Financial Report

Jefferson Convention & Visitors Bureau, Inc.

December 31, 2018

Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Financial Report

Jefferson Convention & Visitors Bureau, Inc.

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Jefferson Convention & Visitors Bureau, Inc.,
Harahan, Louisiana.

Report on the Financial Statements

We have audited the accompanying financial statements of the Jefferson Convention & Visitors Bureau, Inc. (the "Bureau") (a non-profit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

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 and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 Bureau'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 Bureau's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bureau as of December 31, 2018, and its changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information in Schedule 1 is presented for the purposes of additional analysis, is required by Louisiana Revised Statute 24:513(A)(3), and is not a required part of the financial statements. Such information in Schedule 1 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information in Schedule 1 has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 in Schedule 1 is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Bureau's 2017 financial statements, and our report May 29, 2018, expressed an unmodified opinion, on those audited financial statements. In our opinion, the summarized comparative information presented herein, as of and for the year ended December 31, 2017 is consistent, in all material respects, with the 2017 audited financial statements from which it has been derived.

Other Reporting Required of Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report, dated April 17, 2019, on our consideration of the Bureau's internal control over financial reporting and on our test 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bureau's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
April 17, 2019.

Exhibit A

STATEMENT OF FINANCIAL POSITION

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

December 31, 2018
(with comparative totals for 2017)

	2018	2017
Assets		
Cash	$ 2,347,270	$ 1,677,524
Accounts receivable	181,457	340,357
Investments	200,541	421,417
Prepaid assets	166,372	134,249
Property and equipment, net	32,117	52,334
Total assets	$ 2,927,757	$ 2,625,881
Liabilities		
Accounts payable and accrued liabilities	$ 104,232	$ 54,045
Deferred revenue	19,150	21,400
Total liabilities	123,382	75,445
Net Assets		
Without donor restrictions:		
Board designated	306,272	273,587
Undesignated	2,491,042	2,266,188
Total net assets without donor restrictions	2,797,314	2,539,775
With donor restrictions	7,061	10,661
Total net assets	2,804,375	2,550,436
Total liabilities and net assets	$ 2,927,757	$ 2,625,881

See notes to financial statements.

Exhibit B

STATEMENT OF ACTIVITIES

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018
(with comparative totals for 2017)

	Without Donor Restrictions	With Donor Restrictions	2018 Totals	2017 Totals
Revenues and Other Support				
Occupancy tax revenue - Jefferson	$ 1,266,809		$ 1,266,809	$ 1,233,003
Occupancy tax revenue - Kenner			-	191,191
Tourism support assessment	1,034,191		1,034,191	1,089,499
Family Gras	352,454		352,454	362,299
GTSPF private grant	150,000		150,000	100,000
Membership participation	53,812		53,812	55,650
Rhythm on the Route - Jefferson	75,066		75,066	45,056
Louisiana Office of Tourism	850		850	18,125
Interest	4,592		4,592	5,946
Other income	14,471		14,471	18,228
Total revenues and other support	2,952,245	-	2,952,245	3,118,997
Net Assets Released From Restrictions				
Expiration of time restrictions and program restrictions satisfied through payments	3,600	$ (3,600)	-	-
Total revenues and other support, net assets released from restrictions	2,955,845	(3,600)	2,952,245	3,118,997

	Without Donor Restrictions	With Donor Restrictions	2018 Totals	2017 Totals
Expenses				
Bad debt	29,904		29,904	-
Depreciation	20,217		20,217	11,671
Insurance	20,020		20,020	25,664
Marketing and promotion:				
Collateral materials	23,562		23,562	14,280
Cooperative programs	60,473		60,473	61,550
Equipment purchases	18,997		18,997	14,001
Internet advertising	166,613		166,613	156,601
Media/brand management	577,466		577,466	294,248
Other	181,005		181,005	120,067
Product development	507,954		507,954	535,674
Rhythm on the Route	57,362		57,362	41,013
Trade shows	55,078		55,078	62,822
Travel	48,039		48,039	34,475
Office equipment - repairs	11,200		11,200	9,389
Office equipment - rental	5,448		5,448	7,908
Office expense	9,168		9,168	8,021
Postage	799		799	793
Professional/technical	75,271		75,271	64,380
Rent	7,680		7,680	7,680
Salaries and benefits	816,662		816,662	688,730
Telephone	5,388		5,388	5,327
Total expenses	2,698,306	-	2,698,306	2,164,294
Change in Net Assets	257,539	(3,600)	253,939	954,703
Net Assets				
Beginning of year	2,539,775	10,661	2,550,436	1,595,733
End of year	$ 2,797,314	$ 7,061	$ 2,804,375	$ 2,550,436

See notes to financial statements.

Exhibit C

STATEMENT OF FUNCTIONAL EXPENSES

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018
(with comparative totals for 2017)

	Program Services				Totals	
	Family Gras Program	Tourism Program	Total Program Services	General and Administrative	2018	2017
Salaries	$ 3,300	$ 490,817	$ 494,117	$ 209,960	$ 704,077	$ 597,452
Media/brand management	38,547	538,919	577,466	-	577,466	294,248
Product development	507,954	-	507,954	-	507,954	535,674
Other program expense	-	125,960	125,960	-	125,960	85,852
Marketing and promotion	250	93,315	93,565	-	93,565	88,958
Events	-	79,555	79,555	-	79,555	48,933
Professional fees	-	49,514	49,514	25,757	75,271	64,380
Advertising	583	72,390	72,973	-	72,973	68,975
Employee benefits	-	48,232	48,232	12,359	60,591	47,538
Trade shows	-	55,078	55,078	-	55,078	62,813
Payroll taxes	252	35,880	36,132	15,862	51,994	43,740
Travel	-	48,039	48,039	-	48,039	34,475
Website maintenance	-	34,179	34,179	-	34,179	39,971
Bad debt	-	29,904	29,904	-	29,904	-
Collateral materials	-	23,562	23,562	-	23,562	14,280
Education	-	15,806	15,806	6,834	22,640	14,512
Insurance	11,549	2,465	14,014	6,006	20,020	25,664
Dues and subscriptions	-	19,361	19,361	-	19,361	20,039
Equipment purchases	-	18,997	18,997	-	18,997	14,001
Research	-	17,220	17,220	-	17,220	12,000
Equipment repairs	-	7,840	7,840	3,360	11,200	9,389
Office expenses	20	5,284	5,304	3,864	9,168	8,021
Rent	-	5,376	5,376	2,304	7,680	7,680
Equipment rental	-	3,814	3,814	1,634	5,448	7,908
Telephone	-	3,772	3,772	1,616	5,388	5,327
Mailing and postage	273	286	559	240	799	793
Total expenses before depreciation	562,728	1,825,565	2,388,293	289,796	2,678,089	2,152,623
Depreciation of property and equipment	-	20,217	20,217	-	20,217	11,671
Total expenses	$ 562,728	$ 1,845,782	$ 2,408,510	$ 289,796	$ 2,698,306	$ 2,164,294

See notes to the financial statements.

Exhibit D

STATEMENT OF CASH FLOWS

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018
(with comparative totals for 2017)

	2018	2017
Cash Flows From Operating Activities		
Change in net assets	$ 253,939	$ 954,703
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Bad debt	29,904	-
Depreciation	20,217	11,671
(Increase) decrease in assets:		
Prepaid assets	(32,123)	(105,326)
Accounts receivables	128,996	(170,484)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	51,811	34,104
Deferred revenue	(2,250)	4,050
Net cash provided by operating activities	450,494	728,718
Cash Flows From Investing Activities		
Proceeds from sales of investments	225,000	-
Purchases of investments	(4,124)	(4,054)
Purchases of property and equipment	-	(13,299)
Net cash provided by (used in) investing activities	220,876	(17,353)
Cash Flows From Financing Activities		
Payments on trade accounts payable used to finance property and equipment acquisitions	(1,624)	-
Net Increase in Cash	669,746	711,365
Cash		
Beginning of year	1,677,524	966,159
End of year	$ 2,347,270	$ 1,677,524

See notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

December 31, 2018 and 2017

Note 1 - NATURE OF ACTIVITIES

The Jefferson Convention & Visitors Bureau, Inc. (the "Bureau") is a non-profit corporation organized in June of 2000. The mission of the Bureau is to actively partner with the tourism and hospitality industry by marketing and selling the destination brand experience with resulting additional spending by leisure and group travel visitors leading to enhanced community economic vitality and resident quality of life.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization and Income Taxes

The Bureau is a nonprofit corporation organized under the laws of the State of Louisiana. It is exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue Code. It is also exempt from Louisiana income tax under the authority of R.S. 47:121(5).

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained on examination. The Bureau is no longer subject to tax examinations by taxing authorities for years ended before 2015. As of December 31, 2018, management believes that the Bureau had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

b. Basis of Accounting

The Bureau recognizes revenue and records expenses on the accrual basis of accounting. Under this method, revenue is recognized when earned, and expenses are recorded when the liability is incurred.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Financial Statement Presentation

Financial Statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB). Net assets, revenues, and expenses are classified on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Bureau and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions

Undesignated - net assets that are not subject to donor-imposed stipulations.

Board Designated - net assets that are to be used for the building of a Jefferson Parish Visitor's Center or for other Board of Directors' approved expenses.

Net Assets with Donor Restrictions - net assets subject to donor-imposed stipulations that may or will be met either by actions of the Bureau and/or the passage of time.

d. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, results could differ from those estimates.

e. Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Bureau considers all investments purchased with an initial maturity of six months or less to be cash equivalents. As of December 31, 2018 and 2017, there were no cash equivalents.

f. Revenue Recognition

The Bureau receives the majority of its revenue from Jefferson Parish through Cooperative Endeavor Agreements based on the hotel occupancy tax. The Bureau also receives revenue from a private grant from the Gulf Tourism Seafood Promotion Fund.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Revenue Recognition (Continued)

Louisiana Revised Statute 21:301-308 was passed in the 2015 Regular Session of the Louisiana Legislature and it authorized a tourism support assessment by the Bureau effective August 1, 2016. The Bureau implemented the assessment September 1, 2016. Gold and silver level hotel members are subject to a monthly 1% assessment of the room charges, excluding any room charges that are not subject to state authorized hotel and motel taxes.

Program revenue is recognized upon the completion of the event.

Contributions and grants are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor or grantor restrictions. Support that is restricted by a donor or grantor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions and grants whose restrictions are met in the same reporting periods are reported as unrestricted support.

Non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

The Bureau did not have any contributions during the years ended December 31, 2018 and 2017.

g. Allowance for Doubtful Accounts

An allowance for doubtful accounts is estimated based on the Bureau's historical losses, the existing economic conditions, and the financial stability of its customers and members. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectible and establishes an allowance for estimated uncollectible accounts receivable. Management believes all accounts receivable are fully collectible as of December 31, 2018 and 2017.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Property and Equipment

Property and equipment is stated at cost at the date of acquisition or fair value at the date of donation. The Bureau capitalizes all costs in excess of $1,500 for property and equipment with an estimated useful life greater than one year. Repairs and maintenance are charged to expense as incurred; major renewals, replacements, and betterments are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets which range from three to fifteen years.

i. Deferred Revenue

Deferred revenue results from the Bureau receiving membership fees and Family Gras Funds in the current year for the following year.

j. Methods Used For Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Most of the expenses can be directly allocated to one of the programs or supporting function. The Bureau maintains a separate set of records for the Family Gras program and those expenses can be directly allocated to that program. The salaries and benefits expenses are allocated based on the time and effort of the employees between program activities and administrative activities. The Bureau employs twelve full time employees, eight of which focus all of their time and effort on program activities, three other employees focus solely on administrative activities, and one employee allocates their time half and half between program and administrative activities. Based on this employee breakdown, the remaining expenses are allocated between 70% program and 30% administrative which approximates the time and effort of the employees.

k. Advertising

The Bureau expenses advertising costs as they are incurred. Advertising costs (marketing and promotion) totaled $1,696,488 and $1,334,716 for the years ended December 31, 2018 and 2017, respectively. Advertising is comprised of marketing and promotion expenses.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Donated Services of Volunteers

A substantial number of volunteers have donated significant amounts of their time in the conduct of the Bureau's program services. However, 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 and management believes that the requirements for recording in-kind services have not been met.

m. Reclassifications

Certain amounts in the 2017 financial statements have been reclassified to conform to the 2018 financial statement presentation.

n. Recently Issued Accounting Standards

Not-for-Profit Entities

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*, which changes the current guidance for assets classification, governing board designations, investment return, underwater endowment funds, expenses, liquidity and presentation of operating cash flows. ASU 2016-14 reduces the required number of classes of net assets from three to two: *net assets with restrictions and net assets without restrictions*. ASU 2016-14 also requires not-for-profit entities to provide enhanced disclosures about the amounts and purposes of governing board designations and appropriations. ASU 2016-14 requires not-for-profits to report investment return net of external and direct internal investment expenses. The requirement to disclose those netted expenses is eliminated. In the absence of explicit donor restrictions, ASU 2016-14 requires not-for-profit entities to use the placed-in-service approach to account for capital gifts. The current option to use the over-time approach has been eliminated. ASU 2016-14 requires expenses to be reported by nature in addition to function and include an analysis of expenses by both nature and function. The methods used by not-for-profit entities to allocate costs among program and support functions will also need to be disclosed. ASU 2016-14 requires not-for-profit entities to provide both qualitative and quantitative information on management of liquid available resources and the ability to cover short-term cash needs within one year of the balance sheet date. Finally, current standards allow not-for-profit entities to decide whether to present operating cash

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Recently Issued Accounting Standards (Continued)

Not-for-Profit Entities (Continued)

flows using either the direct method or the indirect method. ASU 2016-14 eliminates the requirement to present or disclose the indirect method of reconciliation if the entity decides to use the direct method. ASU 2016-14 is effective for annual reporting periods beginning after December 5, 2017. The Bureau has adopted the provisions of ASU 2016-14 and has retrospectively applied this standard to the financial statements as of and for the year ending December 31, 2017.

Statement of Cash Flows

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230)*. ASU No. 2016-18 requires that a statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendments in ASU No. 2016-18 do not provide a definition of restricted cash or restricted cash equivalents. ASU No. 2016-18 is effective for fiscal years beginning after December 15, 2018. Early adoption is permitted. The Bureau is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This Accounting Standards Updates (ASUs) requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the statement of activities and the statement of cash flows will be substantially unchanged from the existing lease accounting guidance. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted. The Bureau is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Recently Issued Accounting Standards (Continued)

Revenue from Contracts with Customers

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers,* which provides a single comprehensive model for entities to use in accounting for revenue from contracts with customers and supersedes most current revenue recognition models. Subsequent to the issuance of ASU 2014-09, FASB issued several additional ASUs which amended and clarified the guidance and deferred the effective date. The new revenue standard is now effective for annual reporting periods beginning after December 15, 2018, with certain early adoption provisions available. The Bureau is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

o. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through April 17, 2019, which is the date the financial statements were available to be issued.

Note 3 - CONCENTRATION OF CREDIT RISK

The Bureau maintains its cash balances in various financial institutions where the accounts are insured by Federal Deposit Insurance Corporation up to $250,000 per bank. Uninsured or non-guaranteed cash balances were approximately $1,418,000 as of December 31, 2018.

Note 4 - DESIGNATED NET ASSETS

The Bureau's Board of Directors has designated part of the net assets without donor restrictions for the following purpose as of December 31, 2018 and 2017:

	2018	2017
Jefferson Parish Visitors Center	$ 306,272	$ 273,587

Note 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2018 and 2017 consist of the following:

	2018	2017
Subject to expenditure for specified purpose:		
City of Kenner - Pontchartrain Center	$ 4,561	$ 8,161
City of Kenner - events	2,500	2,500
Total net assets with restrictions	$ 7,061	$ 10,661

Net assets of $3,600 were released from restrictions by incurring expenses satisfying the restricted purpose during the year ended December 31, 2018.

Note 6 - INVESTMENTS

The Louisiana Asset Management Pool (LAMP), a local governmental investment pool, is administered by LAMP, Inc. a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative by the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are registered to securities issues, guaranteed, or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participant's shares, investments are valued at amortized cost. The fair value of participant's position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

The value for LAMP's total investments totaled $200,541 and $421,417 as of December 31, 2018 and 2017, respectively.

Note 7 - PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2018 and 2017 is as follows:

	2018	2017
Computer software	$ 108,025	$ 108,025
Equipment	37,941	37,941
Leasehold improvements	3,154	3,154
	149,120	149,120
Accumulated depreciation	(117,003)	(96,786)
Totals	$ 32,117	$ 52,334

Depreciation expense for the years ended December 31, 2018 and 2017 was $20,217 and $11,671, respectively.

Note 8 - RENT EXPENSE

The Bureau rents office space from Jefferson Parish on a month-to-month basis under the Cooperative Endeavor Agreement. The monthly rent is $640. Rent expense totaled $7,680 for both the years ended December 31, 2018 and 2017.

Note 9 - EMPLOYEE BENEFIT PLAN

The Bureau established a defined contribution plan (Simple IRA) in 2007. The eligibility requirements for the plan require employees to earn at least $5,000 per year during any two preceding years and who are expected to earn at least $5,000 in the current year. Employer contributions are based on a dollar for dollar match of employee's contribution with a maximum contribution not to exceed 3% of gross salary. Employer and employee contributions are fully vested immediately upon satisfying eligibility requirements. The pension expense for the years ended December 31, 2018 and 2017 was $15,590 and $11,867, respectively.

Note 10 - AVAILABILITY OF FINANCIAL ASSETS

As part of the Bureau's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Bureau invests cash in excess of daily requirements in investments. Although the Bureau does not intend to spend from its investment funds other than amounts approved by the Board of Directors, amounts from its investment funds could be made available if necessary.

The Bureau receives grants with donor purpose restrictions. In addition, the Bureau generates revenue and receives grants without donor restrictions. Grants without donor restrictions, occupancy tax revenue, tourism support assessment revenue, Family Gras revenue, sponsorship revenue, investment income without donor restrictions, and miscellaneous income are considered to be available to meet cash needs for general expenditures. General expenditures include the Family Gras program, the tourism program, and general and administrative expenses. Annual operations are defined as activities occurring during, and included in the budget for, the upcoming fiscal year.

The following table represents financial assets available for general expenditures within one year of December 31, 2018:

Financial assets:	
Cash and cash equivalents	$ 2,347,270
Accounts receivable	181,457
Investments	200,541
Total financial assets, as of December 31, 2018	2,729,268
Less amounts not available to be used within one year, due to:	
Contractual or donor imposed restrictions:	
Purpose restricted net assets	(7,061)
Board designations:	
Jefferson Parish Visitors Center	(306,272)
Total financial assets not available to be used within one year	(313,333)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,415,935

Note 11 - ECONOMIC DEPENDENCY

The Bureau is dependent on the Jefferson Parish Council to renew their revenue from the Cooperative Endeavor Agreements which transfers a portion of the net proceeds of the hotel occupancy tax. This agreement expires June 30, 2020. The Bureau is also dependent on member hotel assessment collections.

Note 12 - COMMITMENT

The Bureau entered into an agreement on December 5, 2016 with a website consulting company for the construction and hosting of the Bureau's new website. The agreement calls for three years of licensing fees commencing in 2017. As of December 31, 2018, future minimum payments under this agreement are as follows:

Year Ending December 31,	
2019	$ 32,000

Note 13 - SUPPLEMENTAL CASH FLOW INFORMATION

During the year ended December 31, 2017, the Bureau made equipment purchases financed through accounts payable totaling $1,624. There were no equipment purchases financed through accounts payable for the year ended December 31, 2018.

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018

Agency Head Name: Violet Peters, Chief Executive Officer

Purpose	
Salary	$ 116,063
Benefits - insurance	500
Benefits - retirement	3,482
Benefits - other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	886
Travel	745
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
	$ 121,676

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S 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

To the Board of Directors,
Jefferson Convention & Visitors Bureau, Inc.,
Harahan, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Jefferson Convention & Visitors Bureau, Inc. (the "Bureau") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 17, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Bureau's financial statements are free of material misstatements, 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.

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 Bureau'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 Bureau's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
April 17, 2019.

SCHEDULE OF FINDINGS AND RESPONSES

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018

Section I - Summary of Auditor's Report

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes _X_ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ____ Yes _X_ None reported

Noncompliance material to financial statements noted? ____ Yes _X_ No

b) Federal Awards

The Bureau did not receive Federal awards in excess of $750,000 during the year ended December 31, 2018 and, therefore, is exempt from the audit requirements under the Title 2 U.S. Code of Federal regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

There were no findings noted during the audit of the year ended December 31, 2018 related to internal control over financial reporting.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended December 31, 2017.

No significant deficiencies were reported during the audit of the financial statements for the year ended December 31, 2017.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit of the financial statements for the year ended December 31, 2017.

Section II - Internal Control and Compliance Material to Federal Awards

Jefferson Convention & Visitors Bureau, Inc. did not receive Federal awards in excess of $750,000 during the year ended December 31, 2017 and, therefore, is exempt from the audit requirements under the Title 2 U.S. Code of Federal regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended December 31, 2017.

MANAGEMENT'S CORRECTIVE ACTION PLAN
ON CURRENT YEAR FINDINGS

Jefferson Convention & Visitors Bureau, Inc.
Harahan, Louisiana

For the year ended December 31, 2018

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended December 31, 2018.

No significant deficiencies were reported during the audit of the financial statements for the year ended December 31, 2018

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit of the financial statements for the year ended December 31, 2018.

Section II - Internal Control and Compliance Material to Federal Awards

Jefferson Convention & Visitors Bureau, Inc. did not receive Federal awards in excess of $750,000 during the year ended December 31, 2018 and, therefore, is exempt from the requirements under the Title 2 U.S. Code of Federal regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended December 31, 2018.

STATEWIDE AGREED-UPON PROCEDURES (R.S.24:513)

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors,
Jefferson Convention & Visitors Bureau, Inc.,
Harahan, Louisiana.

We have performed the procedures described below, which were agreed to by the Jefferson Convention & Visitors Bureau, Inc. (the "Bureau") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the year ended December 31, 2018. The Bureau's management is responsible for those C/C areas identified in the SAUPs.

This SAUPs engagement was conducted in. accordance with the attestation standards established by the Association of International Certified Professional Accountants. 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 referred to above, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are described below:

Written Policies and Procedures

1. Prior year testing resulted in no exceptions related to written policies and procedures. Therefore, testing is not required in the current year.

Board or Finance Committee

2. Prior year testing resulted in no exceptions related to board or finance committee. Therefore, testing is not required in the current year.

Bank Reconciliations

3. Prior year testing resulted in no exceptions related to bank reconciliations. Therefore, testing is not required in the current year.

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Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

   We obtained a listing of the two deposit sites from the Bureau's management for the fiscal period related to the state funds received. We also obtained management's representation that the listing is complete. We tested the two deposit sites noted by management.

   No exceptions were noted.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

   a. Employees that are responsible for cash collections do not share cash drawers/registers.

      We obtained written policies and procedures and verified that each person responsible for collecting cash has separate cash drawers/registers.

      No exceptions were noted.

   b. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

      We obtained written policies and procedures and verified that collection of cash and deposits are performed by separate employees.

      No exceptions were noted.

Collections (Continued)

c. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit:

   We found that Rebecca Buras, Director of Finance, records the transactions, and reconciles the bank statements. This risk is mitigated by the review of the Board Secretary.

d. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

   We obtained written policies and procedures and verified that the Bureau has a formal process to reconcile cash collections to the general ledger by revenue source by a person who is not responsible for cash collections.

   No exceptions were noted.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

   We obtained an insurance policy and written policies and procedures, and verified that each person responsible for collecting cash is covered by a crime insurance policy.

   No exceptions were noted.

7. Randomly select two deposits dates for each of the bank accounts selected for testing (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collections log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the deposits and:

   a. Observe that receipts are sequentially pre-numbered.

      We obtained supporting documentation and verified that daily cash collections are completely supported for the state funds and receipts are sequentially pre-numbered.

      No exceptions were noted

Collections (Continued)

b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

   We traced each receipt to the deposit slip.

   No exceptions were noted

c. Trace deposit slip total to the actual deposit per bank statement.

   We traced each deposit slip total to the bank statement.

   No exceptions were noted

d. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100).

   We obtained bank statements for the deposits referenced in Step 7a. We verified that deposits tested were made within one day of collection.

   No exceptions were noted.

e. Trace the actual deposit per the bank statement to the general ledger.

   We traced each deposit to the general ledger.

   No exceptions were noted.

Non-Payroll Disbursements

8. Prior year testing resulted in no exceptions related to non-payroll disbursements. Therefore, testing is not required in the current year.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

9. Prior year testing resulted in no exceptions related to credit cards/debit cards/ fuel cards/P-cards. Therefore, testing is not required in the current year.

Travel and Travel-Related Expense Reimbursements

10. Prior year testing resulted in no exceptions related to travel and travel-related expense reimbursements. Therefore, testing is not required in the current year.

Contracts

11. Prior year testing resulted in no exceptions related to contracts. Therefore, testing is not required in the current year.

Payroll and Personnel

12. Prior year testing resulted in no exceptions related to payroll and personnel. Therefore, testing is not required in the current year.

Ethics

13. Prior year testing resulted in no exceptions related to ethics. Therefore, testing is not required in the current year.

Debt Service

14. Not applicable for non-profit organizations.

Other

15. Prior year testing resulted in no exceptions related to other. Therefore, testing is not required in the current year.

We are not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statue 24:513, this report is distributed by the Louisiana Legislative Auditors as a public document.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
April 17, 2019.