

**BROUSSARD ECONOMIC
DEVELOPMENT CORPORATION**

Financial Report

Years Ended June 30, 2020 and 2019

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KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Broussard Economic Development Corporation
Broussard, Louisiana

We have reviewed the accompanying financial statements of Broussard Economic Development Corporation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020 and 2019, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 3, 2020

FINANCIAL STATEMENTS

BROUSSARD ECONOMIC DEVELOPMENT
Broussard, Louisiana

Statements of Financial Position
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 91,188	\$ 135,529
Prepaid expense	<u>55,000</u>	<u>-</u>
Total current assets	<u>\$ 146,188</u>	<u>\$ 135,529</u>
LIABILITIES AND NET ASSETS		
Current liabilities	\$ -	\$ -
Net assets:		
Without donor restrictions	<u>146,188</u>	<u>135,529</u>
Total liabilities and net assets	<u>\$ 146,188</u>	<u>\$ 135,529</u>

See accompanying notes and independent accountant's review report.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION
Broussard, Louisiana

Statements of Activities
For the Years Ended June 30, 2020 and 2019

	2020	2019
Changes in net assets without donor restrictions -		
Revenues:		
Grant revenue - City of Broussard	\$ 220,000	\$ 220,000
Other income	-	306
Total revenues without donor restrictions	220,000	220,306
Expenses:		
Program services -		
Community development and tourism	186,750	170,544
Marketing	17,143	13,269
Miscellaneous	-	750
Professional fees	4,790	-
Sponsorships	-	4,000
Supplies	658	2,404
Travel	-	3,100
Total program services	209,341	194,067
Change in net assets without donor restrictions	10,659	26,239
Net assets, beginning of year	135,529	109,290
Net assets, end of year	\$ 146,188	\$ 135,529

See accompanying notes and independent accountant's review report.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION
Broussard, Louisiana

Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from (used by) operating activities:		
Increase in net assets	\$ 10,659	\$ 26,239
(Increase) decrease in prepaid assets	<u>(55,000)</u>	<u>-</u>
Net cash flows from (used by) operating activities	(44,341)	26,239
Cash flows from investing activities	-	-
Cash flows financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(44,341)	26,239
Cash and cash equivalents, beginning of year	<u>135,529</u>	<u>109,290</u>
Cash and cash equivalents, end of year	<u>\$ 91,188</u>	<u>\$ 135,529</u>

See accompanying notes and independent accountant's review report.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION
Broussard, Louisiana

Notes to Financial Statements

(1) Nature of Organization and Significant Accounting Policies

A. Organization and Purpose

The Broussard Economic Development Corporation (Organization) is a non-profit corporation. The Organization's purpose is to serve the City of Broussard, Louisiana in long-term economic growth, financial sustainability, and a meaningful quality of life. The Organization has entered into a contractual agreement with the City of Broussard to provide these services.

B. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations will either (1) expire by incurring expenses satisfying the restricted purpose (purpose restricted), and/or the passage of time or other events (time restricted), or (2) will never expire (perpetual in nature). When a restriction expires, 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.

C. Revenue and Expense Recognition

The Organization receives a grant from the City of Broussard and expends the grant funds in accordance with the annual grant agreement established between the Broussard Chamber of Commerce and the Organization. Grant revenue is recognized when received. Expenses are recognized in the period incurred and in accordance with the accrual basis of accounting.

D. Functional Expenses

Expenses are charged directly to program or supporting services in general categories based on specific identification.

E. Donated Services

A substantial number of volunteers have donated time to the Organization's program and supporting services. No amounts have been included in the financial statements for donated services since no objective basis is available to measure the value of such services.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION
Broussard, Louisiana

Notes to Financial Statements (Continued)

F. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code, and therefore, has no provision for federal income taxes. Since the Organization qualifies as an affiliate of a governmental unit, it is exempt from filing Form 990 *Return of Organization Exempt from Income Tax* as per Revenue Procedure 95-48.

G. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all instruments with maturities of three months or less to be cash equivalents.

H. Advertising Costs

Advertising costs are charged to operations when incurred. Advertising expense was \$17,143 and \$13,269 for the years ended June 30, 2020 and 2019, respectively.

I. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Reclassifications

For comparative purposes, certain accounts in the prior year financial statements have been reclassified in order to conform to the presentation of the current year financial statements.

(2) Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year for general expenditures use as June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	<u>\$ 91,188</u>	<u>\$ 135,529</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations are due.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION
Broussard, Louisiana

Notes to Financial Statements (Continued)

(3) Related Party Transactions

The Organization did not have any related party transactions for the years ended June 30, 2020 and 2019.

(4) Concentration of Credit Risk

The Organization maintains a cash balance at one financial institution, which is within federally insured limits. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization does not have any unsecured cash balances at June 30, 2020 and 2019, respectively.

(5) Compensation, Benefits, and Other Payments to Agency Head

There were no compensatory payments made to Toby Armentor, President for the fiscal years ended June 30, 2020 and 2019.

(6) New Accounting Pronouncements

The Financial Accounting Standards Board (FASB) issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, which will be effective for entities other than public business entities for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. The ASU provides guidance for the classification of eight specific cash flow issues, with the objective of reducing existing diversity in practice on the cash flow statement. The effect of implementation of this update on the Organization's financial statements has not yet been determined.

The FASB issued ASU 2019-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which will clarify how entities determine whether to account for a transfer of assets as an exchange transaction or a contribution and how the entities will determine whether a contribution is conditional. The amendments in this ASU will be effective for entities other than public business entities for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. The effect of implementation of this update on the Organization's financial statements has not yet been determined.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION
Broussard, Louisiana

Notes to Financial Statements (Continued)

(7) Uncertainties Arising During and After Financial Statement Date

As a result of the spread of the COVID 19 coronavirus, economic uncertainties have arisen which may have and may continue to impact the Organization's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

(8) Subsequent Event Review

The Organization's management has evaluated subsequent events through November 3, 2020, the date which the financial statements were available to be issued.

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Broussard Economic Development Corporation
Broussard, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Broussard Economic Development Corporation, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the organization's compliance with certain laws and regulations during the year ended June 30, 2020 included in the accompanying Louisiana Attestation Questionnaire. The entity's management is responsible for its financial records and compliance with applicable laws and regulations.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

Management provided us with the required list including the noted information.

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

For each grant award, six disbursements were selected for testing.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

We obtained documentation for each disbursement selected in procedure 2. The disbursements agree to the amount and payee in the supporting documentation.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.
The selected disbursements were coded to the correct fund and general ledger account.
5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.
Disbursements were approved in accordance with the agency's policies and procedures.
6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.
Disbursements comply with the requirements in the grant agreement.
7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.
Close-out reports are not required. This procedure is not applicable to the entity.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.
Management did post agendas for meetings as required by the open meeting law.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.
We obtained the comprehensive grant budget. The budget included the purpose and duration of the grants. The entity did not receive state grants, so the budget is not required to include specific goals, objectives, or measures of performance.

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.
The entity provided for a timely report in accordance with R.S. 24:513.

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

We inquired of management and it was determined that the entity did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A(2); and that were subject to the public bid law (R.S.38:211, et seq.), while the District was not in compliance with RS. 24:513.

Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, recommendations, and/or comments have been resolved.

There were not any prior year suggestions, recommendations, or comments.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 3, 2020

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

October 27, 2020

Kolder, Slaven & Co LLC
183 S. Beadle Rd
Lafayette, LA 70508

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of **June 30, 2020** and for **July 1, 2019 through June 30, 2020**, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication “Open Meeting FAQs,” available on the Legislative Auditor’s website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No

The previous responses have been made to the best of our belief and knowledge.

	Secretary/Treasurer	10/27/2020
	President	10/27/2020