

**Greater Shreveport Chamber of Commerce
Shreveport, Louisiana**

Financial Statements

**As of and for the Year Ended December 31, 2020
With Supplemental Information Schedules**

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

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COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

Independent Auditors' Report

To the Board of Directors
Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying combined financial statements of the Greater Shreveport Chamber of Commerce (a nonprofit organization), which comprise the combined statement of financial position as of December 31, 2020, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Greater Shreveport Chamber of Commerce as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplemental information schedules shown on pages 16 – 18, are presented for the purpose of additional analysis and are not a required part of the combined financial statements of Greater Shreveport Chamber of Commerce. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of the Greater Shreveport Chamber of Commerce's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 Greater Shreveport Chamber of Commerce's 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 Greater Shreveport Chamber of Commerce's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
June 24, 2021

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Financial Position
December 31, 2020

Assets

Current assets:

Cash and cash equivalents	\$ 413,240
Investments	842,425
Grant receivable	36,908
Other receivables	79,810
Prepaid expenses	19,373
Total current assets	1,391,756

Noncurrent assets:

Investment held for endowment purposes	254,006
Land held for development	1,641,088
Property and equipment, net	255,371
Total noncurrent assets	2,150,465

Total Assets	\$ 3,542,221
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Liabilities and Net Assets

Current liabilities:

Accounts payable and accrued expenses	\$ 100,522
Deferred revenue	4,000
Current portion of capital lease obligation	12,981
Current liabilities	117,503

Non-current liabilities:

Capital lease obligation	4,495
Note payable - Economic Injury Disaster Loan	150,000
Total liabilities	271,998

Net assets

With donor restriction	266,006
Without donor restrictions	3,004,217
Total net assets	3,270,223

Total Liabilities and Net Assets	\$ 3,542,221
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The accompanying notes are an integral part of the financial statements.

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Activities
For the Year Ended December 31, 2020

	Without Donor Restriction	With Donor Restriction	Totals
Revenues, gains, support and reclassifications:			
Membership dues	\$ 613,194	\$	\$ 613,194
Programs and projects	156,182		156,182
Rent	15,800		15,800
Grants and contracts	158,738		158,738
Interest and dividends	8		8
Royalties	14,966		14,966
Miscellaneous	71,995		71,995
Net assets released from restrictions			
Satisfaction of program restrictions	17,461	(17,461)	
Total revenues, gains, and support	<u>1,048,344</u>	<u>(17,461)</u>	<u>1,030,883</u>
Expenses:			
Supporting services			
General and administrative	542,221		542,221
Programs services			
Public policy	15,403		15,403
Membership services	261,226		261,226
Government procurement center	156,114		156,114
Total expenses	<u>974,964</u>		<u>974,964</u>
Change in net assets from operations	73,380	(17,461)	55,919
Nonoperating activities			
Investment return, net	84,671		84,671
Total nonoperating activities	<u>84,671</u>		<u>84,671</u>
Change in net assets	158,051	(17,461)	140,590
Net assets, beginning of year	<u>2,846,166</u>	<u>283,467</u>	<u>3,129,633</u>
Net assets, end of year	<u>\$ 3,004,217</u>	<u>\$ 266,006</u>	<u>\$ 3,270,223</u>

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

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Functional Expenses
For the Year Ended December 31, 2020

	Support Services	Program Services			Totals	
	General and Administrative	Public Policy	Membership Services	Government Procurement Center		Total Program Services
Salaries and commissions	\$ 306,320	\$	\$ 61,660	\$ 97,526	\$ 159,186	\$ 465,506
Payroll taxes	1,312					1,312
Pension expense	16,829		2,940	4,792	7,732	24,561
Other employee benefits	33,180		15,325	7,887	23,212	56,392
Advertising			45,181		45,181	45,181
Liability insurance	25,448					25,448
Building rent	13,100					13,100
Office supplies	3,374		57	2,819	2,876	6,250
Periodicals and dues	8,516					8,516
Postage	3,807					3,807
Professional expense	7,912			5,490	5,490	13,402
Photocopy and printing				655	655	655
Travel	490	8,466		4,644	13,110	13,600
Members/prospect development	371			1,013	1,013	1,384
Luncheons and receptions	2,254		41		41	2,295
Contract labor				374	374	374
Computer hardware / software				19,459	19,459	19,459
Professional development	615			1,730	1,730	2,345
Custodial / building maintenance	23,455					23,455
Telephone	9,861			4,995	4,995	14,856
Utilities	24,124					24,124
Miscellaneous	40,309	5,991	2,307		8,298	48,607
Annual meeting expenses			23,901		23,901	23,901
Leadership programs			24,696		24,696	24,696
Women's business council	8,439					8,439
Minority business council						
Special events	1,899		7,133		7,133	9,032
Reserve for bad debts			71,364		71,364	71,364
Depreciation	10,606	946	6,621	4,730	12,297	22,903
Total expenses	\$ 542,221	\$ 15,403	\$ 261,226	\$ 156,114	\$ 432,743	\$ 974,964

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

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Cash Flows
For the Year Ended December 31, 2020

Operating Activities	
Changes in net assets	\$ 140,590
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	22,903
Net realized and unrealized (gains) losses on investments	(64,287)
Interest and dividends restricted for investment in endowment	(4,978)
(Increase) decrease in operating assets:	
Grants receivable	(14,333)
Other receivables	20,426
Prepaid expenses	13,458
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	5,616
Deferred revenue	(17,945)
Net cash provided by operating activities	<u>101,450</u>
Investing Activities	
Proceeds from sale of investments	27,303
Purchase of investments	(20,384)
Net cash provided by investing activities	<u>6,919</u>
Financing Activities	
Proceeds from note payable	150,000
Repayments of capital lease	(9,198)
Interest and dividends restricted for investment in endowment	4,978
Net cash provided by financing activities	<u>145,780</u>
Net increase in cash and cash equivalents	254,149
Cash and cash equivalents as of beginning of year	<u>159,091</u>
Cash and cash equivalents as of end of year	<u>\$ 413,240</u>
Supplemental Disclosures of Cash Flow Information	
Cash paid for interest	<u>\$ 1,263</u>

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

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2020

(1) Summary of Significant Accounting Policies

A. Principles of Combination

The accompanying the combined financial statements reflect the combined financial statements of the Greater Shreveport Chamber of Commerce (the Chamber) and all related entities as described below. The members of the Chamber elect the board of directors of the Chamber. The Chamber board of directors also serves as the board of directors for the Greater Shreveport Chamber Foundation (formerly the Greater Shreveport Industrial Park Development Foundation, Inc.). The Chamber and these other entities share common facilities and personnel. Material interorganization transactions and balances have been eliminated.

B. Nature of Activities

The Greater Shreveport Chamber of Commerce – This is a nonprofit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)6 of the Internal Revenue Code. Activities within this entity include the following:

General – accounts for the general operations and activities of the Chamber.

Business Development Councils - provide professional programs that inform women and minorities in business about current business conditions.

I-49 North Coalition – raise money to lobby for the completion of I-49 to Arkansas–Louisiana state line.

Greater Shreveport Chamber Foundation. – During 2020, the name of the Greater Shreveport Industrial Park Development Foundation, Inc. was changed to the Greater Shreveport Chamber Foundation. This is a non-profit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code. Activities within this entity are primarily related to industrial park development.

The Forms 990, "Return of Organization Exempt from Income Taxes" for the Greater Shreveport Chamber of Commerce and the Greater Shreveport Chamber Foundation for the years ending 2017, 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

C. Basis of Accounting

The combined financial statements of the Chamber have been prepared on the accrual basis of accounting.

D. Use of Estimates

Management uses estimates and assumptions in preparing the combined financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

E. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards. Under those standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the organization. These net assets may be used at the discretion of Chamber's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Chamber or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. The Chamber has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

F. Deferred Revenue

Income from membership dues and other Chamber events is deferred and recognized over the periods to which the dues and events relate.

G. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Chamber considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

H. Investments

The Chamber carries investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

I. Property and Equipment

Property, equipment, and leasehold improvements are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided on the straight-line method over the remaining term of the lease or the useful life of the improvement, whichever is shorter. The Chamber has adopted a policy of capitalizing all assets with a unit value of \$1,000 or more.

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

J. Contributions

Contributions received are recorded as increase in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

K. Advertising Costs

The Chamber uses advertising to promote its services among the community it serves. The costs of advertising are expensed as incurred. During 2020, advertising costs totaled \$45,181.

L. Fair Value Measurements

Generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities ("Level 1") and the lowest priority to unobservable inputs ("Level 3"). The three levels of the fair value hierarchy are described as follows:

Level 1: quoted prices (unadjusted) for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date.

Level 2: significant other observable inputs than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

M. Endowment Funds

Endowment funds represent assets and net assets that are subject to restriction by gift instruments as prescribed by donors. The principal amount, based on historical gift value, is to be maintained permanently. The income derived from each endowment is also restricted per the donor's specifications. Use of those funds are approved by donor upon request of the Chamber.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2020
 (Continued)

N. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and the statement of functional expense. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are directly charged to the function they benefit.

(2) Concentrations of Credit Risk

Concentrations of credit risk with respect to other accounts receivable are limited due to the large number of contributors comprising the Chamber's contributor base and their dispersion across different industries. As of December 31, 2020, the Chamber had no significant concentrations of credit risk in relation to other accounts receivable.

Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due under contractual terms. As of December 31, 2020, the Chamber had no significant concentrations of credit risk in relation to grant receivables.

The Chamber maintains cash balances at several financial institutions located in the Shreveport area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2020, total cash balances held at financial institutions was \$415,248, of which \$383,277 was FDIC secured, and the balance of \$31,971 was uninsured.

(3) Land Held for Development

This represents \$686,068 of land purchased in Caddo Parish to develop an industrial park, as well as \$955,020 of development expenses. A portion of the land was purchased with city, state, and parish funds through cooperative endeavor agreements that provide certain restrictions on the property's sale or transfer. There was no activity during the year ended December 31, 2020.

(4) Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2020, consist of the following:

Cash, non-interest bearing	\$ 369,829
Cash, interest bearing, daily simple interest	<u>43,411</u>
	<u>\$ 413,240</u>

(5) Investments

The investments are presented in the financial statements at fair value using level 1 fair value measures (quoted prices in active markets). Investments as of December 31, 2020 consisted of the following:

	<u>Fair Value</u>
Exchange – traded funds	\$ 818,746
Cash and cash alternatives	<u>23,679</u>
	<u>\$ 842,425</u>

Net investment gain for the year ended December 31, 2020, totaled \$82,131, which consisted of interest and dividend income of \$15,407, and realized and unrealized gains of \$66,724.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2020
 (Continued)

(6) Investment Held for Endowment Purposes

The investments are presented in the financial statements at fair value using level 1 fair value measures (quoted prices in active markets). Investments held for endowment purposes as of December 31, 2020 consisted of the following:

	Fair Value
Cash and money market funds	\$ 202,742
Corporate bonds	51,264
	\$ 254,006

Net investment return for the year ended December 31, 2020 totaled \$2,540, which consisted of \$4,977 interest and dividends and \$(2,437) unrealized loss.

Activity in the endowment for the year ended December 31, 2020, is as follows:

Endowment net assets, beginning of year	\$ 271,467
Investment return	2,539
Appropriated for expenditure	(20,000)
Endowment net assets, end of year	\$ 254,006

(7) Grants Receivable

The Chamber receives a federal grant that provides reimbursement of allowable costs under contract. This balance represents amounts due from the funding agency at December 31, 2020, but not received until after that date.

(8) Other Accounts Receivable

Other accounts receivable of \$79,810 at December 31, 2020 is comprised of membership dues and other miscellaneous amounts due at December 31, 2020 but not received until after that date. The other accounts receivable is shown net of a reserve for uncollectible accounts of \$69,313.

(9) Employee Benefit Plans

The Chamber participates in a 401(k) profit-sharing plan whereby the Chamber makes contributions to the Plan each year equal to 8% of participating employee's compensation. Effective June 1, 2020, the Chamber amended the plan, reducing the contribution rate to 3% of employee's compensation. Total expense for the year ended December 31, 2020, was approximately \$24,561.

(10) Property and Equipment

Property and equipment at December 31, 2020, with estimated depreciable life, are summarized as follows:

Land	N/A	\$ 100,000
Leasehold Improvements	30 years	293,986
Furniture, fixtures, equipment	5–10 years	192,242
		586,228
Accumulated Depreciation		(330,857)
		\$ 255,371

Depreciation expense for the year ended December 31, 2020, was \$22,903.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2020
 (Continued)

(11) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2020, consisted of the following:

Accounts payable	\$ 51,230
Accrued leave payable	<u>49,292</u>
	<u>\$ 100,522</u>

(12) Net Assets

Net assets at December 31, 2020, consisted of the following:

Net Assets Without Donor Restrictions:		
Undesignated		\$ 992,326
Board designated:		
Building reserves	33,681	
Land held for development	1,641,088	
Business councils	8,414	
Leadership	47,063	
Shreveport opportunity	16,647	
Young professionals	9,323	
I-49 Coalition	<u>17,780</u>	
Total board designated		1,773,996
Net investment in property and equipment		<u>237,895</u>
Total net assets without donor restrictions		<u>3,004,217</u>
Net Assets With Donor Restrictions:		
Subject to expenditure for specified purpose –		
Restricted for land improvements		12,000
J Pat Beard Memorial permanent endowment		<u>254,006</u>
Total net assets with donor restrictions		<u>266,006</u>
Total Net Assets		<u>\$3,270,223</u>

(13) Sub-Lease Revenue

During 2020, the Chamber leased office space to a third party on a month-to-month basis. Total rental revenue under the lease agreement was \$15,800 for 2020.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2020
 (Continued)

(14) Liquidity and Availability of Financial Assets

The Chamber monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Chamber has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

Financial assets at year-end:	
Cash and cash equivalents	\$ 413,240
Investments	842,425
Investment held for endowment purposes	254,006
Accounts receivable	<u>116,718</u>
Total financial assets	1,626,389
Less amounts unavailable for general expenditures within one year:	
Net assets with donor restrictions	(266,006)
Less Board-designated assets which are designated for various purposes	<u>(132,908)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,227,475</u>

As reflected above, certain board-designated assets are designated for the various purposes, as further described in Note 12. These assets limited to use are not available for general expenditures within the next year and are, therefore, deducted from the amounts noted above. However, board designated amounts could be made available, if necessary. The Statement of Cash Flows identifies the sources and uses of the Chamber's cash and shows positive cash generated by operations of \$101,450 for the year ended December 31, 2020.

In addition to financial assets available to meet general expenditures over the year, the Chamber anticipates covering its general expenditures using the income generated from contractual agreements with governmental agencies, membership dues, and income generated from various programs and projects.

(15) Operating Leases

The Chamber leases a building from the City of Shreveport requiring monthly payments of \$2,250 for thirty years with the option to renew for five successive ten year periods. The lease may be canceled at the lessor's option at any time with a partial reimbursement to the Chamber for leasehold improvements. The primary term of the lease expired in February, 2012, with an auto rental for an additional 10 years. Lease payments on this lease for the year ended December 31, 2020 totaled \$4,500.

The future minimum lease payments under the operating leases are as follows:

2021	\$ 27,000
2022	<u>2,250</u>
	<u>\$ 29,250</u>

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

In October 2017, the Chamber signed an operating lease for two copy machines with monthly payments of \$329 for thirty-six months. Lease payments on this lease for the year ended December 31, 2020 totaled \$3,926.

(16) Capital Lease - Equipment

During January 2017, the Chamber entered into an agreement to retro fit current lighting to LED lighting. The lease agreement qualifies as a capital lease for accounting purposes. The LED lighting is included in capital assets at a cost of \$57,661, with accumulated depreciation of \$15,056, as of December 31, 2020. Interest has been imputed at a rate of 8.032%, and the Chamber will make monthly payments through 2022. The debt service requirements to maturity are as follows:

Year Ending December 31,	
2021	\$ 13,947
2022	<u>4,649</u>
Total minimum lease payments	18,596
Less amounts representing interest	<u>(1,120)</u>
Present value of minimum lease payments	17,476
Less current portion	<u>(12,981)</u>
	<u>\$ 4,495</u>

(17) Note Payable – Economic Injury Disaster Loan (“EIDL”)

In May 2020, the Chamber received loan proceeds totaling \$150,000 under the Economic Injury Disaster Loan Program (“EIDL”). The loan will accrue interest at the rate of 2.75% per annum. Installment payment, including principal and interest, of \$641 monthly, will begin twelve (12) months from the date of the promissory note. Each payment will be applied first to accrued interest to the date of receipt of each payment, and the balance, if any, will be applied to principal. The balance of principal and interest will be payable thirty (30) years from the date of the promissory note. The Chamber grants a security interest to the U.S. Small Business Administration of all tangible and intangible personal property.

Approximate maturities of the loan are as follows:

Year Ended June 30,	Amount
2021	\$
2022	3,571
2023	3,670
2024	3,772
2025	3,877
After 2025	<u>135,110</u>
	<u>\$ 150,000</u>

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

(18) Subsequent events

Subsequent to December 31, 2020, the Chamber applied for and was approved for two loans totaling \$213,082, under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration. The loans accrue interest at 1%, but payments are not required to begin for six months after the funding of the loans. The Chamber is eligible for loan forgiveness of up to 100% of the loans, upon meeting certain requirements. The loans are uncollateralized and are fully guaranteed by the Federal government.

Subsequent events have been evaluated through June 24, 2021, the date the financial statements were available to be issued.

(19) Uncertainty

As a result of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact operating results. While the duration of the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

(20) Related Party Transactions

During the year ended December 31, 2020, the Chamber paid for banquet and meeting space at a local venue, of which a member of the Chamber board of directors was the general manager. Total amount paid was approximately \$25,203.

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combining Schedule of Financial Position
December 31, 2020

	<u>General Fund</u>	<u>GSIPDF, Inc.</u>	<u>Totals</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 387,609	\$ 25,631	\$ 413,240
Investments	842,425		842,425
Grant receivable	36,908		36,908
Other receivables	67,310	12,500	79,810
Prepaid expenses	19,373		19,373
Total current assets	<u>1,353,625</u>	<u>38,131</u>	<u>1,391,756</u>
Noncurrent assets:			
Investment held for endowment purposes	254,006		254,006
Land held for development	1,641,088		1,641,088
Property and equipment, net	255,371		255,371
Total noncurrent assets	<u>2,150,465</u>		<u>2,150,465</u>
Total Assets	<u><u>\$ 3,504,090</u></u>	<u><u>\$ 38,131</u></u>	<u><u>\$ 3,542,221</u></u>
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued expenses	\$ 100,522	\$	\$ 100,522
Deferred revenue	4,000		4,000
Capital lease	12,981		12,981
Current liabilities	<u>117,503</u>		<u>117,503</u>
Economic Injury Disaster Loan	150,000		150,000
Capital lease obligation	4,495		4,495
Total liabilities	<u>271,998</u>		<u>271,998</u>
Net assets			
With donor restriction	254,006	12,000	266,006
Without donor restrictions	2,978,086	26,131	3,004,217
Total net assets	<u>3,232,092</u>	<u>38,131</u>	<u>3,270,223</u>
Total Liabilities and Net Assets	<u><u>\$ 3,504,090</u></u>	<u><u>\$ 38,131</u></u>	<u><u>\$ 3,542,221</u></u>

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combining Schedule of Activities
For the Year Ended December 31, 2020

	General Fund	GSIPDF, Inc.	Totals
Revenues, gains, and support			
Membership dues	\$ 613,194	\$	\$ 613,194
Programs and projects	156,182		156,182
Rent	15,800		15,800
Grants and contracts	158,738		158,738
Interest and dividends	1	7	8
Mineral lease royalties	14,966		14,966
Miscellaneous	59,495	12,500	71,995
	<u>1,018,376</u>	<u>12,507</u>	<u>1,030,883</u>
Expenses and losses:			
Supporting services			
General and administrative	542,221		542,221
Programs services			
Public policy	15,403		15,403
Membership services	261,226		261,226
Government procurement center	156,114		156,114
	<u>974,964</u>	<u></u>	<u>974,964</u>
Change in net assets from operations	43,412	12,507	55,919
Nonoperating activities			
Investment return, net	84,671		84,671
	<u>84,671</u>	<u></u>	<u>84,671</u>
Change in net assets	128,083	12,507	140,590
Net assets, beginning of year	<u>3,104,009</u>	<u>25,624</u>	<u>3,129,633</u>
Net assets, end of year	<u>\$ 3,232,092</u>	<u>\$ 38,131</u>	<u>\$ 3,270,223</u>

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Other Supplementary Information
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2020

Agency Head: Timothy Magner, President

There were no payments for compensation, benefits, and other derived from public funds during the year ended December 31, 2020.

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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*

Independent Auditors' Report

To the Board of Directors
Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Greater Shreveport Chamber of Commerce (a nonprofit organization), which comprise the combined statement of financial position as of December 31, 2020, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 24, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Greater Shreveport Chamber of Commerce's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of Greater Shreveport Chamber of Commerce's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 the 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 Greater Shreveport Chamber of Commerce'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 financial statements. 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
June 24, 2021

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Summary Schedule of Audit Findings
December 31, 2020

Summary Schedule of Prior Audit Findings

There were no findings or management letter comments for the prior year audit for the year ended December 31, 2019.

Corrective Action Plan for Current Year Audit Findings

There are no findings or management letter comments for the current year audit for the year ended December 31, 2020.