

Houma-Terrebonne Regional Planning Commission

Annual Financial Report
As of and for the Year Ended
December 31, 2013



(A Professional Corporation)
164 West Main Street, Thibodaux, LA 70301
South end of Canal Boulevard
(985) 447-8507 Fax (985) 447-4833
kearnscpa@kearnscpa.com

Houma-Terrebonne Regional Planning Commission
 Terrebonne Parish Consolidated Government

Annual Financial Report
 As of and for the Year Ended December 31, 2013

TABLE OF C O N T E N T S

	Statement	Page No.
Independent Auditors Report		1 - 2
Management’s Discussion and Analysis		3 - 6
Financial Statements:		
Statement of Net Position	A	7
Statement of Activities	B	8
Balance Sheet – Governmental Funds	C	9
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	D	10
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position		11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		12
Notes to the Financial Statements		13 - 20
Required Supplemental Information:		
	Exhibit	
Budgetary Comparison Schedule	1	21
Supplemental Information Schedules:		
Schedule of Compensation Paid to Board Members	2	22
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 <i>Government Auditing Standards</i>		23 – 24
Schedule of Findings and Corrective Action Planned		25
Summary Schedule of Prior Audit Findings		26



INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government
Houma, LA

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Houma-Terrebonne Regional Planning Commission (the Commission), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Statements*, 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 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 each major fund of the Commission as of December 31, 2013, 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 budgetary comparison information on pages 3–6 and 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2014 on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



Thibodaux, LA 70301
May 15, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

Management's Discussion and Analysis

December 31, 2013

Our discussion and analysis of the Houma-Terrebonne Regional Planning Commission's (the Commission) financial performance provides an overview of the Commission's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the Commission's financial statements, which begin on page 7.

FINANCIAL HIGHLIGHTS

- The Commission's assets exceeded its liabilities at the close of 2013 by \$98,438.
- Cash increased by \$9,854 or 14.9% from the prior year.
- Net position decreased by \$6,901 or 6.5%.
- The Commission's revenues totaled \$33,725 for the year ended December 31, 2013. These revenues are comprised primarily of charges for services and interest income. Revenues increased by \$3,334 or 11.0% in comparison to the prior year.
- The Commission's expenses totaled \$40,626 for the year ended December 31, 2013. These expenses are comprised primarily operating services. Expenses increased by \$3,793 or 10.3% in comparison to the prior year.

USING THIS ANNUAL REPORT

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities found on pages 7 and 8 provide information about the financial activities of the Commission and illustrate a longer-term view of the Commission's finances. Fund financial statements start on page 9. For governmental-type activities, these statements illustrate how these services were financed in the short-term and what remains for future spending. Fund financial statements also report the Commission's operations in more detail than the government-wide sections of the statements by providing information about the Commission's significant funds.

A. REPORTING ON THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

1. The Statement of Net Position and the Statement of Activities

The government-wide financial statements present financial information for the activities of the Commission from an economic resource measurement focus using the accrual basis of accounting. They present governmental activities, such as general government, separately from business-type activities. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Commission's net position and the change in it. This net position, the difference between the assets and the liabilities, is a way to measure the Commission's financial position or financial health. Over time, increases or decreases in the Commission's net position is an indicator of whether its financial health is improving or deteriorating.

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

B. REPORTING ON THE COMMISSION’S MOST SIGNIFICANT FUNDS

1. Fund Financial Statements

The fund financial statements provide detailed information about the Commission’s general fund. All of the Commission’s expenditures are reported in a governmental fund, which focuses on how money flows into and out of that fund and the balances left at year-end that are available for spending. This fund is reported using the modified accrual method, which measures cash and all other financial assets that could readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Commission’s general operations and the expenditures paid from this fund. The information in the governmental fund helps determine if there are more or less financial resources to finance future Commission expenditures. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the governmental fund in reconciliations on pages 11 and 12.

AN ANALYSIS OF THE COMMISSION USING GOVERNMENT-WIDE FINANCIAL STATEMENTS

A. STATEMENT OF NET POSITION

The following amounts reflect condensed information on the Commission's net position:

	2013	2012
Assets		
Current Assets	\$ 78,805	\$ 68,409
Noncurrent Assets	20,196	38,127
Total assets	\$ 99,002	\$ 106,536
Liabilities:		
Current Liabilities	\$ 563	\$ 1,197
Noncurrent Liabilities	-	-
Total liabilities	\$ 563	\$ 1,197
Net Position		
Invested in capital assets, net of debt	\$ 20,196	\$ 38,127
Unrestricted	78,242	67,212
Total Net position	\$ 98,438	\$ 105,339

- Current assets for the year increased by 10,396 or 15.2%. This increase is a direct result in an increase in cash.
- Noncurrent assets for the year decrease by 17,931 or 47.0%. This decrease is a direct result of current year depreciation expense.
- Accounts payable and accrued expenses accounted for 100% of the total liabilities of \$563.

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

- Based upon the operations of 2013, the Commission's net position decreased by \$6,901 or 6.6% resulting in and ending net position of \$98,438.

B. STATEMENT OF ACTIVITIES

The following table illustrates the revenues and expenses that produced the decrease in net position for the fiscal year:

	<u>2013</u>	<u>2012</u>
Revenue		
Operating Revenue	\$ 33,725	\$ 30,391
Total revenue	<u>\$ 33,725</u>	<u>\$ 30,391</u>
Expenses		
Operating Expenses	\$ 40,626	\$ 36,833
Total expenses	<u>\$ 40,626</u>	<u>\$ 36,833</u>
Net Position		
Beginning of the year	\$ 105,339	\$ 111,781
End of the year	<u>\$ 98,438</u>	<u>\$ 105,339</u>

- Total revenue for the year was \$33,725. This amount is \$3,334 or 11.0% higher than last year. This increase is attributable to an increase in charges for services.
- Total expenses for the year were \$40,626. This amount is \$3,793 or 10.3% higher than last year. This increase is attributable to an increase in training of \$5,275.

GOVERNMENTAL FUND

The Commission uses funds to help control and manage money for particular purposes. At the completion of the year, the Commission's governmental fund reported an increase in fund balance of \$11,030 or 16.4% and resulted in ending fund balance of \$78,242.

CAPITAL ASSETS AND LONG-TERM DEBT

As of December 31, 2013, the Commission had \$20,196 invested in capital assets, net of accumulated depreciation. In the current year, there were no asset purchases or disposition. Depreciation expense was \$17,931.

The Commission has no long-term debt.

BUDGET

The Commission amended its budget once during the fiscal year. The budget for revenues was \$27,100 and the budget for expenditures was \$26,940.

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

The Commission's actual revenues were more than the budgeted revenues by \$6,502, a variance of 19.3%. The Commission's actual expenditures were less than the budgeted expenditures by \$4,245, a variance of 18.7%.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Houma-Terrebonne Regional Planning Commission's finances for all those with such an Interest. Call the HTRPC office (985-873-6446) attention Jill Becnel, bookkeeper, 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

Houma-Terrebonne Regional Planning Commission
 Terrebonne Parish Consolidated Government

Statement of Net Position
 December 31, 2013

	Governmental Activities
ASSETS	
Current assets:	
Cash	\$ 75,877
Accounts receivable	2,928
Noncurrent assets:	
Capital Assets, Net of Accumulated Depr	20,196
Total assets	\$ 99,002
 LIABILITIES AND NET POSITION	
Liabilities:	
Current liabilities:	
Accounts payable	\$ 323
Accrued payroll and related expenses	241
Total liabilities	\$ 563
 NET POSITION	
Invested in capital assets, net of debt	\$ 20,196
Unrestricted	78,242
Total net position	\$ 98,438
TOTAL LIABILITIES AND NET POSITION	\$ 99,002

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

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Statement of Activities
December 31, 2013

	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Assets
	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
Expenses:	<u>Expenses</u>			
Governmental Activities:				
Regional planning, zoning, etc:		\$ (33,602)	-	\$ 33,602
Bank charges	\$ 234	-	-	(234)
Insurance	550	-	-	(550)
Meetings and public notices	3,814	-	-	(3,814)
Office supplies	861	-	-	(861)
Payroll tax expense	374	-	-	(374)
Per Diems	4,900	-	-	(4,900)
Postage	3,737	-	-	(3,737)
Professional Fees	2,950	-	-	(2,950)
Training	5,275	-	-	(5,275)
Depreciation	17,931	-	-	(17,931)
Total Expenses	\$ 40,626	\$ (33,602)	\$ -	\$ (7,024)

General Revenues:

Interest income	\$ 123
-----------------	--------

Total General Revenues	\$ 123
-------------------------------	---------------

Excess (Deficiency) of Revenues Over Expenditures	\$ (6,901)
--	------------

Net Position:

Beginning of the Year	\$ 105,339
-----------------------	------------

End of the Year	<u>\$ 98,438</u>
-----------------	------------------

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

Houma-Terrebonne Regional Planning Commission
 Terrebonne Parish Consolidated Government

Balance Sheet
 Governmental Fund
 December 31, 2013

	General Fund
ASSETS	
Cash	\$ 75,877
Accounts receivable	2,928
	Total assets
	\$ 78,805
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 323
Accrued payroll and related expenses	241
	Total liabilities
	\$ 563
 Fund balance:	
Unassigned	\$ 78,242
	Total fund balance
	\$ 78,242
	TOTAL LIABILITIES AND FUND BALANCE
	\$ 78,805

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

Houma-Terrebonne Regional Planning Commission
 Terrebonne Parish Consolidated Government

Statement of Revenues, Expenditures, and Changes in Fund Balance
 - Governmental Fund
 December 31, 2013

	General Fund
REVENUES	
Charges for services	\$ 33,602
Interest income	123
	Total Revenues
	\$ 33,725
 EXPENDITURES	
General government:	
Bank charges	\$ 234
Insurance	550
Meetings and public notices	3,814
Office supplies	861
Payroll tax expense	374
Per Diems	4,900
Postage	3,737
Professional Fees	2,950
Training	5,275
	Total Expenditures
	\$ 22,695
CHANGE IN FUND BALANCE	11,030
FUND BALANCE - Beginning	\$ 67,212
FUND BALANCE - Ending	\$ 78,242

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

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2013

Fund balance - governmental fund	\$ 78,242
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet	<u>20,196</u>
Net Position - Governmental activities	<u>\$ 98,438</u>

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

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance to the Statement of Activities
December 31, 2013

Change in fund balance - governmental fund	\$ 11,030
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	<u>17,931</u>
Change in net position of governmental activities	<u>\$ (6,901)</u>

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

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

INTRODUCTION

Terrebonne Parish Consolidated Government appoints the governing board of the Houma-Terrebonne Regional Planning Commission (the Commission) and thusly can impose its will; therefore, it was determined to be a component unit of the Terrebonne Parish Consolidated Government, the governing body of the parish and the governmental body with financial accountability. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Commission have been prepared in conformity with generally accepted accounting principles (GAAP) 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

A. Reporting Entity

The Commission 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, 2013. The Commission has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. The statement of activities presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

Fund Financial Statements (FFS)

The accounts of the Commission are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Commission is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Commission is described below:

Governmental Fund -

General Fund

The General Fund is the principal fund of the Commission and is used to account for the operations of the Commission's office. General revenues are accounted for in this fund. General operating expenditures are paid from this fund.

C. Measurement Focus / 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 (GWFS)

The column labeled Statement of Net Position (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Commission as a whole. These statements include all the financial activities of the Commission. Information contained

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

Notes to the Financial Statements

As of and for the Year Ended December 31, 2013

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.

Fund Financial Statements (FFS)

The amounts reflected in the Governmental Funds of Statements A and B, 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 Commission wide operations.

The amounts reflected in the Governmental Funds of Statements A and B, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means 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 Commission 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 –

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

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

Expenditures –

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

D. Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners is required to adopt a budget for the Commission's General fund. The Board, as allowed by state law, does not have to obtain public participation in the budgetary process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. 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 General Fund budget presentation is included in the basic financial statements.

E. Encumbrances

The Commission does not use encumbrance accounting.

F. Cash, Cash Equivalents, and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, money market accounts, and time deposits. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Commission may invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP). State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations.

If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. Investments are stated at cost.

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

G. Accounts Receivable

The financial statements for the Commission contain no allowance for uncollectible accounts. Uncollectible amounts 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 positions or operations of the funds.

H. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed 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. The Commission maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are disposed of or 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:

Description	Estimated Life
Land	n/a
Furniture & Equipment	5-7 years

I. Vacation and Sick Leave

The Commission has no full-time employees. There is no accumulated unpaid vacation and sick leave as of December 31, 2013.

J. Equity Classifications

In the government-wide statements, equity is classified as Net Position and displayed in three components:

- a. Invested 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.
- b. Restricted Net Position — Consists of Net Position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or

Houma-Terrebonne Regional Planning Commission

Terrebonne Parish Consolidated Government

Notes to the Financial Statements

As of and for the Year Ended December 31, 2013

regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

- c. Unrestricted Net Position — All other Net Position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

- a. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by a formal decision of the Board, which is the highest level of decision-making authority.
- d. Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned - all other spendable amounts.

K. Use of Estimates

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

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

NOTE 2 – DEPOSITS

Bank Deposits:

At December 31, 2013, the Commission has interest-bearing demand deposits (book balances) totaling \$ 75,877 shown as follows:

Cash	Cost	Fair value	Interest rate	Maturity	Credit risk category
Chase bank - checking	\$ 1,793	\$ 1,793	0.01%	Demand	Category 1
Chase bank- savings	74,084	74,084	0.15%	Demand	Category 1
Total Cash	\$ 75,877	\$ 75,877			

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or resulting book balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2013, the Commission had \$78,827 in bank deposits. Any differences between the book and bank balances for these checking accounts relates primarily to deposits made and checks written which had not cleared the bank accounts by year-end. At year-end, all required deposit balances (bank balances) are secured by federal deposit insurance.

NOTE 3 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended follows:

	Balance at 12/31/2012	Additions	Deletions	Balance at 12/31/2013
Office Equipment	\$ 32,784	\$ -	\$ -	\$ 32,784
Comprehensive Plan Update	71,111	-	-	71,111
Total capital assets	\$ 103,895	\$ -	\$ -	\$ 103,895
Less accumulated depreciation:	\$ (65,768)	\$ (17,931)		\$ (83,699)
Total capital assets, net of depreciation	\$ 38,127	\$ (17,931)	\$ -	\$ 20,196

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

NOTE 4 - COMPENSATION OF BOARD MEMBERS

The following amounts were paid to Commission board members for the year ended December 31, 2013:

<u>Name</u>	<u>Amount</u>
Cloutier, Arnold	\$ 550
Elfert, Richard	550
Erny, James A.	500
Kelley, Jeremy	550
Kurtz, Keith	500
Ostheimer, W. Alex	600
Schouest, Gerald	600
Thibodeaux, Wayne	450
Gloria Foret	450
Williams, Marsha	150
Total	<u>\$ 4,900</u>

NOTE 5 - IN-KIND SERVICES

The Terrebonne Parish Consolidated Government provided clerical, accounting, legal, administrative, and engineering services at no charge to the Commission during the year ended December 31, 2013.

NOTE 6 - TRANSACTION WITH THE PRIMARY GOVERNMENT

During the year ended December 31, 2013, the Commission did not assist Terrebonne Parish Consolidated with the funding of any projects. The only transactions the Commission and Terrebonne Parish Consolidated were involved with were standard recurring transactions.

NOTE 7 - LITIGATION AND CLAIMS

At December 31, 2013, the Commission had no litigation or claims pending.

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events were evaluated by management through May 15, 2014, which is the date the financial statements were available to be Issued, and it was determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Budgetary Comparison Schedule
For the Year ended December 31, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance - favorable (unfavorable)
Revenues:				
Charges for services	\$ 27,000	\$ 27,000	\$ 33,602	\$ 6,602
Interest income	100	100	123	(100)
Total revenues	<u>\$ 27,100</u>	<u>\$ 27,100</u>	<u>\$ 33,725</u>	<u>\$ 6,502</u>
Expenditures:				
General government -				
Bank charges	\$ 275	\$ 275	\$ 234	\$ (41)
Insurance	500	550	550	-
Meetings and public notices	5000	5,000	3814	(1,186)
Office supplies	1500	1,500	861	(639)
Payroll tax expense	900	900	374	(526)
Per Diems	6100	5,030	4900	(130)
Postage	3500	4,520	3737	(783)
Professional Fees	3750	3,750	2950	(800)
Training	1000	5,415	5275	(140)
Total expenditures	<u>\$ 22,525</u>	<u>\$ 26,940</u>	<u>\$ 22,695</u>	<u>\$ (4,245)</u>
Excess (deficiency) of revenues over expenditures	\$ 4,575	\$ 160	\$ 11,030	\$ 10,747
Fund balance, beginning	<u>not budgeted</u>	<u>not budgeted</u>	<u>\$ 105,339</u>	
Fund balance, ending	<u>not budgeted</u>	<u>not budgeted</u>	<u>\$ 116,369</u>	

See accompanying notes and accountant's report.

SUPPLEMENTAL INFORMATION SCHEDULES

HOUMA-TERREBONNE REGIONAL PLANNING COMMISSION
Terrbonne Parish Consolidated Government

Schedule of Compensation Paid to Board Member
For the Year ended December 31, 2013

<u>Name</u>	<u>Amount</u>
Cloutier, Arnold	\$ 550
Elfert, Richard	550
Erny, James A.	500
Kelley, Jeremy	550
Kurtz, Keith	500
Ostheimer, W. Alex	600
Schouest, Gerald	600
Thibodeaux, Wayne	450
Gloria Foret	450
Williams, Marsha	150
Total	<u>\$ 4,900</u>

See accompanying notes and accountant's report.



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
Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government
Houma, LA**

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 the Houma-Terrebonne Regional Planning Commission (the commission), a component unit of the Terrebonne Parish consolidated Government, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated May 15, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) 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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Thibodaux, LA
May 15, 2014

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Schedule of Findings & Corrective Action Planned
As of and for the Year Ended December 31, 2013

Section I - Internal Control and Compliance material to the financial statements

There are no current year findings.

Section II - Management Letter

There is no management letter issued in the current year.

Houma-Terrebonne Regional Planning Commission
Terrebonne Parish Consolidated Government

Summary Schedule of Prior Year Findings
As of and for the Year Ended December 31, 2013

Section I - Internal Control and Compliance material to the financial statements

There were no prior year findings.

Section II - Management Letter

No management letter was issued in the prior year.