



**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**



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June 4, 2021

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Alexandria/Pineville Area Convention and Visitors Bureau
Alexandria, LA

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria/Pineville Area Convention and Visitors Bureau (The Bureau), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Bureau's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* and 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 basic financial statements of the Bureau's primary government are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Alexandria/Pineville Area Convention and Visitors Bureau, as of December 31, 2020, and the respective changes in financial for the year then ended in accordance with accounting principles generally accepted in the United States of America.

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

Alexandria/Pineville Area Convention and Visitors Bureau

June 4, 2021

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OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, and budgetary comparison information described in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

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

- Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplemental information is fairly stated in all material respects in relation to the basic 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 4, 2021, on our consideration of the Bureau'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bureau's internal control over financial reporting and compliance.



Rozier, McKay, & Willis
Certified Public Accountants

June 4, 2021
Alexandria, Louisiana

Alexandria/Pineville Area Convention and Visitors Bureau

Management's Discussion and Analysis

December 31, 2020

This section of the Alexandria/Pineville Area Convention and Visitors Bureau annual financial report presents our discussion and analysis of the Bureau's financial performance during the fiscal year ended December 31, 2020.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Bureau's financial position and results of operations from differing perspectives which are described as follows:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information about the Bureau as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Bureau's assets and all of the Bureau's liabilities (including long-term debt). The governmental activities are financed primarily by hotel/motel occupancy taxes, and other fees for services provided.

FUND FINANCIAL STATEMENTS

Fund financial statements provide detailed information regarding the Bureau's most significant activities and are not intended to provide information for the Bureau as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Bureau has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Bureau's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Custodial Funds** – The Randolph Riverfront Center fund accounts for assets held by the Bureau as an agent for the City of Alexandria. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

Alexandria/Pineville Area Convention and Visitors Bureau

Management's Discussion and Analysis

December 31, 2020

FINANCIAL ANALYSIS OF THE BUREAU AS A WHOLE

NET POSITION

A condensed version of the government-wide Statement of Net Position is presented as follows:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Assets:		
Current and Other Assets	\$ 1,354,895	\$ 1,151,612
Capital Assets	24,072	21,501
Total Assets	<u>1,378,967</u>	<u>1,173,113</u>
Liabilities:		
Current Liabilities	22,788	17,568
Long-term Liabilities	31,943	35,692
Total Liabilities	<u>54,731</u>	<u>53,260</u>
Net Position:		
Invested in Capital Assets (Net)	24,072	21,501
Unrestricted	1,300,164	1,098,352
Total Net Position	<u>1,324,236</u>	<u>1,119,853</u>

As the presentation appearing above demonstrates, approximately 1.82 % of the Bureau's Net Position is invested in capital assets. The remaining net position is unrestricted and may be used to meet the Bureau's ongoing obligations.

CHANGES IN NET POSITION

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Revenues:		
Program Revenue		
Charges for Services	\$ 46,175	\$ 46,175
Operating Grants and Contributions	----	----
Capital Grants and Contributions	----	----
General Revenues		
Hotel/Motel Occupancy Tax	691,149	741,457
Other Revenues	214,656	280,351
Total Revenue	<u>951,980</u>	<u>1,067,983</u>

Alexandria/Pineville Area Convention and Visitors Bureau

Management's Discussion and Analysis

December 31, 2020

<u>Program Expenses:</u>		
Economic Development	747,597	963,018
Change in Net Position	204,383	104,965
Net Position – Beginning	1,119,853	1,014,888
Net Position – Ending	1,324,236	1,119,853

Governmental activities increased the Bureau's net position by \$204,383. This increase is attributable to careful management by the administration of the Bureau.

FINANCIAL ANALYSIS OF THE BUREAU'S FUNDS

For the year ended December 31, 2020, differences between the government-wide presentation and the fund financial statements were limited to the depreciation of capital assets and changes in compensated absences.

GENERAL FUND BUDGET HIGHLIGHTS

For the year ended December 31, 2020, revenue and expenditures conformed to expectations.

CAPITAL ASSET ADMINISTRATION

For the year ended December 31, 2020, capital asset activity was limited to the purchase of computer software, and depreciating existing assets.

DEBT ADMINISTRATION

For the year ended December 31, 2020, there were no debt outstanding and no activity involving borrowing or repayment.

FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

At the present time, no known issues are expected to have a significant impact on future operations.

Alexandria/Pineville Area Convention & Visitors Bureau

Statement of Net Position

December 31, 2020

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 1,272,015
Investments	-
Receivables (net)	63,996
Other Current Assets	18,884
Capital Assets	
Depreciable, net of accumulated depreciation	24,072
Total assets	1,378,967
<u>LIABILITIES</u>	
Accounts Payable	12,025
Payroll Liabilities	2,063
Accrued Wages	8,700
Long-term liabilities	
Compensated Absences	31,943
Total liabilities	54,731
<u>NET POSITION</u>	
Invested in capital assets, net of related debt	24,072
Unrestricted	1,300,164
Total net position (deficit)	\$ 1,324,236

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

Alexandria/Pineville Area Convention and Visitors Bureau

Statement of Activities

Year Ended December 31, 2020

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<u>Governmental Activities:</u>					
Economic Development	\$ 747,597	\$ 46,175	\$ -	\$ -	\$ (701,422)
General Revenues:					
					691,149
					212,586
					2,070
					905,805
					204,383
					1,119,853
					\$ 1,324,236

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

Alexandria/Pineville Area Convention and Visitors Bureau

Balance Sheet

Governmental Funds - December 31, 2020

	<u>General Fund</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 1,272,015
Receivables (net)	63,996
Due from agency fund	18,884
Total assets	<u>1,354,895</u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Accounts Payable	12,025
Payroll Liabilities	2,063
Accrued Wages	8,700
Total Liabilities	<u>22,788</u>
Fund Balance	
Unassigned	1,332,107
Total Fund Balance	<u>1,332,107</u>
Total Liabilities and Fund Balance	<u>\$ 1,354,895</u>

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

Alexandria/Pineville Area Convention and Visitors Bureau

***Reconciliation of Fund Balances on the Balance Sheet for
Governmental Funds to Net Assets of Governmental
Activities on the Statement of Net Position***

Year Ended December 31, 2020

Total Fund Balances - Governmental Funds \$ 1,332,107

Amounts reported for governmental activities in the statement of net assets are
different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the Governmental Fund Balance Sheet	24,072
Long-Term Liabilities are not due and payable in the current period, and therefore are not reported in the Governmental Fund Balance Sheet	
	<u>(31,943)</u>

Net Position of Governmental Activities \$ 1,324,236

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

Alexandria/Pineville Area Convention and Visitors Bureau

Statement of Revenues, Expenditures, and Changes in Fund Balance **Governmental Funds - Year Ended December 31, 2020**

	<u>General Fund</u>
<u>Revenues:</u>	
Hotel/Motel Tax	\$ 691,149
Management Fees	46,175
State Hotel/Motel Tax Rebate	212,586
Miscellaneous Revenues	2,070
Total Revenues	<u>951,980</u>
<u>Expenditures:</u>	
Current	
Economic Developmet	
Collection Expense	13,823
Salaries and Related Benefits	394,950
Travel and Education	11,020
Contract Services	23,149
Legal and Professional	13,272
Dues and Subscriptions	13,660
Telephone	10,061
Equipment Rental	9,693
Insurance	21,291
Repairs and Maintenance	862
Office Supplies	8,670
Promotional	145,007
Advertising	74,959
Capital Expenditures	13,500
Total Expenditures	<u>753,917</u>
Excess (Deficiency) of Revenues over Expenditures	<u>198,063</u>
<u>Other financing sources (uses):</u>	
Debt Proceeds	<u>-</u>
Net Change in Fund Balance	198,063
Fund balance - Beginning of Year	<u>1,134,044</u>
Fund balance - End of Year	<u>\$ 1,332,107</u>

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

Alexandria/Pineville Area Convention and Visitors Bureau

***Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of Governmental Funds to the
Statement of Activities***

Year Ended December 31, 2020

Net change in fund balances of Governmental Funds \$ 198,063

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital expenditures reported by Governmental Funds	13,500	
Depreciation expense reported on a government-wide basis	<u>(10,929)</u>	2,571

Some transactions reported in the Statement of Activities do not require the use of current financial resources. Accordingly, a timing difference exists between when transactions affect the governmental funds and government-wide activities

3,749

Change in net position of governmental activities \$ 204,383

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

Alexandria/Pineville Area Convention and Visitors Bureau

Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2020

	<u>Custodial Funds</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$ 1,533,944
Receivables	26,043
Total Assets	<u>1,559,987</u>
<u>Liabilities</u>	
Payables	12,438
Accrued Wages	5,090
Interfund Liabilities	18,884
Event Deposits	9,103
Total Liabilities	<u>45,515</u>
<u>Net Position</u>	
Restricted for Individuals, Organizations, and Other Governments	1,514,472
Total Net Position	<u>\$ 1,514,472</u>

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

Alexandria/Pineville Area Convention and Visitors Bureau

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

December 31, 2020

	<u>Custodial Funds</u>
<u>Additions</u>	
Rental Income	\$ 51,216
Taxes for Other Governments	541,899
Interest Revenue	1,128
Misellaneous Additions	54
Total Additions	<u>594,297</u>
<u>Deductions</u>	
Collection Expenses	5,830
Administrative Expenses	54,944
Advertising and Promotional	36,930
Salaries and Benefits	211,769
Riverfront Center Operations and Maintenance	242,932
Total Deductions	<u>552,405</u>
Net Increase (Decrease) in Fiduciary Net Position	41,892
Net Position - Beginning	<u>1,472,580</u>
Net Position - Ending	<u>\$ 1,514,472</u>

Alexandria/Pineville Area Convention and Visitors Bureau

Notes to Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The office of the Alexandria/Pineville Area Convention and Visitor's Bureau was established by Louisiana RS 33:4574.5. The Bureau receives the proceeds of occupancy taxes levied throughout Rapides Parish and the Alexandria Downtown District, for the operation of the Bureau, and to attract conventions and tourists into the area and jurisdiction of the bureau, including spending money for advertising, promotion, and publication of information.

The Bureau's accounting polices conform to generally accepted accounting principals for governmental units. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Some of the Bureau's more significant accounting polices are described as follows:

FINANCIAL REPORTING ENTITY

For reporting purposes, the Bureau is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Bureau), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) established criteria for determining which component units should be considered part of the Alexandria/Pineville Area Convention and Visitors Bureau for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a) The ability of the Bureau to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Bureau.
2. Organizations for which the Bureau does not appoint a voting majority but are fiscally dependent on the Bureau.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon application of these criteria, there were no potential component units and all of the Bureau's activities were included in the primary government reporting entity.

Alexandria/Pineville Area Convention and Visitors Bureau

Notes to Financial Statements

December 31, 2020

BASIC FINANCIAL STATEMENTS

The basic financial statements include both government-wide and fund financial statements. Fund financial statements categorize activities as either governmental activities or fiduciary, which are described as follows:

- Governmental activities involve government services that are normally supported by charges for services and intergovernmental revenues.
- Fiduciary activities account for assets held by the Bureau for the benefit of other governments, individuals, or organizations.

The government-wide and fund financial statements present the Bureau's financial position and results of operations from differing perspectives which are described as follows:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the Bureau as a whole. Government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Bureau's governmental activities. Direct expenses are those that are specially associated with a program or function and therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

FUND FINANCIAL STATEMENTS

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Bureau's major fund is described as follows:

MAJOR GOVERNMENTAL FUNDS

General Fund – The General Fund, as provided by state law, is the principal fund of the Bureau and is used to account for the operations of the Bureau's office. The occupancy taxes remitted to the Bureau are accounted for in this fund, and general operating expenditures are paid from this fund.

Additionally, the Bureau reports the following fund type:

Alexandria/Pineville Area Convention and Visitors Bureau

Notes to Financial Statements

December 31, 2020

FIDUCIARY FUNDS

Fiduciary funds are used to report assets held by the Bureau for the benefit of other governments, individuals or organizations. Fiduciary funds utilized by the Bureau are described as follows:

- Randolph Riverfront Center Fund – This fund is a custodial fund, which receives monies from the State of Louisiana, and receives the proceeds of a occupancy tax levied across the City of Alexandria for the purpose of operating the Randolph Riverfront Center. The Riverfront Center is managed by the Alexandria/Pineville Area Convention and Visitors Bureau for the City of Alexandria.

BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Fiduciary Funds	Modified Accrual Basis	None

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of account and the current financial resources measure focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end or if it is due under a cost reimbursement arrangement. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, claims and judgments are recorded as expenses when payment is made. Furthermore, when the current financial resources measure focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as an other-financing source and repayment of long-term debt is reported as an expenditure.

BUDGETARY CONTROL

Formal budgetary accounting is employed as a management control. The Alexandria/Pineville Area Convention and Visitors Bureau prepares and adopts a budget each year for its general fund in

Alexandria/Pineville Area Convention and Visitors Bureau

Notes to Financial Statements

December 31, 2020

accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures, and the estimated increase or decreases therein for the current year, using the modified accrual basis of accounting. The Bureau amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more, and/or projected expenditures are expected to be more than budgeted amounts by five percent or more.

CASH AND CASH EQUIVALENTS

Amounts reported as cash and cash equivalents include all cash on hand, cash in bank accounts, certificates of deposit and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law.

RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include fees and charges paid by the recipients for goods or services offered by the programs.

CAPITAL ASSETS

Capital assets are reported as assets in the government-wide financial statements. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Bureau. Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 3 to 40 years. Useful lives are selected depending on the expected durability of the particular asset.

COMPENSATED ABSENCES

The Bureau has the following policy relating to vacation and sick leave:

Full-time employees receive between 12 and 18 days of vacation leave annually depending upon length of service. Employees are allowed to carryover not more than 1/3rd of their vacation leave earned during the current calendar year to the subsequent year. Full-time employees receive 12 days of sick leave annually. Sick leave can be accumulated up to 1,040 hours, but there is no provision for payment of accumulated sick leave upon termination or retirement.

FUND BALANCE CLASSIFICATION

Commitment or assignment of fund balances requires approval of the Board of Directors. When expenditures comply with the necessary provisions restricted, committed or assigned amounts are generally consumed rather than utilizing unassigned funds.

Alexandria/Pineville Area Convention and Visitors Bureau

Notes to Financial Statements

December 31, 2020

NOTE 2 - CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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 June 30, 2020, the Bureau had \$2,805,959 in deposits (collected bank balance), held in two local banks. These deposits are secured from risk by \$500,000 of federal deposit insurance and a total of \$2,528,885 of pledged securities was held by the custodial banks in the name of the fiscal agent banks. At the end of the year, the Bureau was not subject to credit risk.

NOTE 3 - RECEIVABLES

Receivables at December 31, 2020 consisted of the following:

	<u>Governmental Activities</u>
<u>Accounts Receivable</u>	
Charges for Services	\$ 2,694
<u>Due from Other Governments</u>	
Occupancy Tax	61,302
<u>Receivables, net</u>	<u>\$ 63,996</u>

An allowance for doubtful receivables is not required because all receivables are considered collectible.

NOTE 3 – CAPITAL ASSETS

Capital Asset balances and activity for the year ended December 31, 2020 is as follows:

	Beginning	Additions	Deletions	Ending
Depreciable Capital Assets				
Furniture and Fixtures	\$ 94,277	\$ ----	\$ ----	\$ 94,277
Computers and Equipment	97,773	13,500	----	111,273
Vehicles	89,698	----	(19,585)	70,113
Accumulated Depreciation	(260,247)	(10,929)	19,585	(251,591)
<u>Net Capital Assets</u>	<u>\$ 21,501</u>	<u>\$ 2,571</u>	<u>\$ ----</u>	<u>\$ 24,072</u>

Depreciation expense is reported as a component of economic development expense.

Alexandria/Pineville Area Convention and Visitors Bureau

Notes to Financial Statements

December 31, 2020

NOTE 4 – INTERNAL BALANCES

Details related to internal balances are presented as follows:

<u>Governmental Activities</u>	<u>Receivable (Payable)</u>	<u>Purpose</u>
General	\$ 18,884	Interfund Balances are primarily the result of reimbursements owed to the General Fund

<u>Custodial Funds</u>	<u>Receivable (Payable)</u>	<u>Purpose</u>
Randolph Riverfront Center	\$ (18,884)	Interfund Balances are primarily the result of reimbursements owed to the General Fund

Alexandria/Pineville Area Convention and Visitors Bureau

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual

Year Ended December 31, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Hotel/Motel Tax	705,000	705,000	691,149	(13,851)
Management Fees	46,250	46,250	46,175	(75)
State Hotel/Motel Tax Rebate	200,000	200,000	212,586	12,586
Miscellaneous Revenues	-	-	2,070	2,070
Total revenues	951,250	951,250	951,980	(1,340)
Expenses:				
Collection Expense	14,000	14,000	13,823	177
Salaries and Related Benefits	459,500	459,500	394,950	64,550
Travel and Education	-	-	11,020	(11,020)
Contract Services	23,000	23,000	23,149	(149)
Legal and Professional	22,000	22,000	13,272	8,728
Dues and Subscriptions	7,500	7,500	13,660	(6,160)
Telephone	21,000	21,000	10,061	10,939
Equipment Rental	11,500	11,500	9,693	1,807
Insurance	21,000	21,000	21,291	(291)
Repairs and Maintenance	6,000	6,000	862	5,138
Office Supplies	10,500	10,500	8,670	1,830
Promotional	245,500	245,500	145,007	100,493
Advertising	214,500	214,500	74,959	139,541
Capital Expenditures	15,000	15,000	13,500	1,500
Total Expenses	1,071,000	1,071,000	753,917	317,083
Excess (deficiency) of revenues over expenditures	(119,750)	(119,750)	198,063	317,813
Other financing sources (uses):				
Proceeds from Debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(119,750)	(119,750)	198,063	317,813
Fund balance - beginning of year	1,134,044	1,134,044	1,134,044	-
Fund balance - end of year	\$ 1,014,294	\$ 1,014,294	\$ 1,332,107	\$ 317,813

Alexandria/Pineville Area Convention and Visitors Bureau

***Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2020***

	Sherry Smith-Ellington
Salary/Wages	
Compensation	\$ 78,500
Benefits	
Health Insurance	\$ 76
Life Insurance	\$ 576
Long-Term Disability	\$ 2,453
Retirement	\$ 3,925
Auto Allowance	\$ 10,200
Dental Insurance	\$ 330
Payroll Taxes	\$ 6,768
Reimbursements	\$ 41



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ONCOMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

June 4, 2021

To the Board of Directors
Alexandria/Pineville Area Convention and Visitors Bureau
Alexandria, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the Alexandria/Pineville Area Convention and Visitors Bureau, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Bureau's basic financial statements, and have issued our report thereon dated June 4, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Alexandria/Pineville Area Convention and Visitors Bureau's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau's internal control.

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

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

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Alexandria/Pineville Area Convention and Visitors Bureau's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

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.



Rozier, McKay & Willis
Certified Public Accountants

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU

Schedule of Findings

For the Year Ended June 30, 2020

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the basic financial statements of the Alexandria/Pineville Area Convention and Visitors Bureau as of December 31, 2020 and for the year then ended expressed an unmodified opinion.
- The audit did not disclose any audit findings which are considered to be significant control deficiencies or material weaknesses.
- The results of the audit disclosed no instances of noncompliance required to be reported in the Schedule of Findings.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

There were no findings of this nature.

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU

Schedule of Findings

For the Year Ended June 30, 2020

<u>SECTION I</u> Internal Control and Compliance Material to the Financial Statements.	
No findings of this nature were reported	Response – N/A
<u>SECTION II</u> Internal Control and Compliance Material to Federal Awards	
No findings of this nature were reported	Response – N/A
<u>SECTION III</u> Management Letter	
No management letter was issued with this report.	Response – N/A

Alexandria/Pineville Area Convention and Visitors Bureau
Summary of Prior Year Findings
December 31, 2020

<u>SECTION I</u>	
Internal Control and Compliance Material to the Financial Statements.	
No findings of this nature were reported	Response – N/A
<u>SECTION II</u>	
Internal Control and Compliance Material to Federal Awards	
No findings of this nature were reported	Response – N/A
<u>SECTION III</u>	
Management Letter	
No management letter was issued with this report.	Response – N/A