL EXPENSES</b>	
<b>NET REVENUE</b>	<u>137,826</u>
<b>GENERAL REVENUES</b>	
Interest earned	687
Other	997
	<u>1,684</u>
<b>TOTAL GENERAL REVENUES</b>	
<b>OTHER EXPENSE</b>	
Interest expense	55,473
	<u>55,473</u>
<b>CHANGE IN NET POSITION</b>	<b>84,037</b>
<b>NET POSITION</b>	
Beginning of year	1,806,565
End of year	<u>\$ 1,890,602</u>

See accompanying notes.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Balance Sheet  
Governmental Funds  
December 31, 2020

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash	\$ 14,625	\$ 47,116	\$ 61,741
Investments	71,334	35,187	106,521
Due from other governmental units	373,264	-	373,264
Taxes receivable	136,581	-	136,581
Other assets	26,551	-	26,551
<b>TOTAL ASSETS</b>	<b>\$ 622,355</b>	<b>\$ 82,303</b>	<b>\$ 704,658</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 26,438	\$ -	\$ 26,438
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Ad valorem taxes revenue	510,420	-	510,420
State revenue sharing	12,624	-	12,624
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>523,044</b>	<b>-</b>	<b>523,044</b>
<b>FUND BALANCE</b>			
Nonspendable	26,551	-	26,551
Restricted	-	82,303	82,303
Unassigned	46,322	-	46,322
<b>TOTAL FUND BALANCE</b>	<b>72,873</b>	<b>82,303</b>	<b>155,176</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 622,355</b>	<b>\$ 82,303</b>	<b>\$ 704,658</b>

See accompanying notes.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Statement of Revenues, Expenditures, and  
Change in Fund Balances – Governmental Funds  
Year Ended December 31, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Taxes	\$ 503,786	\$ -	\$ 503,786
Intergovernmental			
State of Louisiana revenue sharing	11,696	-	11,696
Rental Income	7,150	-	7,150
Other	1,457	227	1,684
	<u>524,089</u>	<u>227</u>	<u>524,316</u>
<b>EXPENDITURES</b>			
Current:			
General government			
Ad valorem tax deductions	22,878	-	22,878
Culture and recreation			
Other services and charges	212,516	-	212,516
Repairs and maintenance	19,007	-	19,007
Supplies and materials	12,713	-	12,713
Total culture and recreation	244,236	-	244,236
Debt service			
Principal	-	180,000	180,000
Interest	-	51,876	51,876
	<u>267,114</u>	<u>231,876</u>	<u>498,990</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>256,975</u>	<u>(231,649)</u>	<u>25,326</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	231,891	231,891
Transfers out	(231,891)	-	(231,891)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(231,891)</u>	<u>231,891</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	25,084	242	25,326
<b>FUND BALANCE - Beginning of year</b>	<u>47,789</u>	<u>82,061</u>	<u>129,850</u>
<b>FUND BALANCE - End of year</b>	<u>\$ 72,873</u>	<u>\$ 82,303</u>	<u>\$ 155,176</u>

See accompanying notes.



**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
December 31, 2020

Total fund balance - governmental funds	\$ 155,176
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets of \$4,651,012 net of accumulated depreciation of \$658,026 are not financial resources and, therefore, are not reported in the funds.	3,992,986
Outstanding limited tax bonds of \$2,415,000 and associated interest payable of \$22,560 are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(2,257,560)</u>
Total net position of governmental activities	<u>\$ 1,890,602</u>

See accompanying notes.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Reconciliation of the Statement of Revenues, Expenditures, and  
Change in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended December 31, 2020

Change in fund balances - governmental funds	\$	25,326
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures, whereas in the statement of activities, these costs are depreciated over their estimated useful lives.</p>		
Depreciation expense		(117,692)
<p>The issuance of long-term debt provides current financial resources to governmental funds. This transaction has no effect on net position.</p>		
Principal payments of bonds		180,000
Change in interest payable		<u>(3,597)</u>
Change in net position of governmental activities	\$	<u>84,037</u>

See accompanying notes.

**Terrebonne Parish Veterans' Memorial District**  
**Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Terrebonne Parish Veterans' Memorial District (the District) complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant of the District's accounting policies are described below.

**A. REPORTING ENTITY**

The District is a component unit of Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 2020. GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14*, established the criterion for determining which component units should be considered part of the District 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 District appoints a majority of the board members of the potential component unit.
- 3) Fiscal interdependency between the District and the potential component unit.
- 4) Imposition of will by the District on the component unit.
- 5) Financial benefit/burden relationship between the District and the potential component unit.

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

**B. BASIS OF PRESENTATION**

The District's basic financial statements consist of the government-wide statements on all activities of the District 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 District. The government-wide presentation focuses primarily on the sustainability of the District 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.

**Terrebonne Parish Veterans' Memorial District**  
**Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Fund Financial Statements:

The daily accounts and operations of the District are organized on the basis of funds 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 are the governmental funds of the District:

**General Fund** – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund. The General Fund is always a major fund.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs and is not reported as a major fund.

**Capital Projects Fund** – The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction, and renovation of major capital facilities and is reported as 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.

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. Property taxes are recognized in the year for which they are levied.

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.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meet 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are recognized as revenue in the period for which levied, thus the 2020 property taxes which are being levied to finance the 2021 budget will be recognized as revenue in 2021. The 2020 tax levy is recorded as unearned revenue (deferred inflows of resources) in the District's 2020 financial statements. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District 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. An exception to this general rule is principal and interest on general long-term debt which is recognized when due. 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.

**E. OPERATING BUDGETARY DATA**

As required by Louisiana Revised Statute 39:1303, the Board of Commissioners adopted a budget for the District's General Fund and Capital Project Fund. Prior to adoption of the budget, approval of the Terrebonne Parish Council must be first obtained (R.S. 33:9357).

Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the District's Board with prior approval by the Terrebonne Parish Council. All budgeted amounts which 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 District's General Fund budget was amended once during the fiscal year.

The General Fund budget presentation is included in the required supplemental information.

**Terrebonne Parish Veterans' Memorial District**  
**Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**F. ACCOUNTS RECEIVABLE**

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible amounts due for ad valorem 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. CAPITAL ASSETS**

The accounting treatment over 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 \$1,000 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. 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	20 - 40 years
Improvements other than buildings	5 - 50 years
Office furniture, fixtures, and equipment	5 years
Artifacts	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.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**H. LONG-TERM DEBT**

The accounting treatment of long-term debt depends on whether the debt is reported in the government-wide or fund financial statements.

Government-Wide Financial Statements:

All long debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists of limited tax bonds.

Fund Financial Statements:

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest reported as expenditures.

**I. VACATION AND SICK LEAVE**

The District has no employees. There is no accumulated unpaid vacation and sick leave as of December 31, 2020.

**J. FUND EQUITY**

Government-Wide Statements:

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

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.

Restricted – Consists of components of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted – All other components of 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 District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Fund Financial Statements:

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

- 1) Nonspendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally contractually required to maintain intact.
- 2) 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.
- 3) Unassigned- is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**Bank Deposits:**

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of another state in the Union, or the laws of the United States Treasury.

State law requires that deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of the 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.

The year-end balance of deposits is as follows:

	<u>Bank Balances</u>	<u>Reported Amounts</u>
Cash	\$ 1,457	\$ 1,457

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a written policy for custodial credit risk. As of December 31, 2020, none of the District's bank balance of \$1,457 was exposed to credit risk as these amounts were covered by FDIC insurance.

The District also has monies held in a cash and investment pool maintained by the Parish and available for use by all funds. The District's cash portion of this pool, \$60,284 at December 31, 2020, is included on the Statement of the Net Position and Government Fund Balance Sheet as "Cash". These funds are held and invested by the Parish who has proper pledging to cover



**Terrebonne Parish Veterans' Memorial District**  
**Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)**

funds for the District.

As of December 31, 2020, such cash deposits were adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the District and the Parish, respectively. The Governmental Accounting Standards Board (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 deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Investments:**

State statutes authorize the District to invest in the U.S. Treasury, agencies and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements and the Louisiana Asset Management Pool.

As a means of limiting its exposure to fair value losses arising from interest rates, the District's investment policy limits investments to securities maturing less than six months from the date of purchase unless the investment is matched to a specific cash flow.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy requires the application of the prudent-person rule. The 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 such funds in an effort to minimize risk while earning maximum returns. The District's investment policy limits investments to those discussed earlier in this note.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District 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 Securities and Exchange Commission.

**Terrebonne Parish Veterans' Memorial District**  
**Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)**

LAMP, is administered by LAMP, Inc., a non-profit corporation organized under the laws of 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 LA – R.S. 33:2955.

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

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- 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.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its 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 consist of no securities with a maturity in excess of 397 days or 762 days for US Government floating/variable rate investments. The WAM for LAMP's total investments is 88 days as of December 31, 2020.
- Foreign currency risk: Not applicable.

The investment in LAMP is stated at fair value. 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. Investment in LAMP as of December 31, 2020 amounted to \$106,521 and is classified on the Statement of Net Position as "Investments".

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.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)**

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

Reported amount of deposits	\$	61,741
Reported amount of investments		106,521
	\$	168,262
Cash and cash equivalents	\$	61,741
Investments		106,521
	\$	168,262

**NOTE 3 – DUE FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units as of December 31, 2020 consisted of the following:

Terrebonne Parish Sheriff's Office (Tax Collector) - December 2020		
collections remitted to the District in January 2021:		
Ad valorem taxes	\$	360,316
State revenue sharing		4,208
State of Louisiana -		
State revenue sharing		8,740
	\$	373,264

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 4 – CHANGES IN CAPITAL ASSETS**

A summary of capital asset activity for the year ended December 31, 2020 is as follows:

	Balance January 1, 2020	Additions	Reclassifications/ Deletions	Balance December 31, 2020
Capital assets being depreciated:				
Buildings	\$ 4,314,540	\$ -	\$ -	\$ 4,314,540
Improvements other than buildings	237,508	-	-	237,508
Office furniture, fixtures, and equipment	16,399	-	-	16,399
Artifacts	82,565	-	-	82,565
Total capital assets being depreciated	<u>4,651,012</u>	<u>-</u>	<u>-</u>	<u>4,651,012</u>
Less accumulated depreciation for:				
Buildings	(431,017)	(107,863)	-	(538,880)
Improvements other than buildings	(40,189)	(6,999)	-	(47,188)
Office furniture, fixtures, and equipment	(4,143)	(1,732)	-	(5,875)
Artifacts	(64,985)	(1,098)	-	(66,083)
Total accumulated depreciation	<u>(540,334)</u>	<u>(117,692)</u>	<u>-</u>	<u>(658,026)</u>
Total capital assets being depreciated, net	<u>4,110,678</u>	<u>(117,692)</u>	<u>-</u>	<u>3,992,986</u>
Total capital assets, net	<u>\$ 4,110,678</u>	<u>\$ (117,692)</u>	<u>\$ -</u>	<u>\$ 3,992,986</u>

Depreciation expense of \$117,692 was recorded as a cultural and recreation expense for the year ended December 31, 2020.

**NOTE 5 – LONG-TERM DEBT**

As of December 31, 2020, the District had outstanding limited tax bonds, Series 2016, totaling \$2,235,000 bearing interest at a rate of 2.26% per year. These bonds are repayable through March 1, 2031 from ad valorem tax revenues.

The following is a summary of changes in long-term debt for the year ended December 31, 2020:

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Notes to the Financial Statements  
Year Ended December 31, 2020

**NOTE 5 – LONG-TERM DEBT (Cont.)**

Bonds payable as of January 1, 2020	\$ 2,415,000
Principal payment on bonds payable	<u>(180,000)</u>
Bonds payable as of December 31, 2020	<u>\$ 2,235,000</u>

The annual requirements to amortize long-term debt outstanding as of December 31, 2020 are as follows:

Year	Principal	Interest	Total
2021	\$ 180,000	\$ 48,337	\$ 228,337
2022	185,000	44,638	229,638
2023	190,000	40,734	230,734
2024	195,000	36,624	231,624
2025	200,000	32,306	232,306
2026-2030	1,055,000	90,743	1,145,743
2031	<u>230,000</u>	<u>2,773</u>	<u>232,773</u>
	<u>\$ 2,235,000</u>	<u>\$ 296,155</u>	<u>\$ 2,531,155</u>

**NOTE 7 – COMPENSATION OF BOARD MEMBERS**

No compensation was paid to board members for the year ended December 31, 2020.

**NOTE 8 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through April 30, 2021, which is the date the financial statements were available to be issued. It was determined that the following events require disclosure:

On August 18, 2019, the Terrebonne Parish Veterans' Memorial District (the District) entered into a Cooperative Endeavour Agreement (CEA) with Terrebonne Parish Consolidated Government (TPCG) in connection with the District receiving properties valued at \$22,600 to be used as additional parking space for the museum as a donation from TPCG. The CEA contained certain terms and conditions that had to be satisfied in order for the donation to be finalized. Since the terms of the of the CEA extended beyond year-end and all conditions were not met until 2021, said donation will be recorded in the District's government-wide financial statements for the year ending December 31, 2021.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Terrebonne Parish Veteran's Memorial District**  
**Terrebonne Parish Consolidated Government**

Budgetary Comparison Schedule – General Fund  
Year Ended December 31, 2020

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable/ (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 504,367	\$ 504,757	\$ 503,786	\$ (971)
Intergovernmental:				
State of Louisiana - revenue sharing	11,800	11,696	11,696	-
Other	9,600	8,397	8,607	210
<b>TOTAL REVENUES</b>	<b>525,767</b>	<b>524,850</b>	<b>524,089</b>	<b>(761)</b>
<b>EXPENDITURES</b>				
Current				
General government:				
Ad valorem tax deductions	15,925	17,642	22,878	(5,236)
Culture and recreation:				
Other services and charges	210,048	211,186	212,516	(1,330)
Repairs and maintenance	25,250	14,836	19,007	(4,171)
Supplies and materials	13,000	10,887	12,713	(1,826)
<b>TOTAL EXPENDITURES</b>	<b>264,223</b>	<b>254,551</b>	<b>267,114</b>	<b>(12,563)</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>261,544</b>	<b>270,299</b>	<b>256,975</b>	<b>(13,324)</b>
<b>OTHER FINANCING USES</b>	<b>(231,891)</b>	<b>(231,891)</b>	<b>(231,891)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>29,653</b>	<b>38,408</b>	<b>25,084</b>	<b>(13,324)</b>
<b>FUND BALANCES</b>				
Beginning of year	47,789	47,789	47,789	-
End of year	<b>\$ 77,442</b>	<b>\$ 86,197</b>	<b>\$ 72,873</b>	<b>\$ (13,324)</b>

See Independent Auditor's Report.

## **OTHER INFORMATION**



**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Schedule of Compensation, Benefits, and Other Payments  
to District Board President  
Year Ended December 31, 2020

**Agency Head:** Mr. Ken Royston, President

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Purpose	Amount
Salary	\$ -
Benefits - Retirement	-
Reimbursements	-
Travel	-
Special meals	-
	<hr/>
	\$ -

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This schedule is used to satisfy the reporting requirements of R.S. 24:513(A)(3).

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

**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  
Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government  
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Terrebonne Parish Veterans' Memorial District (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated April 30, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

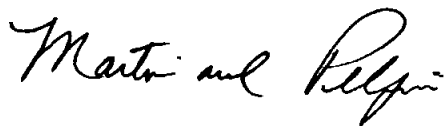
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Martin and Pelgrin".

Houma, Louisiana  
April 30, 2021

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Schedule of Findings and Responses  
Year Ended December 31, 2020

**Section I – Summary of Auditor's Results**

1. The auditor's report expresses an unmodified opinion on the financial statements of the Terrebonne Parish Veterans' Memorial District.
2. No deficiencies in internal control over financial reporting were noted during the audit of the financial statements.
3. No instances of noncompliance or other matters required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.
4. No instances of noncompliance under the provisions of the Louisiana Governmental Audit Guide were disclosed during the audit of the financial statements.
5. A management letter was not issued.
6. The District did not receive or expend federal funds during the year.

**Section II – Financial Statement Findings**

No findings related to the Terrebonne Parish Veterans' Memorial District, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

**Section III –Federal Awards**

No federal awards were received during the year.

**Terrebonne Parish Veterans' Memorial District  
Terrebonne Parish Consolidated Government**

Summary Schedule of Prior Audit Findings  
Year Ended December 31, 2020

Note: All prior findings relate to the December 31, 2019 audit engagement.

**Section I – Internal Control and Compliance Material to the Financial Statements**

No findings related to the Terrebonne Parish Veterans' Memorial District's internal control, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit. No compliance findings material to the basic financial statements were noted during the audit.

**Section II – Internal Control and Compliance Material to Federal Awards**

The Terrebonne Parish Veterans' Memorial District did not receive federal awards during the year ended December 31, 2019.

**Section III – Management Letter**

A management letter was not issued.