

**TANGIPAHOA PARISH CONVENTION AND VISITORS BUREAU
HAMMOND, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
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As of and for the Year Ended December 31, 2014

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June 29, 2015

Independent Auditor's Report

Mr. Terry Brown, Chairman and
Members of the Board of Directors
Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana

We have audited the accompanying financial statements of the governmental activities and the general fund of the Tangipahoa Parish Convention and Visitors Bureau, a component unit of the Tangipahoa Parish Council, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Tangipahoa Parish Convention and Visitors Bureau's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit includes 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 risk 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Tangipahoa Parish Convention and Visitors Bureau as of

December 31, 2014, 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 and the budgetary comparison information on pages 4 through 8 and 27 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 Tangipahoa Parish Convention and Visitors Bureau's basic financial statements. The schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of compensation, benefits, and other payments to agency head 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 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 schedule of compensation, benefits, and other payments to agency head is fairly stated in all material respects in relation to the 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 June 29, 2015, on our consideration of the Tangipahoa Parish Convention and Visitors Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Tangipahoa Parish Convention and Visitors Bureau's internal control over financial reporting and compliance.

Respectfully submitted,



Durnin & James, CPAs
(A Professional Corporation)

Required Supplementary Information (Part I):
Management's Discussion and Analysis

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Management's Discussion and Analysis
December 31, 2014

Introduction

The Tangipahoa Parish Convention and Visitors Bureau (hereafter referred to as the "Bureau") is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments (hereinafter referred to as GASB 34), and related standards. Please read the following in conjunction with the Bureau's financial statements and footnotes, which follow this section.

- Total assets for the year were \$4,191,338 at December 31, 2014, and exceeded liabilities in the amount of \$3,975,804 (i.e., net position). Of the total net position, \$2,028,370 was unrestricted and available to support short-term operations, \$96,680 was restricted for specific uses, with the balance invested in capital assets.
- Occupancy fees for the fiscal year ending December 31, 2014 were \$746,122 representing an increase of 15.67% from the total occupancy fees of \$645,033 for the fiscal year ending December 31, 2013.
- The Bureau's operating expenses decreased by \$120,259 to \$1,474,264 as compared to \$1,594,523, for the prior fiscal year. The decrease is due primarily to a decrease in "Grant Expenditures" of \$46,772, and a decrease in "Advertising and Promotion" of \$49,052, and a decrease in "Salaries and Related Benefits" of \$36,556.
- Interest income for the fiscal year ended December 31, 2014, totaled \$12,118 representing a decrease of \$692 from the prior fiscal year.

Overview of Annual Financial Report

Management's Discussion and Analysis (MD&A) serves as an introduction to the basic financial statements and supplementary information. The MD&A presents an overview of management's examination and analysis of the Bureau's financial condition and performance.

The financial statements report information on the Bureau using full accrual accounting methods similar to those used in the private business sector. Financial statements include the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the nature and amount of the Bureau's resources and obligations at year-end, and provides a basis for evaluating the capital structure of the Bureau and assessing the liquidity and financial flexibility of the Bureau.

The Statement of Activities accounts for the revenues and expenses for the fiscal year, and provides information on how net position changed during the year.

This statement measures the success of the Bureau's operations in a format that can be used to determine if the Bureau has recovered its costs through user fees and other charges.

The notes to the financial statements provide required disclosures essential to an understanding of the financial statements. The notes present information about the Bureau's accounting policies, significant account balances and activities, commitments, contingencies, and subsequent events, if any. Supplementary information includes a comparative budget schedule, key information schedules on operation of the Bureau, and schedules detailing audit findings and management response.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Management's Discussion and Analysis
December 31, 2014

Financial Analysis

The purpose of financial analysis is to help determine whether the Bureau is better off as a result of the current year's activities. In this analysis, data from two of the basic financial statements, the Statement of Net Position, and the Statement of Activities, are presented below in condensed format. These statements report the net position, the difference between assets and liabilities, and the change in net position, which provides information for indicating the financial condition of the Bureau. Following these statements is a separate schedule summarizing and analyzing budget changes for the current fiscal year.

Condensed Statement of Net Position

	December 31, 2014	December 31, 2013	Dollar Change	Percent Change
Current and Other Assets	\$ 2,340,584	\$ 2,168,704	\$ 171,880	7.93%
Capital Assets	1,850,754	1,932,725	(81,971)	-4.24%
Total Assets	<u>4,191,338</u>	<u>4,101,429</u>	<u>89,909</u>	2.19%
Current Liabilities	<u>215,534</u>	<u>130,343</u>	<u>85,191</u>	65.36%
Total Liabilities	<u>215,534</u>	<u>130,343</u>	<u>85,191</u>	65.36%
Invested in Capital Assets,				
Net of Related Debt	1,850,754	1,932,725	(81,971)	-4.24%
Restricted	96,680	-	96,680	100.00%
Unrestricted	<u>2,028,370</u>	<u>2,038,361</u>	<u>(9,991)</u>	-0.49%
Total Net Position	<u>3,975,804</u>	<u>3,971,086</u>	<u>4,718</u>	0.12%
Total Liabilities and Net Position	<u>\$ 4,191,338</u>	<u>\$ 4,101,429</u>	<u>\$ 89,909</u>	2.19%

The major components of change for "Current and Other Assets" are a \$164,950 increase in cash, a \$35,888 increase in receivables, and an \$8,123 increase in investments.

"Capital Assets" decreased by \$81,971, reflecting disposition of surplus property and equipment purchased of \$9,815. The corresponding decrease in capital assets reflects current year depreciation recorded of \$91,786 for the fiscal year ending December 31, 2014.

"Total Net Position" (total assets less total liabilities) increased by \$4,718 for the fiscal year ending December 31, 2014, primarily because of the decrease in "Capital Assets" of \$81,971, and corresponding increase in "Current and Other Assets" of \$171,880.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Management's Discussion and Analysis
December 31, 2014

Condensed Statement of Activities

	December 31, 2014	December 31, 2013	Dollar Change	Percent Change
Revenues:				
Program Revenues	\$ 244,278	\$ 291,050	\$ (46,772)	-16.07%
General Revenues	1,316,675	1,316,887	(212)	-0.02%
Total Revenues	<u>1,560,953</u>	<u>1,607,937</u>	<u>(46,984)</u>	-2.92%
Expenses:				
Depreciation Expense	91,786	109,543	(17,757)	-16.21%
Other Operating Expenses	1,464,449	1,589,228	(124,779)	-7.85%
Total Expenses	<u>1,556,235</u>	<u>1,698,771</u>	<u>(142,536)</u>	-8.39%
Changes in Net Position	4,718	(90,834)	95,552	-105.19%
Beginning Net Position	<u>3,971,086</u>	<u>4,061,920</u>	<u>(90,834)</u>	-2.24%
Ending Net Position	<u>\$ 3,975,804</u>	<u>\$ 3,971,086</u>	<u>\$ 4,718</u>	0.12%

While the Statement of Net Position shows the change in financial position of net position, the Statement of Activities provides answers to the nature and scope of these changes. The above table gives an indication of how the Bureau is being conservatively managed. "Total Revenues" decreased by \$46,984 (2.92%). Program Revenues, consisting of operating grant revenue, decreased by \$46,772, as a result of a decrease in grants received following the Deepwater Horizon oil spill. Total expenses decreased by \$142,536, from the prior fiscal year primarily due to the decrease of grant receipts and expenditures. "Advertising & Promotion" decreased for fiscal year ending December 31, 2014. For the category of expense most controllable by the Bureau, "Other Operating Expense," there was a \$124,779 decrease from the prior year. "Other Operating Expense" includes expenditures for operations, other than for "Depreciation Expense."

The Bureau showed an income of \$4,718, for the fiscal year ended December 31, 2014, as compared to a loss of \$90,834 for the fiscal year ended December 31, 2013.

Budgetary Highlights

The Bureau adopts an annual operating budget in accordance with requirements of the provisions of Louisiana Revised Statute 33.4574.2. The Bureau prepares and submits its annual budget to the Parish Council for approval. The Parish Council approves the budget through the adoption of a Parish ordinance. This budget provides an estimate for the current fiscal year of the proposed expenditures and the revenues that will finance the operations of the Bureau. The operating budget is adopted before the end of the prior fiscal year, and is amended after review of monthly budget-to-actual financial reports, by approval of the Parish Council. A summary of the approved budget is presented below in a condensed format summarizing major revenue and expenditure categories, and is followed by analysis of significant variations between budget and actual amounts. Although not presented as a part of the basic financial statements, a more detailed schedule is also presented in "Schedule 1 – Budgetary Comparison Schedule," as supplementary information, following the footnotes to the financial statements.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Management's Discussion and Analysis
December 31, 2014

Budget vs. Actual – Fiscal Year Ended December 31, 2014

	Budget for December 31, 2014	Actual for December 31, 2014	Favorable (Unfavorable) Variance
Revenues:			
Operating	\$ 1,371,850	\$ 1,548,835	\$ 176,985
Nonoperating	12,000	12,118	118
Total Revenues	<u>1,383,850</u>	<u>1,560,953</u>	<u>177,103</u>
Operating Expenses:			
Salaries and Related Benefits	456,000	457,828	(1,828)
Advertising and Promotion	650,000	609,116	40,884
Automobile	10,000	10,829	(829)
Visitor Guide Expense	10,000	357	9,643
Dues / Subscriptions	6,500	5,712	788
Grant Expenditures	243,850	244,278	(428)
Insurance	13,200	10,807	2,393
Office Supplies	24,000	34,412	(10,412)
Operating Leases	5,000	4,976	24
Professional Fees	17,000	17,800	(800)
Repairs & Maintenance	24,000	23,420	580
Training	16,000	9,135	6,865
Utilities	30,000	33,493	(3,493)
Other	3,500	2,286	1,214
Capital Outlay	100,000	9,815	90,185
Total Expenses	<u>1,609,050</u>	<u>1,474,264</u>	<u>134,786</u>
Income / (Loss)	<u>\$ (225,200)</u>	<u>\$ 86,689</u>	<u>\$ 311,889</u>

“Operating Revenues” were over budget by \$176,985, primarily due to an increase in taxes collected over expected and additional grant revenue received during the year. “Advertising and Promotion” was under budget by \$40,884 and “Capital Outlay” was under budget by \$90,185. These and other factors resulted in a positive variation of \$311,889 compared to budget.

Other Significant Trends and Account Changes

Included within this section is first a listing and analysis of general trends and operating data affecting the operation of the Bureau. This is followed by an analysis of any significant account changes, not included within other sections of the MD&A.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Management's Discussion and Analysis
December 31, 2014

General Operating Data

	December 31, 2014	December 31, 2013	Increase (Decrease)
Occupancy Tax:			
Parish	\$ 746,122	\$ 645,033	\$ 101,089
State	481,130	585,546	(104,416)
Total	<u>\$ 1,227,252</u>	<u>\$ 1,230,579</u>	<u>\$ (3,327)</u>

Capital Assets

At the end of the fiscal year ending December 31, 2014, the Bureau had \$1,850,754, (net of accumulated depreciation) recorded in capital assets. This includes land, vehicles, furniture, equipment, and buildings. The changes in capital assets are presented in the table below.

	December 31, 2014	December 31, 2013	Dollar Change	Percent Change
Land	\$ 165,870	\$ 165,870	-	0.00%
Buildings	1,691,875	1,691,875	-	0.00%
Vehicles	16,581	16,581	-	0.00%
Equipment	113,686	106,609	7,077	6.64%
Furniture	210,354	210,354	-	0.00%
Improvements	319,584	319,584	-	0.00%
Subtotal	2,517,950	2,510,873	7,077	0.28%
Less: Accumulated Depreciation	667,196	578,148	89,048	15.40%
Net Capital Assets	<u>\$ 1,850,754</u>	<u>\$ 1,932,725</u>	<u>\$ (81,971)</u>	-4.24%

Future Economic Plans

The Bureau's management approach is conservative. The Board of Commissioners actively monitors revenues and expenses and evaluates the costs of proposed expansion projects.

Basic Financial Statements

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Statement of Net Position
December 31, 2014

Exhibit A

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 892,414
Receivables, Net of Allowance for Uncollectibles	272,982
Investments	1,175,188
Capital Assets, Net of Accumulated Depreciation	<u>1,850,754</u>
 Total Assets	 <u>\$ 4,191,338</u>
 Liabilities	
Accounts Payable	\$ 75,158
Payroll Taxes Payable	18,774
Unearned Grant Revenue	<u>121,602</u>
 Total Liabilities	 <u>\$ 215,534</u>
 Net Position	
Net Investment in Capital Assets	\$ 1,850,754
Restricted	96,680
Unrestricted	<u>2,028,370</u>
 Total Net Position	 <u>\$ 3,975,804</u>

The accompanying notes are an integral part of this statement.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Statement of Activities
For the Year Ended December 31, 2014

Exhibit B

	<u>Governmental Activities</u>
Expenses:	
Salaries and Related Benefits	\$ 457,828
Advertising & Promotion	609,116
Automobile	10,829
Commissioner Related	1,690
Dues / Subscriptions	5,712
Grant Expenditures	244,278
Insurance	10,807
Office Supplies	34,412
Operating Leases	4,976
Professional Fees	17,800
Repairs & Maintenance	23,420
Training	9,135
Other	596
Utilities	33,493
Visitor Guide Expense	357
Depreciation Expense	<u>91,786</u>
Total Expenses	1,556,235
Program Revenues:	
Operating Grant Revenue	<u>244,278</u>
Total Program Revenues	<u>244,278</u>
Net Program (Expense)	(1,311,957)
General Revenues:	
Taxes, Net of Collection Fees	746,122
Intergovernmental	481,130
Interest	12,118
Other	<u>77,305</u>
Total General Revenues	<u>1,316,675</u>
Excess (Deficiency) of Revenues over Expenditures	4,718
Net Position - Beginning of the Year	<u>3,971,086</u>
Net Position - End of the Year	<u><u>\$ 3,975,804</u></u>

The accompanying notes are an integral part of this statement.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Governmental Fund Balance Sheet
December 31, 2014

Exhibit C

Assets

Cash and Cash Equivalents	\$ 892,414
Receivables, Net of Allowance for Uncollectibles	272,982
Investments	<u>1,175,188</u>
 Total Assets	 <u><u>\$ 2,340,584</u></u>

Liabilities and Fund Balance

Liabilities:

Accounts Payable	\$ 75,158
Payroll Taxes Payable	18,774
Unearned Grant Revenue	<u>121,602</u>
Total Liabilities	215,534

Fund Balance:

Fund Balance - Restricted	96,680
Fund Balance - Committed	325,000
Fund Balance - Unassigned	<u>1,703,370</u>
Total Fund Balance	<u><u>2,125,050</u></u>

Total Liabilities and Fund Balance	<u><u>\$ 2,340,584</u></u>
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The accompanying notes are an integral part of this statement.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
December 31, 2014

Exhibit D

Total Fund Balance, Governmental Fund (Exhibit C)	\$ 2,125,050
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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 funds. These assets consist of:

Net Investment in Capital Assets	<u>1,850,754</u>
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Net Position of Governmental Activities (Exhibit A)	<u><u>\$ 3,975,804</u></u>
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The accompanying notes are an integral part of this statement.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Statement of Governmental Fund Revenues, Expenditures, and
Changes in Fund Balance
December 31, 2014

Exhibit E

Revenues:

Taxes, Net of Collection Fees	\$ 746,122
Intergovernmental	481,130
Interest	12,118
Grant Revenue	244,278
Other	<u>77,305</u>
Total Revenues	1,560,953

Expenditures:

Salaries and Related Benefits	457,828
Advertising & Promotion	609,116
Automobile	10,829
Commissioner Related	1,690
Dues / Subscriptions	5,712
Grant Expenditures	244,278
Insurance	10,807
Office Supplies	34,412
Operating Leases	4,976
Professional Fees	17,800
Repairs & Maintenance	23,420
Training	9,135
Uniforms	596
Utilities	33,493
Visitor's Guide Expenditures	357
Capital Outlay	<u>9,815</u>
Total Expenditures	<u>1,474,264</u>

Excess (Deficiency) of Revenues over Expenditures	86,689
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Fund Balance - Beginning of the Year	<u>2,038,361</u>
Fund Balance - End of the Year	<u>\$ 2,125,050</u>

The accompanying notes are an integral part of this statement.

**Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana**

Exhibit F

**Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and
Changes in Fund Balance to the Government-Wide Statement of Activities
For the Year Ended December 31, 2014**

Net Change in Fund Balance, Governmental Fund (Exhibit E)	\$ 86,689
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	9,815
Depreciation Expense	<u>(91,786)</u>

Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 4,718</u>
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The accompanying notes are an integral part of this statement.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2014

Narrative Profile

The Tangipahoa Parish Convention and Visitors Bureau (hereafter referred to as the "Bureau") was created by Ordinance No. 79-12-1 of the Tangipahoa Parish Council (hereafter referred to as "Parish Council") as provided by Louisiana Revised Statutes (LRS) 33:4574-4574.3. The purpose and duties of the Bureau are to promote tourism within Tangipahoa Parish. The Bureau is governed by a board of eight directors appointed by the Parish Council for three-year terms.

To fund the operations of the Bureau, a four percent tax is levied upon the rental or fee charged for the occupancy of hotel rooms, motel rooms, and overnight camping facilities within Tangipahoa Parish. The Sheriff of Tangipahoa Parish acts as collecting agent for the tax for a fee of five percent of the taxes collected. The Bureau presently has five (5) full-time employees and five (5) part-time, which staff a full-time tourist information center in Hammond, Louisiana.

The accounting and reporting policies of the Bureau conform to generally accepted accounting principles as applicable to governments. Such accounting and procedures also conform to the requirements of LRS 24:513 and to the industry audit guide, *Audits of State and Local Governmental Units*.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements of the Bureau have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The Bureau has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* that requires capital contributions to the Bureau to be presented as a change in net position.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2014, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net position by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net position by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2014

position, rather than net assets. The definition and reporting of net position is further described in *Footnote I-M – Fund Balance and Footnote I-N – Net Position*.

B. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Parish Council is the financial reporting entity for Tangipahoa Parish. The financial reporting entity consists of (a) primary government (parish council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Because the Parish Council appoints the board members, the Bureau was determined to be a component unit of the Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Bureau and do not present information on the Parish Council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The Bureau uses fund accounting to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all of the Bureau's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the Bureau. The following is the Bureau's governmental fund:

General Fund – The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources, except those required to be accounted for in another fund.

D. Basis of Accounting

The amounts reflected in Exhibits C and E are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Bureau's operations.

The amounts reflected in Exhibits C and E use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2014

they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Bureau considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Hotel / motel taxes are considered "measurable" when in the hands of the collecting agency and are recorded as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reduction of revenue when they are measurable and their validity seems certain. All major revenues are susceptible to accrual.

Interest income represents amounts earned on checking accounts and investments with financial institutions. Interest earned on checking accounts and investments is recorded when received.

Expenditures – Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt, which are not recognized until due.

E. Government-Wide Financial Statements

The Statement of Net Position (Exhibit A) and the Statement of Activities (Exhibit B) display information about the Bureau as a whole. These statements include all the financial activities of the Bureau. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

F. Budgetary Practices

In accordance with LRS 33:4574.2, the Bureau prepared and submitted its annual budget to the Parish Council for approval. The Parish Council approves the annual budget submitted by the Bureau through the adoption of a parish ordinance. Amendments to the adopted budget require approval of the Parish Council in the same manner as the adoption of the original budget. The Bureau prepares its budget on the modified accrual basis of accounting. The budgets presented in these financial statements are as originally adopted, or amended, if applicable.

G. Cash and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Bureau may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2014

Under state law, the Bureau may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at original cost. See Note 2 regarding cash, cash equivalents, and investments, for further information regarding cash and investments. Investments are stated at cost.

H. Inventories

The Bureau uses the purchase method for accounting for expendable supplies whereby expenditures are recognized when the items are purchased. The Bureau did not record inventory at December 31, 2014.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

J. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which capital asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are recorded in the Statement of Net Position and the Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Vehicles	5 Years
Furniture	7 Years
Equipment	5 Years
Buildings	40 Years

K. Compensated Absences

The Bureau's policy is to allow employees vacation pay based on length of service. All full-time employees are entitled to one-week vacation after one full year of service, two weeks after two full years of service, and three weeks after ten full years of service. Vacation leave not taken cannot be accrued, and must be taken in the anniversary year it is acquired. Upon separation from service, employees are paid at their current rate of pay for any accrued vacation leave.

Sick leave is cumulative at the rate of one day of sick leave for each month of continuous employment until a maximum of 180 days has accumulated. Upon separation of service, no more than ten days of accumulated sick pay will be compensated.

Compensatory Time – K-Time shall be calculated at one and one-half hours for each hour of overtime earned. Employees may accumulate compensatory time until the balance reaches 173 hours. Subsequent overtime earned must be paid as overtime and no longer accumulated as compensatory time. Upon separation from service, compensatory time is payable at the employee's current rate of pay.

Tangipahoa Parish Convention and Visitors Bureau
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Notes to the Financial Statements
For the Year Ended December 31, 2014

Total unused benefit time was considered immaterial at December 31, 2014 and has not been reflected in these financial statements.

L. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

M. Fund Balance

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable fund balances are associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balances include amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes determined by a formal action of the Board of Commissioners (the Bureau's highest level of decision-making authority). Balances in the general fund are committed for technology.
4. Assigned fund balances are intended to be used by the Bureau for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balances are the residual classification for the Bureau's general fund and include all spendable amounts not contained in the other classifications.

The Bureau's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order, at the end of the fiscal year by adjusting journal entries.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund.

Tangipahoa Parish Convention and Visitors Bureau
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Notes to the Financial Statements
For the Year Ended December 31, 2014

N. Net Position

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

1. Net Investment in Capital Assets Component of Net Position – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources attributable to the unspent amount, that amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
2. Restricted Component of Net Position – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
3. Unrestricted Component of Net Position – The unrestricted component of net position is the net amount of the assets, deferred outflows or resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the Bureau's policy to use restricted resources first, then unrestricted resources as they are needed.

O. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. Cash, Cash Equivalents, and Investments

As reflected on Exhibit A, the Bureau has cash totaling \$892,414 and investments totaling \$1,175,188 at December 31, 2014. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2014

securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held by and in the name of the fiscal agent bank but pledged to the Bureau. The following is a summary of cash and investments (bank balances) at December 31, 2014, with the related federal deposit insurance and pledge securities:

Bank Balances:

Insured (FDIC Insurance)	\$ 918,796
Collateralized:	
Collateral held by the Bureau's agent in the Bureau's name	-
Collateral held by pledging bank's trust department in the Bureau's name	-
Collateral held by pledging bank's trust department not in the Bureau's name	1,234,073
Uninsured and Uncollateralized	-
Total Deposits	<u>\$ 2,152,869</u>

LRS 39:1229 imposed a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Bureau that the fiscal agent has failed to pay deposited funds upon demand. Deposits collateralized by pledged securities are considered to be exposed to credit risk (Category 3) under the provisions of GASB Statement 40. Custodial credit risk is the risk that in the event of a bank failure, the Bureau's deposits may not be returned to it. The Bureau does not have a deposit policy for custodial risk. As of December 31, 2014, the Bureau was in compliance with state law which requires any uninsured cash balances with the fiscal agent bank to be adequately collateralized by a pledge of securities.

3. Receivables

Accounts receivable at December 31, 2014, consisted of the following:

4% Hotel, Motel, and Campground Taxes	
due from Tangipahoa Parish Sheriff	\$ 113,156
Accrued Interest Receivable	6,142
State Appropriations Receivable	121,383
Due from SE LA Gumbo	41
Grant Receivable	<u>32,260</u>
Total Amounts Due	<u>\$ 272,982</u>

No allowance for uncollectible receivables is required at December 31, 2014.

Tangipahoa Parish Convention and Visitors Bureau
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Notes to the Financial Statements
For the Year Ended December 31, 2014

4. Capital Assets

Capital asset activity for the year ended December 31, 2014 is as follows:

Description	Balance 12/31/13	Increases	Decreases	Balance 12/31/14
Capital Assets Not Depreciated:				
Land	\$ 165,870	\$ -	\$ -	\$ 165,870
Other Capital Assets:				
Buildings	1,691,875	-	-	1,691,875
Vehicles	16,581	-	-	16,581
Equipment	106,609	9,815	2,738	113,686
Furniture	210,354	-	-	210,354
Improvements	319,584	-	-	319,584
Total Other Capital Assets	2,345,003	9,815	2,738	2,352,080
Less: Accum. Depreciation	578,148	91,786	2,738	667,196
Other Capital Assets, Net	1,766,855	(81,971)	-	1,684,884
Total	<u>\$ 1,932,725</u>	<u>\$ (81,971)</u>	<u>\$ -</u>	<u>\$ 1,850,754</u>

5. Restricted Fund Balance / Net Assets

The restricted fund balance / net assets include funds that can only be used for Southeast Louisiana Gumbo. Southeast Louisiana Gumbo is an alliance of several parish tourist commissions located in south Louisiana whose goal is to promote tourism in the area. Each member contributes to the alliance and funds are maintained in a separate bank account. The Bureau has been entrusted with the custody of these funds.

6. Pension Plan

Substantially all employees of the Bureau are members of the Parochial Employees Retirement System of Louisiana (System), a cost sharing multiple-employer (defined benefit), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Bureau are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages

Tangipahoa Parish Convention and Visitors Bureau
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Notes to the Financial Statements
For the Year Ended December 31, 2014

specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, P. O. Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy – Plan members are required by state statute to contribute 9.5 % of their annual covered salary and the Bureau is required to contribute at an actuarially determined rate. The current rate is 16.00% of annual covered payroll. Contributions to the System include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by LRS 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bureau's contributions to the System for the years ending December 31, 2014, 2013, and 2012 were \$50,074, \$60,907, and \$51,253 respectively, equal to the required contributions for each year.

7. Other Postemployment Benefits

The Bureau offers a retirement group insurance plan to qualifying employees upon separation of services. The plan includes employer provided health insurance benefits offered to current full-time employees. In order to qualify for participation in the plan, an employee must have at least twenty-five years in the Parochial Employees' Retirement System. The participant must also have been covered under the employee group insurance plan for at least one year prior to retirement. A plan participant may only select coverage up to the extent that the participant had coverage under the employee plan for the year prior to retirement. The Bureau covers the cost of the premium for the retired employee for a maximum of three years or until the retired employee is eligible for Medicare, whichever comes first. The retired employee may elect to continue coverage on dependents, however, the Bureau does not share in the cost.

No accrual for other postemployment benefits has been made as of December 31, 2014 as the amount is immaterial.

8. Leases

The Bureau is leasing a copier under a five-year operating lease, expiring in August 2017. The lease is dated August 1, 2012, with the first payment being due for September 2012.

The Bureau is leasing a Pitney Bowes Postage Meter under a sixty-month operating lease dated July 16, 2011, expiring in June 2015.

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2014

The following is a schedule of future minimum lease payments required under the above operating leases as of December 31, 2014:

December 31, 2015	\$	4,065
December 31, 2016		3,441
December 31, 2017		<u>2,294</u>
	\$	<u>9,800</u>

Lease payments amounted to \$4,976 in 2014.

9. Per Diem Paid Board Members

For the year ended December 31, 2014, no per diem or other compensation was paid to the Board members of the Bureau.

Required Supplementary Information (Part II):
Budgetary Comparison Schedule

**Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana**

Schedule 1

Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget (GAAP Basis) and Actual – General Fund
For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual Amounts - Budgetary Basis	Variance with Final Budget Favorable / (Unfavorable)
Revenues:				
Taxes	\$ 650,000	\$ 650,000	\$ 785,392	\$ 135,392
Less: Collection Fee	(32,500)	(32,500)	(39,270)	(6,770)
Intergovernmental	500,000	500,000	481,130	(18,870)
Interest	12,000	12,000	12,118	118
Grant Revenue	243,850	243,850	244,278	428
Other	10,500	10,500	77,305	66,805
Total Revenues	1,383,850	1,383,850	1,560,953	177,103
Expenditures:				
Current:				
Salaries & Related Benefits	456,000	456,000	457,828	(1,828)
Advertising & Promotion	650,000	650,000	609,116	40,884
Automobile	10,000	10,000	10,829	(829)
Visitor's Guide Expenditures	10,000	10,000	357	9,643
Commissioner Related	2,000	2,000	1,690	310
Dues / Subscriptions	6,500	6,500	5,712	788
Grant Expenditures	243,850	243,850	244,278	(428)
Insurance	13,200	13,200	10,807	2,393
Office Supplies	24,000	24,000	34,412	(10,412)
Operating Leases	5,000	5,000	4,976	24
Professional Fees	17,000	17,000	17,800	(800)
Repairs & Maintenance	24,000	24,000	23,420	580
Training	16,000	16,000	9,135	6,865
Uniforms	1,500	1,500	596	904
Utilities	30,000	30,000	33,493	(3,493)
Capital Outlay	100,000	100,000	9,815	90,185
Total Expenditures	1,609,050	1,609,050	1,474,264	134,786
Excess (Deficiency) of Revenues over Expenditures	(225,200)	(225,200)	86,689	311,889
Fund Balance:				
Beginning of the Year	2,038,361	2,038,361	2,038,361	-
End of the Year	\$ 1,813,161	\$ 1,813,161	\$ 2,125,050	\$ 311,889

See auditor's report.

Other Supplemental Information

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Schedule of Compensation, Benefits and Other Payments to
Agency Head
For the Year Ended December 31, 2014

Schedule 2

	<u>Amount</u>
Carla Tate, Executive Director	
Salary	\$ 74,031
Benefits-Retirement	11,845
Benefits-Insurance	11,745
Reimbursements	<u>7,591</u>
Total	<u>\$ 105,212</u>

See auditor's report.

**Other Independent Auditor's Reports and
Findings and Recommendations**

Durnin & James

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Members of
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June 29, 2015

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*

Mr. Terry Brown, Chairman and
Members of the Board of Directors
Tangipahoa Parish Convention and Visitors Bureau
Hammond, 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 the Tangipahoa Parish Convention and Visitors Bureau, as of for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Tangipahoa Parish Convention and Visitors Bureau's basic financial statements and have issued our report thereon dated June 29, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tangipahoa Parish Convention and Visitors Bureau's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tangipahoa Parish Convention and Visitors Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tangipahoa Parish Convention and Visitors Bureau's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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 Tangipahoa Parish Convention and Visitors Bureau'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 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.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

A handwritten signature in black ink that reads "Durnin & James, CPAs". The signature is written in a cursive, flowing style.

Durnin & James, CPAs
(A Professional Corporation)

**Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014**

Internal Control over Financial Reporting

None

Compliance and Other Matters

None

Tangipahoa Parish Convention and Visitors Bureau
Hammond, Louisiana
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2014

<u>Ref. #</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Taken</u>
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Internal Control over Financial Reporting

None

Compliance and Other Matters

None

Note: This schedule has been prepared by the management of the Tangipahoa Parish Convention and Visitors Bureau.