

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU
Alexandria, Louisiana**

**ANNUAL
FINANCIAL
REPORT**

For the Year Ended December 31, 2011

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2011**

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**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

December 31, 2011

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**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011**

Our discussion and analysis of the Alexandria/Pineville Area Convention and Visitors Bureau 's financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2011. Please read in conjunction with the basic financial statements and the accompanying notes to financial statements.

The Management's Discussion and Analysis is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 issued in June 1999.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-Wide Financial Statements) provide information about the activities as a whole and present a longer-term view of the Bureau's finances. The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Fund (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide financial statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is "Is the Alexandria/Pineville Area Convention and Visitors Bureau as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information of the Alexandria/Pineville Area Convention and Visitors Bureau as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net assets and changes in them. You can think of net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the Alexandria/Pineville Area Convention and Visitors Bureau.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the Alexandria/Pineville Area Convention and Visitors Bureau as a whole. Some funds are required to be established by State laws and contracts.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011**
(continued)

The Alexandria/Pineville Area Convention and Visitors Bureau uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Bureau's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in the reconciliation statement.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations assets exceeded liabilities by \$1,359,019 (net assets).
- Total net assets are comprised of the following:
 - (1) Investment in capital assets of \$32,992 including the cost of office equipment, vans, and furniture, net of accumulated depreciation.
 - (2) Unrestricted net assets of \$1,326,027 representing the portion available to maintain the continuing obligations to citizens and creditors.
- The governmental funds reported total ending fund balance of \$1,344,034. Of this amount, \$1,344,034 was unassigned. This compares to the prior year ending fund balance – of \$1,191,911, showing an increase of \$152,123 during the current year.
- Total spending for all government wide activities was \$789,159 for the year, which was \$144,385 less than the program revenues for these activities – \$933,544.
- The interest earned on checking accounts was \$5,943 for the year.
This reflects a decrease of \$473 or 7% from last year.

The Statement of Net Assets and the Statement of Activities reports only one type of activity-general governmental activities. All of the basic tourism services are reported as this type. Hotel motel taxes charged to the public finance most of these activities.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011
(continued)

FINANCIAL ANALYSIS AS A WHOLE

The Bureau's net assets increased by \$150,328 as a result of this year's operations. The overall financial position improved during the fiscal year ending December 31, 2011. Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—absorbed most of the increase this year. The balance in net assets represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today, including all of our non-capital liabilities, we would have \$1,326,027 left.

The Bureau's total revenues for the year in government wide activities were \$939,487 (933,544 in charges for services and \$5,943 in general revenues and transfers). All the general revenue for 2011 and 2010 was interest income, transfers and gain on sale of assets. The total cost of all government wide programs and services was \$789,159 with no new programs added this year.

Table I
Comparative Statement of Net Assets
Dec. 31, 2010
with comparative totals for Dec. 31, 2011
in (thousands)

	Governmental activities	
	<u>2010</u>	<u>2011</u>
Current and other assets	1197	1443
Capital Assets	<u>32</u>	<u>33</u>
Total Assets	<u><u>1229</u></u>	<u><u>1476</u></u>
Total Liabilities	20	117
Net Assets:		
Capital Assets	32	33
Unrestricted	<u>1177</u>	<u>1326</u>
Total Net Assets	<u><u>1209</u></u>	<u><u>1359</u></u>

Table II
Comparative Statement of Activities
Dec. 31, 2010
with comparative totals for Dec. 31, 2011
in (thousands)

	Governmental activities	
	<u>2010</u>	<u>2011</u>
Expenses:		
Current Gen.Gov.	728	<u>789</u>
Program Revenue:		
Intergovernmental	892	934
General Revenues	<u>6</u>	<u>5</u>
Total Revenues	<u><u>898</u></u>	<u><u>939</u></u>
Changes in Net Assets	170	150
Net Assets Bg year	<u>1039</u>	<u>1209</u>
Net Assets end year	<u><u>1209</u></u>	<u><u>1359</u></u>

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

As we noted earlier, the Alexandria/Pineville Area Convention and Visitors Bureau uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Alexandria/Pineville Area Convention and Visitors Bureau is being accountable for the resources provided, but may also give more insight into the overall financial health

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011**
(continued)

As the Alexandria/Pineville Area Convention and Visitors Bureau completed the year, its governmental funds reported a combined fund balance of \$1,344,034. This reflects an increase of \$152,123 from last year. This increase is primarily the result of the events and programs described within the analysis of the governmental activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original expense budget for the General Fund was not revised for this fiscal year. The excess spending which was not adjusted in the budget was as follows:

- (1) Contract services were under budgeted by \$4,136.
- (2) Insurance was under budgeted by \$1,488.
- (3) Misc costs were under budgeted by \$9,079.
- (4) Promotional was under budgeted by \$35,181.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2011 was \$32,992.

This year there was \$10,535 of additions to capital assets. The Alexandria/Pineville Area Convention and Visitors Bureau adopted a capitalization policy during the year whereby only furniture and equipment over \$50 would be capitalized. More detailed information about the capital assets is presented in Note 5 to the financial statements.

DEBT

At year-end, the Alexandria/Pineville Area Convention and Visitors Bureau had no debt outstanding outside of normal operating bills.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

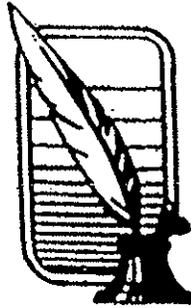
The Bureau has limited discretion in setting fees and costs for services provided, the majority of which are regulated by state law. The office staff and costs have been largely stable for the past several years, and are expected to remain so.

Taking all factors into consideration, the Board's general fund balance is expected to increase by the close of 2012.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Bureau's finances and to show the Bureau's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mrs. Cindy Leggett, P.O. Box 1070 Alexandria, LA 71309 at phone number (318) 443-7049.

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INDEPENDENT AUDITOR'S REPORT

The Board Of Directors
Alexandria/Pineville Area Convention & Visitors' Bureau

I have audited the accompanying financial statements of the governmental activities and each major fund of the Alexandria/Pineville Area Convention & Visitors' Bureau, (a political subdivision of the State of Louisiana), as of and for the year ended December 31, 2011, which collectively comprise the Bureau's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Alexandria/Pineville Area Convention & Visitors' Bureau's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my 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 Alexandria/Pineville Area Convention & Visitors' Bureau, as of December 31, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated June 8, 2012, on my consideration of the Alexandria/Pineville Area Convention & Visitors' Bureau's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

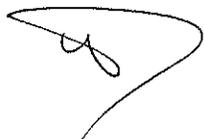
The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1 through 4 and 30 through 31 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Visitors Bureau's basic financial statements. The introductory section, combining statement, other supplementary section and the required supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

As discussed in Note 12 to the financial statements, the Alexandria/Pineville Area Convention & Visitors' Bureau adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2011.



Billy Debevec, CPA
Alexandria, Louisiana
June 8, 2012

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF NET ASSETS
December 31, 2011**

	GENERAL FUND
<u>ASSETS</u>	
ASSETS:	
CASH AND CASH EQUIVALENTS	\$ 1,369,856
ACCOUNTS RECEIVABLE	45,314
DUE FROM OTHER FUNDS	27,461
CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	32,992
TOTAL ASSETS	\$ 1,475,623
<u>LIABILITIES</u>	
LIABILITIES:	
DUE TO OTHER FUND	\$ 87,956
ACCOUNTS PAYABLE	3,950
ACCRUED EXPENSES	6,691
COMPENSATED ABSENCES PAYABLE	18,007
TOTAL LIABILITIES	116,604
<u>NET ASSETS:</u>	
INVESTMENT IN CAPITAL ASSETS	32,992
UNRESTRICTED	1,326,027
TOTAL NET ASSETS	\$ 1,359,019

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011**

EXPENSES

General Government:

Collection Expenses	\$ 12,554
Salaries and Fringe benefits	371,804
Contract Services	15,532
Legal & Professional	8,352
Dues and Subscriptions	12,727
Miscellaneous	9,442
Telephone	12,932
Equipment Rental	16,645
Insurance	11,020
Repairs And Maint.	7,226
Office Supplies	19,686
Promotional	140,181
Brochures - Printing and Distribution	5,412
Advertising	136,507
Depreciation	<u>9,139</u>
Total expenses	<u>789,159</u>

PROGRAM REVENUES

Intergovernmental:

Rapides Parish Hotel-Motel tax	616,949
City Of Alexandria-Downtown Tax	10,772
City Of Alexandria-Management Fees	46,175
State of Louisiana- "BP" Tourism Grant	9,648
State of Louisiana Hotel-Motel Tax	<u>250,000</u>
Total program revenues	<u>933,544</u>

Net program revenues 144,385

GENERAL REVENUES

Interest earned	<u>5,943</u>
Total General Revenue and Transfers	<u>5,943</u>

Change in Net Assets 150,328

NET ASSETS BEGINNING OF YEAR 1,208,691

NET ASSETS END OF YEAR \$ 1,359,019

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2011**

	GENERAL FUND
<u>ASSETS</u>	
ASSETS:	
CASH AND CASH EQUIVALENTS	\$ 1,369,856
ACCOUNTS RECEIVABLE	45,314
DUE FROM OTHER FUNDS	27,461
TOTAL ASSETS	<u><u>\$ 1,442,631</u></u>
<u>LIABILITIES AND FUND BALANCES</u>	
LIABILITIES:	
DEFERRED REVENUE	\$ 87,956
ACCOUNTS PAYABLE	3,950
ACCRUED EXPENSES	6,691
TOTAL LIABILITIES	98,597
FUND BALANCES:	
UNASSIGNED	1,344,034
TOTAL FUND BALANCE	<u>1,344,034</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u><u>\$ 1,442,631</u></u>

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUND
TO THE STATEMENT OF NET ASSETS
December 31, 2011**

Total fund balance-governmental fund (fund financial statement)		\$ 1,344,034
Amounts reported for governmental activities in the statement of net assets (government-wide financial statements) are different because:		
<p style="margin-left: 40px;">Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.</p>		
Cost of assets	163,604	
Accumulated depreciation	<u>(130,612)</u>	32,992
<p style="margin-left: 40px;">Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Compensated absences	<u>(18,007)</u>	(18,007)
Total net assets of governmental activities (government-wide financial statements)		<u>\$ 1,359,019</u>

The accompanying notes are an integral part of this reconciliation.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE-GENERAL FUND
For the year ended December 31, 2011**

REVENUES

Intergovernmental:	
Rapides Parish Hotel-Motel Tax	\$ 616,949
City Of Alexandria-Downtown Tax	10,772
City Of Alexandria-Management Fees	46,175
State of Louisiana-"BP" Tourism Grant	9,648
State Of Louisiana Hotel-Motel Tax Rebate	250,000
Interest Income	<u>5,943</u>
Total Revenues	<u>939,487</u>

EXPENDITURES

CURRENT-General Government:

Collection Expenses	12,554
Salaries and Fringe Benefits	368,613
Contract Services	15,532
Legal & Professional	8,352
Dues and Subscriptions	12,727
Miscellaneous	9,442
Telephone	12,932
Equipment Rental	16,645
Insurance	11,020
Repairs and Maint.	7,226
Office Supplies	19,686
Promotional	140,181
Brochures - Printing and Distribution	5,412
Advertising	<u>136,507</u>
Total Current Expenditures	776,829

CAPITAL OUTLAY

Total Expenditures	<u>10,535</u>
	<u>787,364</u>

(Continued)

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE-GENERAL FUND
For the year ended December 31, 2011
(CONTINUED)**

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	152,123
OTHER FINANCING SOURCE Total Other Financing Sources	<u> 0</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	152,123
FUND BALANCE, BEGINNING,	<u>1,191,911</u>
FUND BALANCE, ENDING	<u><u>\$ 1,344,034</u></u>

The accompanying notes are integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011**

Net change in fund balances-total governmental funds (fund financial statements)		\$ 152,123
Amounts reported for governmental activities in the statement of activities (government-wide financial statements) are different because:		
Governmental funds report capital outlays as expenditures in the individual fund. Government activities report depreciation expense to allocate the cost of those capital assets over the estimated useful		
Capital outlay	10,535	
Depreciation expense	<u>(9,139)</u>	1,396
Some of the expenses reported in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease in compensated absences	<u>(3,191)</u>	(3,191)
Change in net assets of governmental activities (government-wide financial statements)		<u><u>\$ 150,328</u></u>

The accompanying notes are an integral part of this reconciliation.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS-AGENCY FUNDS
December 31, 2011**

	ALEXANDRIA RIVER FRONT CENTER RESERVE FUND	RIVER FRONT CENTER OPERATING FUND	TOTAL
<u>ASSETS</u>			
Assets:			
Cash	\$ 311,270	\$ 464,236	\$ 775,506
Other Receivables		36,786	36,786
Total Assets	<u>\$ 311,270</u>	<u>\$ 501,022</u>	<u>\$ 812,292</u>
<u>LIABILITIES AND NET ASSETS</u>			
Liabilities:			
Accounts Payable		\$ 2,385	\$ 2,385
Due to Other Funds		27,461	27,461
Advanced Deposits		26,640	26,640
Unsettled Deposits	\$ 311,270	444,536	755,806
Total Liabilities	<u>311,270</u>	<u>501,022</u>	<u>812,292</u>
Net Assets:			
Total Net Assets	<u>0</u>	<u>0</u>	<u>0</u>

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

INTRODUCTION

The financial statements of the Alexandria/Pineville Area Convention and Visitors Bureau have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Bureau's accounting policies are described below.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Bureau have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis--for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The Alexandria/Pineville Area Convention and Visitors Bureau (formerly known as the Conventions Commission and the Rapides Parish Convention and Visitors Bureau) was a division of the Greater Alexandria-Pineville Chamber of Commerce. The Bureau became a separate legal entity, as designated by the Louisiana Legislature in Act No. 955, House Bill No. 1839 effective for September 1, 1984. The governing body was created as the Rapides Parish Tourism and Convention Commission, while the operating body was named the Rapides Parish Convention and Visitors Bureau. Through Louisiana Act No. 628, the name of the Bureau was changed during 1991 to Alexandria/Pineville Area Convention and Visitors Bureau. The purpose of the Bureau is to promote conventions and tourism and to assist with conventions in the local area. Its major source of revenue is from city and parish occupancy taxes collected by local hotels and motels. Therefore, the Bureau is dependent upon hotel/motel occupancy for its revenue.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

B. REPORTING ENTITY (contd.)

In evaluating how to define the Bureau for financial reporting purposes, management has considered all potential component units. The decision whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable. Some of the criteria considered under “legally separate organization” are: the capacity for the organization to have its own name; the right for the organization to sue and be sued in its own name without recourse to the primary government; and the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to consider “financially accountable” include: appointment of a voting majority of the organization’s governing body; ability of primary government to impose its will on the organization; whether the organization has the potential to provide specific financial benefits to, or improve specific financial burdens on the primary government; and fiscal dependence of the organization.

The Alexandria/Pineville Area Convention and Visitors Bureau operates autonomously from other parish and city agencies. Therefore, the Alexandria/Pineville Area Convention and Visitors Bureau reports as an independent reporting entity. This report includes all funds and account groups which are controlled by or dependent upon the Bureau.

C. Fund Accounting

The Bureau uses the funds and account groups 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 a separate accounting entity with a self-balancing set of accounts.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

C. Fund Accounting (contd.)

Governmental Funds

Governmental funds account for all or most of the Bureau' 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 fund balances are classified into five possible categories which focus on the constraints of spending. The categories are non spendable, restricted, committed, assigned and unassigned. The following are the Bureau's governmental funds:

General Fund

The General Fund, as provided by state law, is the principal fund of the Bureau and accounts for the operations for the Bureau's office. The various fees and charges due to the Bureau's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, and focuses on net assets and changes in net assets. The fiduciary fund includes the following:

Agency Funds

All agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations, but use the accrual basis of accounting. The Bureau maintains the following agency funds:

Alexandria Riverfront Center Reserve Fund - an agency fund whereby monies previously received from the State of Louisiana provide a reserve for the payment of operating expenses and emergency expenditures of the Alexandria Riverfront Center.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

C. Fund Accounting (contd.)

Agency Funds

In the event the amount of operating revenue is insufficient for the payment of operating expenses due during the month, or the need arises to make an emergency expenditure, the Alexandria/Pineville Area Convention and Visitors Bureau and the City of Alexandria may advance the amount from the Reserve Fund to the Operating Fund. The Reserve Fund must maintain a balance of \$100,000 or the management agreement between the Bureau and the City may be terminated.

Alexandria Riverfront Center Operating Fund - an agency fund whereby monies received from the State of Louisiana and a hotel-motel city-wide tax are used for the operations of the Alexandria Riverfront Center. The Alexandria Riverfront Center is managed by the Alexandria/Pineville Area Convention and Visitors Bureau for the City of Alexandria.

D. Measurement Focus/Basis of Accounting

Fund Financial Statements(FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds 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 balance reports on the sources and uses of current financial resources. The modified accrual basis of accounting is used by the fund financial statements (FFS). 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 collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

D. Measurement Focus/Basis of Accounting (contd.)

The governmental funds use the following practices in recording revenues and expenditures:

Revenues

The hotel motel taxes are recorded in the year in which they are earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available.

Substantially all other revenues are recorded when received.

Expenditures

Purchases of various operating supplies are recorded as expenditures in the accounting period they are purchased. Compensated absences are recognized as expenditures when leave is actually taken or the employees (or heirs) are paid for accrued leave upon retirement or death.

Salaries are recorded as expenditures when earned.

Principal and interest on general long-term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sales of assets and capitalized leases are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

**D. Measurement Focus/Basis of Accounting (contd.)
Government – Wide Financial Statements (GWFS)**

The Statement of Net Assets and the Statement of Activities display information about the Rapides Parish Bureau as a whole. These statements include all the financial activities of the Rapides Parish Bureau. It doesn't include the fiduciary funds. Information contained in these statements reflect 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 non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from users as a fee for services and intergovernmental revenues for providing tourism services; program revenues reduce the cost of the function to be financed from general revenues.

E. Budgetary Practice

The proposed budget for the 2011 fiscal year was made available for public inspection at the Bureau's office in December of the prior year. The public hearing, which was for the purpose of adopting the budget was held at the Bureau's office at the same time. The Bureau follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Formal budgetary integration is employed as a management control device for the Bureau's General fund. The budget is adopted on a modified accrual basis of accounting.
2. The Bureau approves all budget line items.
3. Unused appropriations for all annual budgetary funds lapse at the end of the year.
4. The budget amounts shown in the financial statement are final authorized amounts as revised during the year.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

F. Cash and Cash Equivalents

In the governmental fund and agency funds, cash and cash equivalents include amounts in all demand deposits, interest bearing demand deposits and time deposits with original maturities of three months or less from the date of acquisition.

G. Investments

If the cash deposits have original maturities greater than 90 days, they are classified as investments. Investments are stated at cost or amortized cost, except for investments in the Deferred Compensation Agency Fund which are reported at market value.

H. Capital Assets

Capital assets are capitalized at historical cost or estimated cost 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 Bureau maintains a threshold level of \$50 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and 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 th following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture & Equipment	3-30 years
Vehicles	10-years

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

I. Compensated Absences

All regular, full time employees who have been employed with the bureau for a period of one year are entitled to a vacation with pay. Such leave shall be credited at the end of each full calendar month of service according to the following schedule:

Less than 5 years of service - 8 vacation hours/month
More than 5 years but less than 10 years - 10 vacation hours/month
10+ years of service - 12 vacation hours/month

It is the policy of the bureau to pay terminating employees for unused vacation that has accumulated. Employees shall be allowed to carryover not more than one third of their vacation leave earned during the current calendar year to the subsequent year. Sick leave shall be credited to permanent full time employees at the following rates:

1. Credited at a rate of 8 hours for each full month of employment

Unused sick leave credited to the employee shall be carried forward to succeeding calendar years, but not to exceed (1,040) hours.

The Bureau's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if *both* of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

I. Compensated Absences (contd.)

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments.
- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the Government-Wide Financial Statements. The current portion of the liability for compensated absences should be reported in the fund financial statements. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The non-current portion of the liability is not reported in the fund financial statements.

J. Restricted Net Assets

For government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of 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.

2. CASH

At December 31, 2011, the Bureau has cash and cash equivalents (book balances) totaling \$2,145,362, as follows:

	<u>General Fund</u>	<u>Other Funds</u>
Demand Deposits Including		
Interest bearing demand deposits	\$ <u>1,369,856</u>	\$ <u>775,506</u>
Total	\$ <u>1,369,856</u>	\$ <u>775,506</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by the 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, 2011, the Bureau's general fund has \$1,382,475 in deposits (collected bank balances). These deposits are secured from risk by \$314,492 of federal deposit insurance and \$1,067,983 in pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The other funds had deposits (collected bank balances) of \$794,837 and were insured by the federal deposit insurance for \$250,000 and \$544,837 in pledged securities, category 3.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

2. CASH (contd.)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Bureau that the fiscal agent has failed to pay deposited funds upon demand. (This disclosure should acknowledge any violations of state law relating to adequate pledged securities.)

3. ACCOUNTS RECEIVABLES

	General <u>FUND</u>	AGENCY FUNDS		<u>TOTAL</u>
		<u>ALEX/RIVER FRONT OPERATING FUND</u>	<u>ALEX/RIVER FRONT reserve fund</u>	
RAPIDES PARISH POLICE JURY OCCUPANCY TAX	\$ 43,998	\$ 18,816		62,814
STATE OF LA HOTEL/MOTEL TAX REBATE				
OTHER	<u>1,316</u>	<u>17,970</u>	<u> </u>	<u>19,286</u>
	<u>\$ 45,314</u>	<u>\$ 36,786</u>	<u>\$ 0</u>	<u>\$ 82,100</u>

4. BAD DEBTS

Uncollectible amounts due for customer receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. All amounts are considered collectible and the allowance account has not been established.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

5. CAPITAL ASSETS

A summary of property and equipment and accumulated depreciation at December 31, 2011 follows:

	Property and Equipment			
	Balance			Balance
	<u>12/31/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/11</u>
Furniture & equipment	\$ 116,641	10,535		\$ 127,176
Vehicles	36,428			36,428
Total	\$ 153,069	\$ 10,535	\$ 0	\$ 163,604

	Accumulated Depreciation			
	Balance			Balance
	<u>12/31/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/11</u>
Furniture & equipment	\$ 97,246	\$ 5,497		102,743
Vehicles	24,227	3,642		27,869
Total	\$121,473	\$ 9,139	\$ 0	\$ 130,612

6. INTERFUND RECEIVABLES AND PAYABLES

The interfund balances are primarily the result of the general fund loaning money to agency funds to temporarily cover expenses until funds are received. The following is a summary of amounts due from and due to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	River Front Center	\$ 27,461

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

7. DEFINED CONTRIBUTION PLAN

The Bureau began a simplified employee pension plan during 1993. An employee is eligible to participate once they have been employed full time with the Bureau for a full year. The Organization contributes five percent (5%) of the employee's salary to the plan. Monthly contributions were made from the General Fund and River Front Center Fund for employees during 2011 totaling \$11,061.

8. OPERATING LEASES

The Bureau entered into a sixty month copier operating lease on December 30, 2008, at \$722 per month. The lease expense on the copier for the year was \$8,664. The organization also entered into a thirty-six month auto lease in May 2011 at \$424 per month. Future minimum payments on the copier and auto are as follows:

		<u>Copier</u>	<u>Auto</u>
2012		8,664	5,091
2013		8,664	5,091
2014		<u>0</u>	<u>1,697</u>
	Total	<u>\$ 17,328</u>	<u>\$11,879</u>

9. LITIGATION AND CLAIMS

None outstanding.

10. MANAGEMENT AGREEMENT

On May 21, 1996, the Alexandria/Pineville Area Convention and Visitors Bureau entered into a management agreement with the City of Alexandria, Louisiana, in which the Bureau agreed to act as General Manager of the business operations of the Alexandria Riverfront Center. The City agreed to maintain ownership of the Center and to provide office space for the Bureau within the Center at no additional cost to the Bureau. The Bureau is responsible for operating budgets, comprehensive staffing plans, marketing plans, rental schedules, advertising, licensing, promotional activities, public relations, and the design and implementation of a financial accounting system for the Center. The Bureau is to provide the City with monthly financial reports within twenty (20) days of the end of each month. As General Manager for the Center, the Bureau is also responsible for exercising its best efforts

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)**

10. MANAGEMENT AGREEMENT (contd.)

in minimizing operating expenses and maximizing operating revenues in good faith judgement. The City has the right to obtain information from the Bureau, upon reasonable demand, and to inspect the books and records of the Center as may be necessary to inform the City concerning the Center and its operations. This management agreement which expired on the last day of March, 2006, was automatically renewed for an additional five (5) year period. Also, this agreement may be terminated if the balance in the Alexandria Riverfront Center falls below \$100,000.

11. ADVANCE DEPOSITS

Advance deposits are the fees collected for activities occurring in the Riverfront Center in a subsequent fiscal year.

12. ACCOUNTING CHANGE

During the year, the organization adopted GASB Statement number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement requires the organization to report the General Fund balance which has no constraints on spending as unassigned fund balance.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU**
Alexandria, Louisiana

**COMBINING STATEMENT OF CHANGES IN UNSETTLED DEPOSITS, BY FUND
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	ALEXANDRIA RIVER FRONT CENTER RESERVE FUND	RIVER FRONT CENTER OPERATING FUND	TOTAL
DEPOSIT BALANCES			
BEGINNING OF YEAR	\$310,935	\$388,961	\$699,896
ADDITIONS:			0
City of Alex. city wide tax		258,825	\$258,825
Rental Charges		130,785	\$130,785
Interest	335	531	\$866
Other Deposits	0	8,650	\$8,650
State Tax Rebate		155,000	
Total Deposits & additions	<u>311,270</u>	<u>942,752</u>	<u>1,099,022</u>
DEDUCTIONS:			
Admin Costs		238,583	238,583
Contract Labor-other		19,805	19,805
Collection Expense		5,175	5,175
Office Expense		11,012	11,012
Professional fees		2,440	2,440
Repairs & Maint		165,832	165,832
Insurance		12,192	12,192
Maint. Contracts/security		10,375	10,375
Telephone		8,684	8,684
Concessions		3,102	3,102
Advertising & promo		21,016	21,016
Total Deductions	<u>0</u>	<u>498,216</u>	<u>498,216</u>
Deposit Balances, End of Year	<u>\$311,270</u>	<u>\$444,536</u>	<u>\$755,806</u>

The accompanying notes are an integral part of this financial statement

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU
Alexandria, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUE				
Intergovernmental:				
Rapides Parish Hotel-Motel tax	\$566,559	\$566,559	\$616,949	\$50,390
City of Alexandria-Downtown Tax	4,000	4,000	10,772	6,772
City of Alexandria-Management fee			46,175	46,175
State of La. Hotel-Motel Tax Rebate	250,000	250,000	250,000	0
State of La. 'BP' Tourism grant			9,648	9,648
Interest Income	4,000	4,000	5,943	1,943
Total Revenues	824,559	824,559	939,487	114,928
EXPENDITURES				
CURRENT-General Government				
Collection Expenses	14,250	14,250	12,554	1,696
Salaries & Benefits	386,539	386,539	368,613	17,926
Contract Services	11,396	11,396	15,532	(4,136)
Legal & Professional	17,500	17,500	8,352	9,148
Dues & Subscriptosn	12,000	12,000	12,727	(727)
Miscellaneous	10,000	10,000	9,442	558
Telephone	10,750	10,750	12,932	(2,182)
Equipment rental	18,828	18,828	16,645	2,183
Insurance	9,532	9,532	11,020	(1,488)
Repairs & Maintenance	26,680	26,680	7,226	19,454
Office Supplies	11,334	11,334	19,686	(8,352)
Promotional	105,000	105,000	140,181	(35,181)
Brochures- Printing & Distribution	5,750	5,750	5,412	338
Advertising	160,000	160,000	136,507	23,493
Total Current Expenditures	799,559	799,559	776,829	22,730
CAPITAL OUTLAY:	25,000	25,000	10,535	14,465
Total Expenditures	824,559	824,559	787,364	37,195

(Continued)

The accompanying notes are an integral part of this financial statement

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU**
Alexandria, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**
(CONTINUED)

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
EXCESS (DEF) OF REVENUES OVER EXPENDITURES	0	0	152,123	152,123
OTHER FINANCING SOURCES (USES):				
Operating Transfers Out	0	0	0	0
Total Other Financing sources (uses)	0	0	0	0
Excess Of Revenues and Other Financing Sources over (Under) Expenditures and Other Financing Uses	0	0	152,123	152,123
FUND BALANCE, BEGINNING	1,191,911	1,191,911	1,191,911	0
FUND BALANCE, ENDING	\$1,191,911	\$1,191,911	\$1,344,034	\$152,123

The accompanying notes are an integral part of this financial statement

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
Alexandria, Louisiana

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain the report on internal control structure and compliance with laws and regulations required by Government Auditing Standards issued by the Comptroller General of the United States. The paragraph on internal control structure is based solely on the audit of the general purpose financial statements and includes where appropriate, any significant deficiencies and/or material weaknesses. The paragraph on compliance with laws and regulations is, likewise, based solely on the audit of the general purpose financial statements and presents, where applicable, compliance matters that would be material to the general purpose financial statements.

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**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**

Board of Directors
Alexandria/Pineville Area Convention & Visitors' Bureau

I have audited the financial statements of the governmental activities and each major fund of Alexandria/Pineville Area Convention & Visitors' Bureau, as of and for the year ended December 31, 2011, which collectively comprise the Alexandria/Pineville Area Convention & Visitors' Bureau's basic financial statements and have issued my report thereon dated June 8, 2012. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Bureau's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alexandria/Pineville Area Convention & Visitors' Bureau's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Alexandria/Pineville Area Convention & Visitors' Bureau's internal control over financial reporting.

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.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alexandria/Pineville Area Convention & Visitors' Bureau's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Alexandria/Pineville Area Convention & Visitors' Bureau Management, Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,



Billy Debevec, CPA
Alexandria, Louisiana
June 8, 2012

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2011**

We have audited the financial statements of the Alexandria/Pineville Area Convention and Visitors Bureau as of December 31, 2011 and have issued our report thereon dated June 8, 2012. We conducted our audit in accordance with United States generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of and for the year ended December 31, 2011 resulted in an unqualified opinion.

Section I-Summary of Auditors' Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses _____ Yes No Deficiencies _____ Yes No

Compliance

Non Compliance Material to Financial Statements _____ Yes No

Other Matters _____ Yes No

Section II-Financial Statement Findings

None

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
Alexandria, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2010**

<u>Ref No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Planned Corrective Corrective Action Taken</u>
None			

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LA.**

**CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2011**

Auditor Ref. Number

None

Name of Contact Person: Mrs. Sherry Ellington, Executive Director
(318) 443-7049

Date: June 8, 2012