

**BROUSSARD ECONOMIC  
DEVELOPMENT CORPORATION**

Financial Report

Years Ended June 30, 2019 and 2018

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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

### Review of 2019 Financial Statements

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, 2019, and the related statements of activities and cash flows for the year 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.

## **Compilation of 2018 Financial Statements**

The accompanying 2018 financial statements of Broussard Economic Development Corporation were previously compiled by us, and in our report dated September 21, 2018, we stated that we did not express an opinion, a conclusion, nor provide any assurance on the 2018 financial statements. We have not performed any compilation procedures since that date.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
October 14, 2019

**FINANCIAL STATEMENTS**

BROUSSARD ECONOMIC DEVELOPMENT  
Broussard, Louisiana

Statements of Financial Position  
June 30, 2019 and 2018

	<u>2019</u>	<u>Compiled 2018</u>
ASSETS		
Current assets:		
Cash and cash equivalents	<u>\$ 135,529</u>	<u>\$ 109,290</u>
LIABILITIES AND NET ASSETS		
Current liabilities	\$ -	\$ -
Net assets:		
Without donor restrictions	<u>135,529</u>	<u>109,290</u>
Total liabilities and net assets	<u>\$ 135,529</u>	<u>\$ 109,290</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, 2019 and 2018

	<u>2019</u>	<u>Compiled 2018</u>
Changes in net assets without donor restrictions -		
Revenues:		
Grant revenue - City of Broussard	\$ 220,000	\$ 195,000
Other income	306	442
Total revenues without donor restrictions	<u>220,306</u>	<u>195,442</u>
Expenses:		
Program services -		
Contract labor	-	1,552
Marketing	13,269	16,970
Miscellaneous	750	7,345
Supplies	2,404	430
Tourism	170,544	160,900
Travel	3,100	1,571
Sponsorships	4,000	3,750
Total program services	<u>194,067</u>	<u>192,518</u>
Change in net assets without donor restrictions	26,239	2,924
Net assets, beginning of year	<u>109,290</u>	<u>106,366</u>
Net assets, end of year	<u>\$ 135,529</u>	<u>\$ 109,290</u>

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, 2019 and 2018

	<u>2019</u>	<u>Compiled 2018</u>
Cash flows from operating activities:		
Increase in net assets	\$ 26,239	\$ 2,924
Cash flows from investing activities	-	-
Cash flows financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	26,239	2,924
Cash and cash equivalents, beginning of year	<u>109,290</u>	<u>106,366</u>
Cash and cash equivalents, end of year	<u>\$ 135,529</u>	<u>\$ 109,290</u>

See accompanying notes and independent accountant's review report.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION  
Broussard, Louisiana

Notes to Financial Statements

(1) Organization and Purpose

The Broussard Economic Development Corporation (Organization) is a non-profit corporation. The Organization's purpose is to serve the community 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.

(2) Summary of Significant Accounting Policies

A. 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.

B. 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.

C. Functional Expenses

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

D. 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)

E. 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.

F. 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.

G. Advertising Costs

Advertising costs are charged to operations when incurred. Advertising expense was \$13,269 and \$16,970 for the years ended June 30, 2019 and 2018, respectively.

H. 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.

I. Reclassifications

Certain reclassifications have been made to the 2018 financial statement presentation to correspond to the current year's format. Total net assets and changes in net assets are unchanged due to these reclassifications.

(3) Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year for general expenditures use as June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	<u>\$ 135,529</u>	<u>\$ 109,290</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)

(4) Related Party Transactions

The Organization did not have any related party transactions for the years ended June 30, 2019 and 2018.

(5) 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, 2019 and 2018, respectively.

(6) 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, 2019 and 2018.

(7) 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, 2018, and interim periods within fiscal years beginning after December 15, 2019. 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 2018-08, *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, 2018, and interim periods within fiscal years beginning after December 15, 2019. 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)

(8) Change in Accounting Pronouncement

The Financial Accounting Standards Board issued Accounting Standards Update 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14) in August 2016. The Organization has changed the presentation of its financial statements accordingly, applying the changes retrospectively to beginning net assets presented. The new standard changed the following aspects of the Organization's financial statements: temporarily restricted net asset class has been changed to with donor restrictions; the net asset class has been changed to net assets without donor restrictions; and the financial statements include a new disclosure relative to the liquidity and availability of resources.

The adoption of ASU 2016-14 had the following effect on previously reported net assets.

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted	\$ 106,366	\$ -
Net assets without donor restrictions	-	106,366
	\$ 106,366	\$ 106,366

(9) Subsequent Review

The Organization's management has evaluated subsequent events through October 14, 2019 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, 2019 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 not 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  
October 14, 2019

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

September 26, 2019

Kolder, Slaven, and Company, LLC

183 South Beadle Road

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, 2019** and for **July 1, 2018 through June 30, 2019**, 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.

*Not Applicable*

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).

*Not Applicable* 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.

*Not Applicable* 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	<u>9-26-19</u>	Date
	Treasurer	<u>9-26-19</u>	Date
	President	<u>26 Sept 19</u>	Date