
LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JUL 11 2012**



A Professional Accounting Corporation

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LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2011

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

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INDEPENDENT AUDITORS' REPORT

Officers and Trustees
Louisiana Municipal Advisory and Technical Services
Bureau Corporation
Baton Rouge, Louisiana

We have audited the accompanying balance sheets of Louisiana Municipal Advisory and Technical Services Bureau Corporation (a wholly-owned subsidiary of Louisiana Municipal Association) as of December 31, 2011 and 2010, and the related statements of operations, changes in stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of the management of Louisiana Municipal Advisory and Technical Services Bureau Corporation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of Louisiana Municipal Advisory and Technical Services Bureau Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluation the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Municipal Advisory and Technical Services Bureau Corporation as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Postlethwaite & Netterville
Baton Rouge, Louisiana
June 15, 2012

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

BALANCE SHEETS
DECEMBER 31, 2011 AND 2010

ASSETS

	<u>2011</u>	<u>2010</u>
Current assets:		
Cash	\$ 444,195	\$ 373,385
Accounts receivable, net	16,671	2,535
Prepays	<u>13,500</u>	<u>12,150</u>
Total current assets	<u>474,366</u>	<u>388,070</u>
Furniture and equipment, net	<u>-</u>	<u>3,371</u>
Total assets	<u>\$ 474,366</u>	<u>\$ 391,441</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:		
Accounts payable	\$ 18,261	\$ 18,255
Income taxes payable	21,951	28,332
Total liabilities	<u>40,212</u>	<u>46,587</u>
Stockholder's equity:		
Common stock, no par value, no stated value, 100 shares authorized, issued and outstanding	51,000	51,000
Retained earnings	<u>383,154</u>	<u>293,854</u>
Total stockholder's equity	<u>434,154</u>	<u>344,854</u>
Total liabilities and stockholder's equity	<u>\$ 474,366</u>	<u>\$ 391,441</u>

The accompanying notes are an integral part of these financial statements.

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Revenues:		
Program administration fees	\$ 518,234	\$ 515,608
Interest income	264	228
	<u>518,498</u>	<u>515,836</u>
Expenses:		
Administrative fees	318,892	328,025
Accounting fees	9,000	9,000
Advertising	5,880	5,880
Audit fees	5,000	4,850
Depreciation	3,371	3,402
Legal fees	1,103	2,519
Professional services	18,150	19,500
Rent	3,080	3,640
Sponsorships	32,500	26,750
Taxes	3,095	842
Telephone	3,646	6,082
Miscellaneous expense	816	505
	<u>404,533</u>	<u>410,995</u>
Net income before income taxes	113,965	104,841
Income tax expense	<u>(24,665)</u>	<u>(33,471)</u>
Net income	<u>\$ 89,300</u>	<u>\$ 71,370</u>

The accompanying notes are an integral part of these financial statements.

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, December 31, 2009	\$ 51,000	\$ 222,484	\$ 273,484
Net income	<u>-</u>	<u>71,370</u>	<u>71,370</u>
Balance, December 31, 2010	51,000	293,854	344,854
Net income	<u>-</u>	<u>89,300</u>	<u>89,300</u>
Balance, December 31, 2011	<u>\$ 51,000</u>	<u>\$ 383,154</u>	<u>\$ 434,154</u>

The accompanying notes are an integral part of these financial statements.

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	\$ 89,300	\$ 71,370
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	3,371	3,402
Changes in operating assets and liabilities:		
Accounts and other receivables	(14,136)	2,993
Prepays	(1,350)	1,350
Accounts payable	(6,375)	17,360
Net cash provided by operating activities	70,810	96,475
Net change in cash	70,810	96,475
Cash, beginning of year	373,385	276,910
Cash, end of year	\$ 444,195	\$ 373,385
<u>Supplemental disclosure of cash flow information</u>		
Cash paid for income taxes	\$ 31,046	\$ 16,400

The accompanying notes are an integral part of these financial statements.

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

(a) *Organization Background*

Louisiana Municipal Advisory and Technical Services Bureau Corporation (LaMats), a Louisiana corporation, is a wholly-owned subsidiary of Louisiana Municipal Association (LMA). LMA is an association for the municipalities of Louisiana and is incorporated as a non-profit corporation under the laws of the State of Louisiana. LaMats was incorporated in 1998 for the purpose of providing various advisory and technical services to the membership of the LMA.

(b) *Depreciation*

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Lives of the assets are as follows:

Office equipment and furniture	5-7 years
Computer equipment and software	3 years

As of December 31, 2011 and 2010 accumulated depreciation was \$53,285 and \$49,914, respectively.

(c) *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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

(d) *Cash and Cash Equivalents*

For the purpose of the statement of cash flows, cash includes cash in deposit accounts with financial institutions.

(e) *Administrative Revenue*

LaMats receives administrative fees related to the insurance premium taxes collected on behalf of the municipalities participating in the program. LaMats received an administrative fee of 3% of the insurance premium taxes collected on behalf of participating municipalities in 2011 and 2010. Administrative fees are considered earned and recognized as revenues when collected from the insurance companies.

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Accounts Receivable

LaMats considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If accounts become uncollectible, they will be charged to operations when that determination is made. Collections on accounts previously written off are included in income when received.

(g) Income taxes

Provisions for income taxes are based on taxes payable or refundable for the current year based on taxable income and deferred taxes on temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and liabilities are included in the financial statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

The Company adopted the accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions.

2. INCOME TAXES

LaMats federal and state income tax expense was \$24,665 and \$33,471 for the years ended December 31, 2011 and December 31, 2010, respectively. The tax years open for assessment are years ending on or after December 31, 2008.

3. RELATED PARTY TRANSACTIONS

LaMats pays LMA accounting fees for services performed on their behalf. The total accounting fees were \$9,000 in each of the years ended December 31, 2011 and 2010.

LaMats pays LMA administrative fees for various services provided by LMA. For each of the years ended December 31, 2011 and 2010, included in expenses is \$75,000 related to administrative fees paid to LMA. LaMats pays LMA rent for the space in which it conducts its operations. For the years ended December 31, 2011 and 2010, LaMats paid LMA a total of \$3,080 and \$3,640 for rent, respectively.

4. ADMINISTRATIVE CONTRACT

LaMats contracts with PRA Government Services, LLC dba RDS, to perform billing, collecting and administrative duties within the insurance premium tax program. LaMats' Board of Directors approves the administrative contract on a yearly basis for services rendered. For 2011 and 2010, the contract required payments of approximately \$21,000 and \$20,000 per month or \$251,000 and \$240,000 annually. Additionally, LaMats has a contract with RDS in which RDS audited out of state insurance companies to determine if the premiums that were being charged to LaMats were correct. For 2011 and 2010, LaMats paid \$0 and \$12,500, respectively, for this audit contract with RDS.

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

5. STATE REQUIRED DISCLOSURE

Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:51 (B) to provide required footnote disclosure in the financial statements for vendors who collect and distribute taxes other than ad valorem taxes for other taxing jurisdictions. Listed below are municipal premium tax collections and distributions to other parish governmental agencies during calendar year 2011.

	<u>TOTAL</u> <u>COLLECTIONS</u>	<u>COLLECTION</u> <u>COST</u>	<u>FINAL</u> <u>DISTRIBUTION</u>
Abbeville	\$ 306,049	\$ 9,182	\$ 296,867
Addis	58,992	1,770	57,222
Albany	50,148	1,504	48,644
Amite	129,657	3,890	125,767
Anacoco	34,519	1,036	33,483
Angie	25,879	776	25,103
Arcadia	76,039	2,290	73,749
Arnaudville	68,866	2,066	66,800
Ashland	9,122	273	8,849
Baker	209,457	6,284	203,173
Baldwin	46,879	1,406	45,473
Ball	58,108	1,743	56,365
Basile	31,997	960	31,037
Baskin	9,543	286	9,257
Bastrop	180,634	5,419	175,215
Bernice	30,492	914	29,578
Berwick	115,559	3,467	112,092
Bienville, Village of	15,674	470	15,204
Blanchard	38,541	1,156	37,385
Bogalusa	195,958	6,400	189,558
Bonita	9,023	271	8,752
Boyce	46,933	1,408	45,525
Breaux Bridge	206,592	6,198	200,394
Bunkie	80,545	2,416	78,129
Campti	28,103	843	27,260
Cankton	10,306	309	9,997
Carencro	182,363	5,471	176,892
Castor	20,642	619	20,023
Central	43,133	1,294	41,839

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

5. STATE REQUIRED DISCLOSURE (continued)

	<u>TOTAL</u> <u>COLLECTIONS</u>	<u>COLLECTION</u> <u>COST</u>	<u>FINAL</u> <u>DISTRIBUTION</u>
Chatham	23,922	717	23,205
Church Point	115,516	3,466	112,050
Clarks	8,111	252	7,859
Clinton	72,787	2,184	70,603
Collinston	15,276	458	14,818
Converse	18,135	544	17,591
Cottonport	45,694	1,376	44,318
Coushatta	85,741	2,572	83,169
Covington	635,860	19,075	616,785
Cullen	23,050	692	22,358
Delhi	73,022	2,190	70,832
Denham Springs	398,388	11,952	386,436
DeQuincy	71,455	2,144	69,311
Dixie Inn	11,863	356	11,507
Dodson	15,920	478	15,442
Dubberly	14,731	442	14,289
Duson	87,670	2,630	85,040
Elton	31,771	953	30,818
Epps	17,493	524	16,969
Eros	17,204	516	16,688
Eunice	208,773	6,263	202,510
Fenton	9,495	284	9,211
Florien	26,746	802	25,944
Folsom	91,310	2,739	88,571
Fordoche	19,552	586	18,966
Forest	6,186	185	6,001
Franklinton	167,160	5,015	162,145
French Settlement	21,995	660	21,335
Georgetown	13,910	441	13,469
Gibsland	22,346	674	21,672
Gilbert	19,877	596	19,281
Glenmora	39,196	1,176	38,020
Golden Meadow	83,406	2,502	80,904
Gonzales	411,061	12,343	398,718
Grambling	41,769	1,348	40,421
Grand Cane	25,568	767	24,801

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

5. STATE REQUIRED DISCLOSURE (continued)

	<u>TOTAL</u> <u>COLLECTIONS</u>	<u>COLLECTION</u> <u>COST</u>	<u>FINAL</u> <u>DISTRIBUTION</u>
Grand Coteau	20,941	628	20,313
Grand Isle	38,002	1,140	36,862
Grayson	25,813	774	25,039
Gretna	416,837	12,505	404,332
Grosse Tete	24,221	726	23,495
Gueydan	43,853	1,315	42,538
Hall Summit	6,582	197	6,385
Haughton	143,237	4,297	138,940
Haynesville	44,395	1,332	43,063
Heflin	21,385	642	20,743
Homer	96,744	2,902	93,842
Hornbeck	18,960	569	18,391
Iberia Parish	294,625	8,880	285,745
Iota	41,529	1,246	40,283
Iowa	76,317	2,289	74,028
Jean Lafitte	29,011	870	28,141
Jeaneratte	122,430	3,673	118,757
Jonesboro	86,303	2,589	83,714
Junction City	4,429	149	4,280
Kaplan	117,045	3,511	113,534
Killian	12,835	385	12,450
Kinder	77,422	2,322	75,100
Krotz Springs	30,610	918	29,692
Lake Arthur	63,678	1,910	61,768
Leesville	172,180	5,165	167,015
Lisbon	5,923	178	5,745
Lockport	118,997	3,570	115,427
Logansport	39,676	1,190	38,486
Longstreet	2,789	83	2,706
Loreauville	32,433	973	31,460
Lutcher	84,175	2,525	81,650
Mangham	22,968	689	22,279
Mansfield	135,208	4,056	131,152
Mansura	42,204	1,266	40,938
Many	102,964	3,089	99,875

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

5. STATE REQUIRED DISCLOSURE (continued)

	<u>TOTAL</u> <u>COLLECTIONS</u>	<u>COLLECTION</u> <u>COST</u>	<u>FINAL</u> <u>DISTRIBUTION</u>
Maringouin	36,767	1,103	35,664
Marion	30,723	921	29,802
Maurice	75,117	2,253	72,864
Melville	23,267	698	22,569
Mer Rouge	33,456	1,004	32,452
Minden	251,248	7,537	243,711
Mooringsport	25,520	768	24,752
Morgan City	313,079	9,392	303,687
Morganza	21,726	652	21,074
Napoleonville	56,030	1,681	54,349
New Llano	24,985	750	24,235
New Orleans	2,613,688	78,368	2,535,320
New Roads	136,316	4,089	132,227
Noble	11,217	367	10,850
Norwood	11,736	352	11,384
Oak Grove	76,566	2,297	74,269
Oak Ridge	15,249	458	14,791
Oakdale	96,899	2,907	93,992
Oberlin	32,166	965	31,201
Opelousas	342,932	10,288	332,644
Palmetto	21,162	635	20,527
Parks	14,812	444	14,368
Patterson	117,417	3,522	113,895
Pineville	292,915	8,787	284,128
Pioneer	16,736	502	16,234
Plain Dealing	34,930	1,048	33,882
Plaquemine	281,226	8,437	272,789
Plaucheville	18,841	565	18,276
Pleasant Hill	12,986	389	12,597
Pollock	33,437	1,003	32,434
Ponchatoula	231,100	6,933	224,167
Port Barre	57,238	1,717	55,521
Port Vincent	14,020	420	13,600
Rayne	163,461	4,904	158,557
Rayville	103,638	3,109	100,529
Reeves	19,906	597	19,309

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

5. STATE REQUIRED DISCLOSURE (continued)

	<u>TOTAL</u> <u>COLLECTIONS</u>	<u>COLLECTION</u> <u>COST</u>	<u>FINAL</u> <u>DISTRIBUTION</u>
Richmond	7,237	227	7,010
Richwood	12,464	374	12,090
Ridgecrest	7,866	236	7,630
Ringgold	41,275	1,238	40,037
Rodessa	7,153	215	6,938
Rosedale	16,480	494	15,986
Roseland	29,056	874	28,182
Rosepine	27,227	817	26,410
Ruston	354,007	10,620	343,387
Sarepta	36,709	1,101	35,608
Scott	145,895	4,376	141,519
Sibley	34,915	1,048	33,867
Sikes	5,379	161	5,218
Slaughter	43,316	1,300	42,016
Spearsville	21,265	638	20,627
Springhill	91,518	2,746	88,772
St. Francisville	108,573	3,257	105,316
St. Gabriel	60,723	1,821	58,902
St. Martinville	160,462	4,814	155,648
St. Mary Parish	228,231	6,847	221,384
Sterlington	36,954	1,109	35,845
Stonewall	63,484	1,904	61,580
Sulphur	338,764	10,163	328,601
Sun	8,440	253	8,187
Sunset	73,775	2,213	71,562
Tallulah	107,404	3,409	103,995
Tickfaw	50,378	1,511	48,867
Vinton	83,087	2,493	80,594
Walker	181,415	5,443	175,972
Washington	42,603	1,278	41,325
Webster Parish	116,549	3,497	113,052
Welsh	88,566	2,657	85,909
Westlake	135,466	4,064	131,402
Westwego	187,713	5,631	182,082
Wilson	12,436	376	12,060
Winnsboro	116,487	3,494	112,993

LOUISIANA MUNICIPAL ADVISORY AND TECHNICAL SERVICES
BUREAU CORPORATION

NOTES TO FINANCIAL STATEMENTS

5. STATE REQUIRED DISCLOSURE (continued)

	<u>TOTAL</u> <u>COLLECTIONS</u>	<u>COLLECTION</u> <u>COST</u>	<u>FINAL</u> <u>DISTRIBUTION</u>
Wisner	24,279	728	23,551
Woodworth	40,805	1,224	39,581
Youngsville	186,231	5,587	180,644
Zachary	273,248	8,197	265,051
Zwolle	<u>45,374</u>	<u>1,361</u>	<u>44,013</u>
TOTALS	<u>\$ 17,244,154</u>	<u>\$ 518,234</u>	<u>\$ 16,725,920</u>

6. SUBSEQUENT EVENTS

Management has evaluated events through the date that the financial statements were available to be issued, June 15, 2012 and determined that there were no events that require disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.