

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

Financial Statements

**As of and for the Years Ended December 31, 2021, and 2020
With Supplemental Information Schedules**

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1 – 3
Financial Statements:	
Combined Statements of Financial Position	4
Statements of Activities	
For the Year Ended December 31, 2021	5
For the Year Ended December 31, 2020	6
Statements of Functional Expenses	
For the Year Ended December 31, 2021	7
For the Year Ended December 31, 2020	8
Combined Statements of Cash Flows	9
Notes to Financial Statements	10 – 19
Other Supplementary Information	
Combined Schedule of Financial Position	20
Combined Schedule of Activities	21
Schedule of Compensation, Benefits, and Other Payments to Agency Head	22
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	23 – 24
Summary Schedule of Audit Findings	25

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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the combined financial statements of Greater Shreveport Chamber of Commerce (a nonprofit organization), which comprise the combined statements of financial position as of December 31, 2021 and 2020, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Greater Shreveport Chamber of Commerce (a nonprofit organization) as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greater Shreveport Chamber of Commerce and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Shreveport Chamber of Commerce's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of Greater Shreveport Chamber of Commerce's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Shreveport Chamber of Commerce's ability to continue as a going concern for a reasonable period of time.

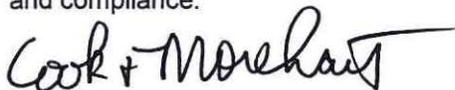
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplementary information schedules on pages 20 – 22, are presented for purposes of additional analysis and are not a required part of the combined financial statements. 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 29, 2022, 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 effectiveness of 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 29, 2022

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statements of Financial Position
December 31, 2021

Assets

	2021	2020
Current assets:		
Cash and cash equivalents	\$ 636,967	\$ 413,240
Investments	957,730	842,425
Grant receivable	25,984	36,908
Other receivables	117,358	79,810
Prepaid expenses	27,565	19,373
Total current assets	1,765,604	1,391,756
Noncurrent assets:		
Investment held for endowment purposes	253,998	254,006
Land held for development	1,641,088	1,641,088
Property and equipment, net	233,987	255,371
Total noncurrent assets	2,129,073	2,150,465
Total Assets	\$ 3,894,677	\$ 3,542,221
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 92,401	\$ 100,522
Deferred revenue	23,950	4,000
Current portion of capital lease obligation	4,495	12,981
Current liabilities	120,846	117,503
Non-current liabilities:		
Capital lease obligation		4,495
Note payable - Economic Injury Disaster Loan	150,000	150,000
Total liabilities	270,846	271,998
Net assets		
With donor restriction	295,034	266,006
Without donor restrictions	3,328,797	3,004,217
Total net assets	3,623,831	3,270,223
Total Liabilities and Net Assets	\$ 3,894,677	\$ 3,542,221

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, 2021

	Without Donor Restriction	With Donor Restriction	Totals
Revenues, gains, support and reclassifications:			
Membership dues	\$ 564,361	\$ 29,036	\$ 564,361
Programs and projects	247,816	29,036	276,852
Rent	3,300		3,300
Grants and contracts	567,012		567,012
Interest and dividends	10		10
Royalties	38,329		38,329
Miscellaneous	76,017		76,017
Net assets released from restrictions			
Satisfaction of program restrictions	8	(8)	
Total revenues, gains, and support	1,496,853	29,028	1,525,881
Expenses:			
Supporting services			
General and administrative	711,752		711,752
Programs services			
Public policy	98,282		98,282
Membership services	245,434		245,434
Government procurement center	232,196		232,196
Total expenses	1,287,664		1,287,664
Change in net assets from operations	209,189	29,028	238,217
Nonoperating activities			
Investment return, net	115,391		115,391
Total nonoperating activities	115,391		115,391
Change in net assets	324,580	29,028	353,608
Net assets, beginning of year	3,004,217	266,006	3,270,223
Net assets, end of year	\$ 3,328,797	\$ 295,034	\$ 3,623,831

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	1,048,344	(17,461)	1,030,883
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	974,964		974,964
Change in net assets from operations	73,380	(17,461)	55,919
Nonoperating activities			
Investment return, net	84,671		84,671
Total nonoperating activities	84,671		84,671
Change in net assets	158,051	(17,461)	140,590
Net assets, beginning of year	2,846,166	283,467	3,129,633
Net assets, end of year	\$ 3,004,217	\$ 266,006	\$ 3,270,223

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, 2021

	Support Services	Program Services			Total Program Services	Totals
	General and Administrative	Public Policy	Membership Services	Government Procurement Center		
Salaries and commissions	\$ 368,984		\$ 103,000	\$ 157,987	\$ 260,987	\$ 629,971
Payroll taxes	23,942		7,524	12,029	19,553	43,495
Pension expense	30,612		7,738	10,274	18,012	48,624
Other employee benefits	42,579		16,660	10,243	26,903	69,482
Advertising			32,227		32,227	32,227
Liability insurance	26,033					26,033
Building rent	8,262					8,262
Office supplies	3,430		625	2,216	2,841	6,271
Periodicals and dues	8,884					8,884
Postage	820					820
Professional expense	16,240	81,364			81,364	97,604
Photocopy and printing	226			176	176	402
Travel	353	18		7,950	7,968	8,321
Members/prospect development	371					371
Luncheons and receptions	6,923		68		68	6,991
Computer hardware / software				18,361	18,361	18,361
Professional development	649			2,796	2,796	3,445
Custodial / building maintenance	33,554					33,554
Telephone	11,458			6,046	6,046	17,504
Utilities	31,508					31,508
Miscellaneous	42,959		1,263		1,263	44,222
Annual meeting expenses			11,914		11,914	11,914
Leadership programs		15,148	42,025		57,173	57,173
Women's business council	15,733					15,733
Minority business council	11,562					11,562
Special events	10,369		7,406		7,406	17,775
Reserve for bad debts			10,615		10,615	10,615
Interest expense	5,156					5,156
Depreciation	11,145	1,752	4,369	4,118	10,239	21,384
Total expenses	<u>\$ 711,752</u>	<u>\$ 98,282</u>	<u>\$ 245,434</u>	<u>\$ 232,196</u>	<u>\$ 575,912</u>	<u>\$ 1,287,664</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			Total Program Services	Totals
	General and Administrative	Public Policy	Membership Services	Government Procurement Center		
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 Statements of Cash Flows
For the Year Ended December 31, 2021

	2021	2020
Operating Activities		
Changes in net assets	\$ 353,608	\$ 140,590
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	21,384	22,903
Net realized and unrealized (gains) losses on investments	(115,297)	(64,287)
Interest and dividends restricted for investment in endowment	(86)	(4,978)
(Increase) decrease in operating assets:		
Grants receivable	10,924	(14,333)
Other receivables	(37,548)	20,426
Prepaid expenses	(8,192)	13,458
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(8,121)	5,616
Deferred revenue	19,950	(17,945)
Net cash provided by operating activities	236,622	101,450
Investing Activities		
Proceeds from sale of investments		27,303
Purchase of investments		(20,384)
Net cash provided by investing activities		6,919
Financing Activities		
Proceeds from note payable		150,000
Repayments of capital lease	(12,981)	(9,198)
Interest and dividends restricted for investment in endowment	86	4,978
Net cash provided by (used in) financing activities	(12,895)	145,780
Net increase in cash and cash equivalents	223,727	254,149
Cash and cash equivalents as of beginning of year	413,240	159,091
Cash and cash equivalents as of end of year	\$ 636,967	\$ 413,240
Supplemental Disclosures of Cash Flow Information		
Cash paid for interest	\$ 3,530	\$ 1,263

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

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2021 and 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 accounts for the general operations and activities of the Chamber.

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 funds contributed specifically for the assistance in economic development activities.

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 2018, 2019, 2020 and 2021 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, 2021 and 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, 2021 and 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 or 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 2021 and 2020, advertising costs totaled \$32,227 and 45,181, respectively.

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. Uses 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, 2021 and 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, 2021 and 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, 2021 and 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, 2021, total cash balances held at financial institutions was \$656,240, of which \$628,170 was FDIC secured, and the balance of \$28,070 was uninsured. 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 years ended December 31, 2021 and 2020.

(4) Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2021 and 2020, consist of the following:

	<u>2021</u>	<u>2020</u>
Cash, non-interest bearing	\$ 548,048	\$ 369,829
Cash, interest bearing, daily simple interest	88,919	43,411
	<u>\$ 636,967</u>	<u>\$ 413,240</u>

(5) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2021 and 2020, consisted of the following:

	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 37,632	\$ 51,230
Accrued interest	2,592	
Accrued leave payable	52,177	49,292
	<u>\$ 92,401</u>	<u>\$ 100,522</u>

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2021 and 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, 2021 and 2020, consisted of the following:

	Fair Value	
	2021	2020
Cash and money market funds	\$ 253,998	\$ 202,742
Corporate bonds		51,264
	\$ 253,998	\$ 254,006

Net investment return for the year ended December 31, 2021 totaled \$(8), which consisted of \$86 interest and dividends and \$(94) unrealized loss.

Net investment return for the year ended December 31, 2020 totaled \$2,539, which consisted of \$4,977 interest and dividends and \$(2,438) unrealized loss.

Activity in the endowment for the years ended December 31, 2021 and 2020, is as follows:

	2021	2020
Endowment net assets, beginning of year	\$ 254,006	\$ 271,467
Investment return	(8)	2,539
Appropriated for expenditure		(20,000)
	\$ 253,998	\$ 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, 2021 and 2020, but not received until after that date.

(8) Other Accounts Receivable

Other accounts receivable of \$117,358 and \$79,810 at December 31, 2021 and 2020, respectively is comprised of membership dues and other miscellaneous amounts due at December 31, 2021 and 2020 but not received until after that date. The other accounts receivable is shown net of a reserve for uncollectible accounts of \$44,609 and \$69,313, respectively.

(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. Subsequently, on January 1, 2021, The Chamber increased the contribution rate to 8%. Total expense for the year ended December 31, 2021 and 2020, was approximately \$46,876 and \$24,561, respectively.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2021 and 2020
 (Continued)

(10) Property and Equipment

Property and equipment at December 31, 2021 and 2020, with estimated depreciable life, are summarized as follows:

		<u>2021</u>	<u>2020</u>
Land	N/A	\$ 100,000	\$ 100,000
Leasehold Improvements	30 years	293,986	293,986
Furniture, fixtures, equipment	5–10 years	<u>192,242</u>	<u>192,242</u>
		586,228	586,228
Accumulated Depreciation		<u>(352,241)</u>	<u>(330,857)</u>
		<u>\$ 233,987</u>	<u>\$ 255,371</u>

Depreciation expense for the years ended December 31, 2021 and 2020, was \$21,384 and \$22,903, respectively.

(11) Net Assets

Net assets at December 31, 2021 and 2020, consisted of the following:

	<u>2021</u>	<u>2020</u>
Net Assets Without Donor Restrictions:		
Undesignated	\$ 1,361,505	\$ 992,326
Board designated:		
Building reserves	12,487	33,681
Land held for development	1,641,088	1,641,088
Business councils	4,664	8,414
Leadership	39,538	47,063
Shreveport opportunity	16,647	16,647
Young professionals	6,923	9,323
I-49 Coalition	<u>16,453</u>	<u>17,780</u>
Total board designated	1,737,800	1,773,996
Net investment in property and equipment	<u>229,492</u>	<u>237,895</u>
Total net assets without donor restrictions	<u>3,328,797</u>	<u>3,004,217</u>
Net Assets With Donor Restrictions:		
Subject to expenditure for specified purpose –		
Restricted for land improvements	12,000	12,000
Finish I-49	29,036	
J Pat Beard Memorial permanent endowment	<u>253,998</u>	<u>254,006</u>
Total net assets with donor restrictions	<u>295,034</u>	<u>266,006</u>
Total Net Assets	<u>\$ 3,623,831</u>	<u>\$ 3,270,223</u>

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2021 and 2020
 (Continued)

(12) 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, 2021 and 2020, totaled \$0 and \$4,500, respectively.

The future minimum lease payments under the operating lease is as follows:

2022	\$ <u>2,250</u>
------	-----------------

(13) 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 \$18,900, as of December 31, 2021. 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:

<u>Year Ending</u> <u>December 31,</u>	
2022	\$ 4,583
Total minimum lease payments	4,583
Less amounts representing interest	(88)
Present value of minimum lease payments	4,495
Less current portion	(4,495)
	<u>\$ 0</u>

(14) 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, 2021 and 2020 consisted of the following:

	<u>Fair Value</u>	
	<u>2021</u>	<u>2020</u>
Exchange – traded funds	\$ 915,131	\$ 818,746
Cash and cash alternatives	42,599	23,679
	<u>\$ 957,730</u>	<u>\$ 842,425</u>

Net investment gain for the year ended December 31, 2021, totaled \$115,305, which consisted of interest and dividend income of \$16,081, and realized and unrealized gains of \$99,224.

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, 2021 and 2020
 (Continued)

(15) 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:

	2021	2020
Financial assets at year-end:		
Cash and cash equivalents	\$ 636,967	\$ 413,240
Investments	957,730	842,425
Investments held for endowment purposes	253,998	254,006
Accounts receivable	143,342	116,718
Total financial assets	1,992,037	1,626,389
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(295,034)	(266,006)
Less Board-designated assets which are designated For various purposes	(96,712)	(132,908)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,600,291	\$ 1,227,475

As reflected above, certain board-designated assets are designated for the various purposes, as further described in Note 11. 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 \$236,622 and \$101,450 for the years ended December 31, 2021 and 2020, respectively.

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.

(16) 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.

During the year ended December 31, 2021, the Chamber paid for professional services, of which a member of the Chamber board of directors was a part owner. Total amount paid was approximately \$74,964.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2021 and 2020
 (Continued)

(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 thirty (30) 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. The Chamber made payments totaling \$2,564 during 2021, which were all applied to accrued interest.

Approximate maturities of the loan are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2022	\$
2023	
2024	317
2025	3,621
2026	3,722
After 2026	<u>142,340</u>
	<u>\$ 150,000</u>

(18) Subsequent events

Subsequent to December 31, 2021, the Chamber entered into a contract totaling \$147,969, for a new roof.

Subsequent events have been evaluated through June 29, 2022, 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) New Accounting Pronouncement

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, “Revenue from Contracts with Customers.” This Standard, along with its related amendments, requires organizations to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of this standard in 2020 did not have a material effect on the Organization’s financial statements and required no adjustment.

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2021 and 2020
(Continued)

(21) Paycheck Protection Program Loan Forgiveness

The Chamber met the eligibility criteria for forgiveness of two loans received by the Small Business Administration under the Paycheck Protection Program (PPP) totaling \$213,080. By meeting the forgiveness criteria on the loans and receiving forgiveness of the loans during 2021, the Chamber concludes the PPP loans, in substance, are a grant recorded in grants and contracts revenue on the statement of activities for the year ended December 31, 2021.

(22) Employee Retention Credit

The Chamber received credits during 2021 totaling \$116,856, against certain payroll taxes allowed for qualifying wages, as established by the Coronavirus Aid Relief and Economic Security (CARES) act. The Chamber records the amounts received as grants and contracts revenue in the statement of activities for the year ended December 31, 2021.

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combining Schedule of Financial Position
December 31, 2021

	General Fund	Greater Shreveport Chamber Foundation	Totals
Assets			
Current assets:			
Cash and cash equivalents	\$ 564,501	\$ 72,466	\$ 636,967
Investments	957,730		957,730
Grant receivable	25,984		25,984
Other receivables	100,996	16,362	117,358
Due from other fund		9,700	9,700
Prepaid expenses	27,565		27,565
Total current assets	<u>1,676,776</u>	<u>98,528</u>	<u>1,775,304</u>
Noncurrent assets:			
Investment held for endowment purposes	253,998		253,998
Land held for development	1,641,088		1,641,088
Property and equipment, net	233,987		233,987
Total noncurrent assets	<u>2,129,073</u>		<u>2,129,073</u>
Total Assets	<u>\$ 3,805,849</u>	<u>\$ 98,528</u>	<u>\$ 3,904,377</u>
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued expenses	\$ 83,890	\$ 8,511	\$ 92,401
Due to other fund	9,700		9,700
Deferred revenue	23,950		23,950
Capital lease	4,495		4,495
Current liabilities	<u>122,035</u>	<u>8,511</u>	<u>130,546</u>
Non-current liabilities:			
Economic Injury Disaster Loan	150,000		150,000
Total liabilities	<u>272,035</u>	<u>8,511</u>	<u>280,546</u>
Net assets			
With donor restriction	253,998	41,036	295,034
Without donor restrictions	3,279,816	48,981	3,328,797
Total net assets	<u>3,533,814</u>	<u>90,017</u>	<u>3,623,831</u>
Total Liabilities and Net Assets	<u>\$ 3,805,849</u>	<u>\$ 98,528</u>	<u>\$ 3,904,377</u>

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combining Schedule of Activities
For the Year Ended December 31, 2021

	General Fund	Greater Shreveport Chamber Foundation	Totals
Revenues, gains, and support			
Membership dues	\$ 564,361	\$	\$ 564,361
Programs and projects	142,452	134,400	276,852
Rent	3,300		3,300
Grants and contracts	567,012		567,012
Interest and dividends	2	8	10
Mineral lease royalties	38,329		38,329
Miscellaneous	62,017	14,000	76,017
	<u>1,377,473</u>	<u>148,408</u>	<u>1,525,881</u>
Total revenues, gains, and support			
Expenses and losses:			
Supporting services			
General and administrative	711,752		711,752
Programs services			
Public policy	16,908	81,374	98,282
Membership services	230,286	15,148	245,434
Government procurement center	232,196		232,196
	<u>1,191,142</u>	<u>96,522</u>	<u>1,287,664</u>
Total expenses			
Change in net assets from operations	186,331	51,886	238,217
Nonoperating activities			
Investment return, net	115,391		115,391
	<u>115,391</u>	<u></u>	<u>115,391</u>
Total nonoperating activities			
Change in net assets	301,722	51,886	353,608
Net assets, beginning of year	<u>3,232,092</u>	<u>38,131</u>	<u>3,270,223</u>
Net assets, end of year	<u>\$ 3,533,814</u>	<u>\$ 90,017</u>	<u>\$ 3,623,831</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, 2021

Agency Head: Timothy Magner, President

There were no payments for compensation, benefits, and other derived from public funds during the year ended December 31, 2021.

COOK & MOREHART

Certified Public Accountants

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

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 combined financial statements of Greater Shreveport Chamber of Commerce, (a nonprofit organization), which comprise the combined statement of financial position as of December 31, 2021, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated June 29, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the combined 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 Greater Shreveport Chamber of Commerce's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Shreveport Chamber of Commerce's combined 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 combined 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cook & Morehart". The signature is written in a cursive, flowing style with a long horizontal line extending to the right from the end of the name.

Cook & Morehart
Certified Public Accountants
June 29, 2022

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Summary Schedule of Audit Findings
December 31, 2021 and 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, 2020.

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, 2021.