

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU
Alexandria, Louisiana**

**ANNUAL
FINANCIAL
REPORT**

For the Year Ended December 31, 2019

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2019**

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**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

December 31, 2019

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**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019

Our discussion and analysis of the Alexandria/Pineville Area Convention and Visitors Bureau's financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2019. Please read in conjunction with the basic financial statements and the accompanying notes to financial statements.

The Management's Discussion and Analysis is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 issued in June 1999.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net position and the Statement of Activities (Government-Wide Financial Statements) provide information about the activities as a whole and present a longer-term view of the Bureau's finances. The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Fund (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide financial statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is "Is the Alexandria/Pineville Area Convention and Visitors Bureau as a whole better off or worse off as a result of the year's activities?" The Statement of Net position and the Statement of Activities report information of the Alexandria/Pineville Area Convention and Visitors Bureau as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position and changes in them. You can think of net position—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the Alexandria/Pineville Area Convention and Visitors Bureau.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the Alexandria/Pineville Area Convention and Visitors Bureau as a whole. Some funds are required to be established by State laws and contracts.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019
(continued)**

The Alexandria/Pineville Area Convention and Visitors Bureau uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Bureau's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds in the reconciliation statement.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations assets exceeded liabilities by \$1,119,852 (net position).
- Total net position are comprised of the following:
 - (1) Investment in capital assets of \$21,501 including the cost of office equipment, vans, and furniture, net of accumulated depreciation.
 - (2) Unrestricted net position of \$1,098,351 representing the portion available to maintain the continuing obligations to citizens and creditors.
- The governmental funds reported total ending fund balance of \$1,134,044. Of this amount, \$1,134,044 was unassigned. This compares to the prior year ending fund balance – of \$1,015,018, showing an increase of \$119,026 during the current year.
- Total spending for all government wide activities was \$963,018 for the year, which was \$104,965 less than the program and general revenues for these activities – \$1,067,983.

The Statement of Net position and the Statement of Activities reports only one type of activity-general governmental activities. All of the basic tourism services are reported as this type. Hotel motel taxes charged to the public finance most of these activities.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019
(continued)

FINANCIAL ANALYSIS AS A WHOLE

The Bureau's net position increased by \$104,965 as a result of this year's operations. The overall financial position increased during the fiscal year ending December 31, 2019. Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—absorbed most of the increase this year. The balance in net position represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today, including all of our non-capital liabilities, we would have \$1,119,852 left.

The Bureau's total revenues for the year in government wide activities were \$1,067,983 (46,175 in charges for program revenues and \$1,021,808 in general revenues and transfers). All the general revenue for 2018 and 2019 was interest income, transfers and gain on sale of assets. The total cost of all government wide programs and services was \$963,018 with no new programs added this year.

Table I
Comparative Statement of Net position
Dec. 31, 2018
with comparative totals for Dec. 31, 2019
in (thousands)

	<u>Governmental activities</u>	
	<u>2018</u>	<u>2019</u>
Current and other assets	1061	1151
Capital Assets	<u>29</u>	<u>22</u>
 Total Assets	 <u>1090</u>	 <u>1173</u>
 Total Liabilities	 75	 53
 Net position:		
Capital Assets	29	22
Unrestricted	<u>986</u>	<u>1098</u>
 Total Net position	 <u>1015</u>	 <u>1120</u>

Table II
Comparative Statement of Activities
Dec. 31, 2018
with comparative totals for Dec. 31, 2019
in (thousands)

	<u>Governmental activities</u>	
	<u>2018</u>	<u>2019</u>
Expenses:		
Current Gen.Gov.	<u>985</u>	<u>963</u>
Program Revenue:		
Intergovernmental	46	46
General Revenues	<u>949</u>	<u>1022</u>
Total Revenues	<u>995</u>	<u>1068</u>
Changes in Net position	10	105
Net position Bg year	<u>1005</u>	<u>1015</u>
 Net position end year	 <u>1015</u>	 <u>1120</u>

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

As we noted earlier, the Alexandria/Pineville Area Convention and Visitors Bureau uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Alexandria/Pineville Area Convention and Visitors Bureau is being accountable for the resources provided, but may also give more insight into the overall financial health

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019
(continued)

As the Alexandria/Pineville Area Convention and Visitors Bureau completed the year, its governmental funds reported a combined fund balance of \$1,134,044. This reflects a increase of \$119,026 from last year. This increase is primarily the result of the events and programs described within the analysis of the governmental activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original expense budget for the General Fund was revised for this fiscal year. The excess spending which was not adjusted in the budget at year end:

- (1) Collection expense was under budgeted by \$829.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2019 was \$21,501.

This year there were no additions to capital assets. The Alexandria/Pineville Area Convention and Visitors Bureau adopted a capitalization policy during the year whereby only furniture and equipment over \$50 would be capitalized. More detailed information about the capital assets is presented in Note 5 to the financial statements.

DEBT

At year-end, the Alexandria/Pineville Area Convention and Visitors Bureau had no debt outstanding outside of normal operating bills.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Bureau has limited discretion in setting fees and costs for services provided, the majority of which are regulated by state law. The office staff and costs have been largely stable for the past several years, and are expected to remain so.

Taking all factors into consideration, the Board's general fund balance is expected to increase by the close of 2020.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Bureau's finances and to show the Bureau's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mrs. Cindy Leggett, P.O. Box 1070 Alexandria, LA 71309 at phone number (318) 443-7049.

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Alexandria/Pineville Area Convention & Visitor's Bureau
Alexandria, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the Alexandria/Pineville Area Convention and Visitor's Bureau (a quasi-public entity) as of and for the year ended December 31, 2019, and the related notes to the financial statements. These financial statements collectively comprise the Visitor's Bureau basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Gravity Drainage District is responsible for the presentation 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 of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Visitor's Bureau as of December 31, 2019, and the respective changes in net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated August 13, 2020 on my consideration of the District's internal control over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and agreements and other matters. The purpose of that report is to describe the scope of my 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 Visitor's Bureau's internal control over financial reporting and compliance and should be read in conjunction with this report in considering the results of my audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated August 13, 2020, on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



Paul Dauzat
Certified Public Accountant
August 13, 2020

FINANCIAL STATEMENTS

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF NET POSITION
December 31, 2019**

	GENERAL FUND
<u>ASSETS</u>	
ASSETS:	
CASH AND CASH EQUIVALENTS	\$ 1,127,772
ACCOUNTS RECEIVABLE	1,847
DUE FROM OTHER FUNDS	21,993
CAPITAL ASSETS,	
NET OF ACCUMULATED DEPRECIATION	21,501
TOTAL ASSETS	<u>\$ 1,173,113</u>
 <u>LIABILITIES</u>	
LIABILITIES:	
ACCOUNTS PAYABLE	\$ 6,011
ACCRUED EXPENSES	11,557
COMPENSATED ABSENCES PAYABLE	35,693
TOTAL LIABILITIES	<u>53,261</u>
 <u>NET POSITION:</u>	
INVESTMENT IN CAPITAL ASSETS (net of debt)	21,501
UNRESTRICTED	1,098,351
TOTAL NET POSITION	<u>\$ 1,119,852</u>

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019**

EXPENSES

General Government:

Collection Expenses	\$ 14,829
Salaries and Fringe benefits	434,576
Contract Services	18,749
Legal & Professional	10,404
Dues and Subscriptions	9,407
Telephone	11,679
Equipment Rental	7,291
Insurance	19,254
Repairs And Maint.	2,801
Office Supplies	13,325
Promotional	240,307
Advertising	173,092
Depreciation	<u>7,304</u>
Total expenses	<u>963,018</u>

PROGRAM REVENUES

City Of Alexandria-Management Fees	<u>46,175</u>
Total program revenues	<u>46,175</u>
Net program revenues	(916,843)

GENERAL REVENUES

Rapides Parish Hotel-Motel tax	702,550
City Of Alexandria-Downtown Tax	38,907
State of Louisiana Hotel-Motel Tax	<u>280,351</u>
Total General Revenues and Transfer	<u>1,021,808</u>

Change in Net Position	104,965
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NET POSITION BEGINNING OF YEAR	<u>1,014,887</u>
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NET POSITION END OF YEAR	<u><u>\$ 1,119,852</u></u>
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The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU**

Alexandria, Louisiana

**BALANCE SHEET-GOVERNMENTAL FUND
December 31, 2019**

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
CASH AND CASH EQUIVALENTS	\$ 1,127,772
ACCOUNTS RECEIVABLE	1,847
DUE FROM OTHER FUNDS	21,993
TOTAL ASSETS	<u><u>\$ 1,151,612</u></u>
<u>LIABILITIES AND FUND BALANCES</u>	
LIABILITIES:	
ACCOUNTS PAYABLE	\$ 6,011
ACCRUED EXPENSES	11,557
TOTAL LIABILITIES	<u>17,568</u>
FUND BALANCES:	
UNASSIGNED	<u>1,134,044</u>
TOTAL FUND BALANCE	<u>1,134,044</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 1,151,612</u></u>

The accompanying notes are an integral part of this statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**

Alexandria, Louisiana

**RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION**

December 31, 2019

Total fund balance-governmental fund (fund financial statement)	\$	1,134,044
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Amounts reported for governmental activities in the statement of net position
(government-wide financial statements) are different because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported in
governmental funds.

Cost of assets	281,748	
Accumulated depreciation	<u>(260,247)</u>	
		21,501

Long-term liabilities are not due and payable in the
current period and therefore are not reported in the
governmental funds.

Compensated absences	<u>(35,693)</u>	
		(35,693)

Total net position of governmental activities (government-wide financial statements)	\$	<u>1,119,852</u>
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The accompanying notes are an integral part of this reconciliation.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE-GENERAL FUND
For the year ended December 31, 2019**

REVENUES

Intergovernmental:

Rapides Parish Hotel-Motel Tax	\$ 702,550
City Of Alexandria-Downtown Tax	38,907
City Of Alexandria-Management Fees	46,175
State Of Louisiana Hotel-Motel Tax Rebate	280,351

Total Revenues	<u>1,067,983</u>
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EXPENDITURES

CURRENT-General Government:

Collection Expenses	14,829
Salaries and Fringe Benefits	427,819
Contract Services	18,749
Legal & Professional	10,404
Dues and Subscriptions	9,407
Telephone	11,679
Equipment Rental	7,291
Insurance	19,254
Repairs and Maint.	2,801
Office Supplies	13,325
Promotional	240,307
Advertising	<u>173,092</u>
Total Current Expenditures	948,957

CAPITAL OUTLAY

Total Expenditures	<u>0</u> 948,957
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(Continued)

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE-GENERAL FUND
For the year ended December 31, 2019
(CONTINUED)**

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	119,026
OTHER FINANCING SOURCE Total Other Financing Sources	— 0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	119,026
FUND BALANCE, BEGINNING,	<u>1,015,018</u>
FUND BALANCE, ENDING	<u><u>\$ 1,134,044</u></u>

The accompanying notes are integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019**

Net change in fund balances-total governmental funds (fund financial statements)	\$ 119,026
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Amounts reported for governmental activities in the statement of activities
(government-wide financial statements) are different because:

Governmental funds report capital outlays as expenditures in the
individual fund. Government activities report depreciation expense
to allocate the cost of those capital assets over the estimated useful

Depreciation expense	<u>(7,304)</u>	(7,304)
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Some of the expenses reported in the statement of activities do not
required the use of current financial resources and, therefore, are
not reported as expenditures in governmental funds.

Increase in compensated absences	<u>(6,757)</u>	(6,757)
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Change in net position of governmental activities (government-wide financial statements)	<u>\$ 104,965</u>
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The accompanying notes are an integral part of this reconciliation

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITORS BUREAU**
Alexandria, Louisiana

**STATEMENT OF FIDUCIARY NET POSITION-AGENCY FUNDS
December 31, 2019**

	RANDOLPH RIVER FRONT CENTER OPERATING FUND
<u>ASSETS</u>	
Assets:	
Cash	\$ 1,516,313
Other Receivables	72,294
Total Assets	<u>\$ 1,588,607</u>
<u>LIABILITIES AND NET POSITION</u>	
Liabilities:	
Accounts Payable	\$ 15,890
Due to Other funds	21,993
Advanced Deposits	78,144
Unsettled Deposits	<u>1,472,580</u>
Total Liabilities	<u>1,588,607</u>
Net Position:	
Total Net Position	<u>\$ 0</u>

The accompanying notes are an integral part of this financial statement.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

INTRODUCTION

The financial statements of the Alexandria/Pineville Area Convention and Visitors Bureau have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Bureau's accounting policies are described below.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Bureau have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The Alexandria/Pineville Area Convention and Visitors Bureau (formerly known as the Conventions Commission and the Rapides Parish Convention and Visitors Bureau) was a division of the Greater Alexandria-Pineville Chamber of Commerce. The Bureau became a separate legal entity, as designated by the Louisiana Legislature in Act No. 955, House Bill No. 1839 effective for September 1, 1984. The governing body was created as the Rapides Parish Tourism and Convention Commission, while the operating body was named the Rapides Parish Convention and Visitors Bureau. Through Louisiana Act No. 628, the name of the Bureau was changed during 1991 to Alexandria/Pineville Area Convention and Visitors Bureau. The purpose of the Bureau is to promote conventions and tourism and to assist with conventions in the local area. Its major source of revenue is from city and parish occupancy taxes collected by local hotels and motels. Therefore, the Bureau is dependent upon hotel/motel occupancy for its revenue.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

B. Reporting Entity (contd.)

In evaluating how to define the Bureau for financial reporting purposes, management has considered all potential component units. The decision whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable. Some of the criteria considered under “legally separate organization” are: the capacity for the organization to have its own name; the right for the organization to sue and be sued in its own name without recourse to the primary government; and the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to consider “financially accountable” include: appointment of a voting majority of the organization’s governing body; ability of primary government to impose its will on the organization; whether the organization has the potential to provide specific financial benefits to, or improve specific financial burdens on the primary government; and fiscal dependence of the organization.

The Alexandria/Pineville Area Convention and Visitors Bureau operates autonomously from other parish and city agencies. Therefore, the Alexandria/Pineville Area Convention and Visitors Bureau reports as an independent reporting entity. This report includes all funds and account groups which are controlled by or dependent upon the Bureau.

C. Fund Accounting

The Bureau uses the funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

C. Fund Accounting (contd.)

Governmental Funds

Governmental funds account for all or most of the Bureau's activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the Bureau. The fund balances are classified into five possible categories which focus on the constraints of spending. The categories are non spendable, restricted, committed, assigned and unassigned. The following are the Bureau's governmental funds:

General Fund

The General Fund, as provided by state law, is the principal fund of the Bureau and accounts for the operations for the Bureau's office. The various fees and charges due to the Bureau's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, and focuses on Net Position and changes in Net Position. The fiduciary fund includes the following:

Agency Funds

All agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations, but use the accrual basis of accounting. The Bureau maintains the following agency funds:

Randolph Riverfront Center Reserve Fund - an agency fund whereby monies previously received from the State of Louisiana provide a reserve for the payment of operating expenses and emergency expenditures of the Randolph Riverfront Center.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

C. Fund Accounting (contd.)

Agency Funds

Randolph Riverfront Center Operating Fund - During the year, the organization adopted Statement No 84 of the Governmental Accounting standards Board which is titled Fiduciary Activities. There are four types of fiduciary activities that should be reported. The Randolph fund is classified as a custodial fund. The agency fund deposits monies received from the State of Louisiana and a hotel-motel city-wide tax that is used for the operations of the Randolph Riverfront Center. The Randolph Riverfront Center is managed by the Alexandria/Pineville Area Convention and Visitors Bureau for the City of Alexandria.

D. Measurement Focus/Basis of Accounting

Fund Financial Statements(FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources and uses of current financial resources. The modified accrual basis of accounting is used by the fund financial statements (FFS). Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

D. Measurement Focus/Basis of Accounting (contd.)

The governmental funds use the following practices in recording revenues and expenditures:

Revenues

The hotel motel taxes are recorded in the year in which they are earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available.

Substantially all other revenues are recorded when received.

Expenditures

Purchases of various operating supplies are recorded as expenditures in the accounting period they are purchased. Compensated absences are recognized as expenditures when leave is actually taken or the employees (or heirs) are paid for accrued leave upon retirement or death.

Salaries are recorded as expenditures when earned.

Principal and interest on general long-term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sales of assets and capitalized leases are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

**D. Measurement Focus/Basis of Accounting (contd.)
Government – Wide Financial Statements (GWFS)**

The Statement of Net Position and the Statement of Activities display information about the Bureau as a whole. These statements include all the financial activities of the Alexandria/Pineville Area Convention and Visitors Bureau. It doesn't include the fiduciary funds. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and inflows of resources from exchange or exchange like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed) . Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from users as a fee for services and intergovernmental revenues for providing tourism services; program revenues reduce the cost of the function to be financed from general revenues.

E. Budgetary Practice

The proposed budget for the 2019 fiscal year was made available for public inspection at the Bureau's office in November of the prior year. The public hearing, which was for the purpose of adopting the budget was held at the Bureau's office at the same time. The Bureau follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Formal budgetary integration is employed as a management control device for the Bureau's General fund. The budget is adopted on a modified accrual basis of accounting.
2. The Bureau approves all budget line items.
3. Unused appropriations for all annual budgetary funds lapse at the end of the year.
4. The budget amounts shown in the financial statement are final authorized amounts as revised during the year.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

F. Cash and Cash Equivalents

In the governmental fund and agency funds, cash and cash equivalents include amounts in all demand deposits, interest bearing demand deposits and time deposits with original maturities of three months or less from the date of acquisition.

G. Investments

If the cash deposits have original maturities greater than 90 days, they are classified as investments. Investments are stated at cost or amortized cost, except for investments in the Deferred Compensation Agency Fund which are reported at market value.

H. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Bureau maintains a threshold level of \$50 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture & Equipment	3-30 years
Vehicles	10-years

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

I. Compensated Absences

All regular, full time employees who have been employed with the bureau for a period of one year are entitled to a vacation with pay. Such leave shall be credited at the end of each full calendar month of service according to the following schedule:

Less than 5 years of service - 8 vacation hours/month
More than 5 years but less than 10 years - 10 vacation hours/month
10+ years of service - 12 vacation hours/month

It is the policy of the bureau to pay terminating employees for unused vacation that has accumulated. Employees shall be allowed to carryover not more than one third of their vacation leave earned during the current calendar year to the subsequent year. Sick leave shall be credited to permanent full time employees at the following rates:

1. Credited at a rate of 8 hours for each full month of employment

Unused sick leave credited to the employee shall be carried forward to succeeding calendar years, but not to exceed (1,040) hours.

The Bureau's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if *both* of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

I. Compensated Absences (contd.)

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments.
- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the Government-Wide Financial Statements. The current portion of the liability for compensated absences should be reported in the fund financial statements. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The non-current portion of the liability is not reported in the fund financial statements.

J. Restricted Net Position

For government-wide Statement of Net Position, Net Position are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

L. Use of Estimates

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

2. CASH

At December 31, 2019, the Bureau has cash and cash equivalents (book balances) totaling \$2,644,085 as follows:

	<u>General Fund</u>	<u>Other Funds</u>
Demand Deposits Including		
Interest bearing demand deposits	\$ 1,127,772	\$ 1,516,313
Total	<u>\$ 1,127,772</u>	<u>\$ 1,516,313</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by the federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2019, the Bureau's general fund has \$1,140,006 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$890,006 in pledged securities held by the 3rd party custodial bank in the name of the Bureau. The other funds had deposits(collected bank balances) of \$1,554,577 and were insured by the federal deposit insurance for \$250,000 and \$1,304,577 in pledged securities.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

2. CASH (contd.)

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Bureau that the fiscal agent has failed to pay deposited funds upon demand. Custodial credit risk for deposits is the risk that in the event of a failure of a depository institution, the Bureau may not recover its deposits or the securities pledged as collateral by a third-party custodian. The market value of pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. At December 31, 2019, there was \$890,006 of general fund bank deposits and \$1,304,577 of agency funds which are subject to custodial credit risk.

3. ACCOUNTS RECEIVABLES

General FUND	AGENCY FUND	
	Randolph RIVER FRONT Operating Fund	TOTAL
\$ <u>1,847</u>	\$ <u>72,294</u>	\$ <u>74,141</u>
\$ <u>1,847</u>	\$ <u>72,294</u>	\$ <u>74,141</u>

4. BAD DEBTS

Uncollectible amounts due for customer receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. All amounts are considered collectible and the allowance account has not been established.

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

5. CAPITAL ASSETS

A summary of property and equipment and accumulated depreciation at December 31, 2019 follows:

Property and Equipment				
	<u>Balance</u> <u>12/31/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
Furniture & equipment	\$ 192,050	\$ 0	\$ 0	\$ 192,050
Vehicles	89,698			89,698
Total	<u>\$ 281,748</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 281,748</u>

Accumulated Depreciation				
	<u>Balance</u> <u>12/31/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/19</u>
Furniture & equipment	\$ 182,764	\$3,473	\$ 0	\$ 186,237
Vehicles	70,179	3,831	0	74,010
Total	<u>\$ 252,943</u>	<u>\$ 7,304</u>	<u>\$ 0</u>	<u>\$ 260,247</u>

6. INTERFUND RECEIVABLES AND PAYABLES

The interfund balances are primarily the result of the general fund loaning money to agency funds to temporarily cover expenses until funds are received. The following is a summary of amounts due from and due to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	River Front Center	\$ 21,993

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

7. DEFINED CONTRIBUTION PLAN

The Bureau began a simplified employee pension plan during 1993. An employee is eligible to participate once they have been employed full time with the Bureau for a full year. The Organization contributes five percent (5%) of the employee's salary to the plan. Monthly contributions were made from the General Fund and River Front Center Fund for employees during 2019 totaling \$12,109.

8. OPERATING LEASES

The Bureau entered into a sixty month copier lease on April 24, 2014, at \$475 per month. The lease expense on the copier for the year was \$5,700. Future minimum payments on the copier and the office space are as follows:

		<u>Copier</u>
2020		\$ <u>1,900</u>
	Total	\$ <u>1,900</u>

9. LITIGATION AND CLAIMS

The organization had no litigation for the year ended 12/31/19.

10. MANAGEMENT AGREEMENT

On May 21, 1996, the Alexandria/Pineville Area Convention and Visitors Bureau entered into a management agreement with the City of Alexandria, Louisiana, in which the Bureau agreed to act as General Manager of the business operations of the Alexandria Riverfront Center. The City agreed to maintain ownership of the Center and to provide office space for the Bureau within the Center at no additional cost to the Bureau. The Bureau is responsible for operating

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019
(CONTINUED)**

10. MANAGEMENT AGREEMENT (contd.)

budgets, comprehensive staffing plans, marketing plans, rental schedules, advertising, licensing, promotional activities, public relations, and the design and implementation of a financial accounting system for the Center. The Bureau is to provide the City with monthly financial reports within twenty (20) days of the end of each month. As General Manager for the Center, the Bureau is also responsible for exercising its best efforts in minimizing operating expenses and maximizing operating revenues in good faith judgement. The City has the right to obtain information from the Bureau, upon reasonable demand, and to inspect the books and records of the Center as may be necessary to inform the City concerning the Center and its operations. This management agreement which expired on the last day of March, 2006, was automatically renewed for an additional five (5) year period.

11. ADVANCE DEPOSITS

Advance deposits are the fees collected for activities occurring in the Randolph Riverfront Center in a subsequent fiscal year.

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, August 13, 2020. After year end, the organization has determined that there are no subsequent events that require disclosure.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU**
Alexandria, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	BUDGETED AMOUNTS			VARIANCE
	ORIGINAL	FINAL	ACTUAL	FAVORABLE
REVENUE				(UNFAVORABLE)
Intergovernmental:				
Rapides Parish Hotel-Motel tax	\$660,000	\$660,000	\$702,550	\$42,550
City of Alexandria-Downtown Tax	25,000	25,000	38,907	13,907
City of Alexandria-Management fee	46,250	46,250	46,175	(75)
State of La. Hotel-Motel Tax Rebate	200,000	200,000	280,351	80,351
Interest Income				0
Total Revenues	931,250	931,250	1,067,983	136,733
EXPENDITURES				
CURRENT-General Government				
Collection Expenses	14,000	14,000	14,829	(829)
Salaries & Benefits	454,500	454,500	427,819	26,681
Contract Services	19,500	19,500	18,749	751
Legal & Professional	18,000	18,000	10,404	7,596
Dues & Subscription	9,500	9,500	9,407	93
Telephone	21,000	21,000	11,679	9,321
Equipment rental	11,500	11,500	7,291	4,209
Insurance	19,500	19,500	19,254	246
Repairs & Maintenance	6,000	6,000	2,801	3,199
Office Supplies	42,500	42,500	13,325	29,175
Promotional	260,000	260,000	240,307	19,693
Advertising	175,000	175,000	173,092	1,908
Total Current Expenditures	1,051,000	1,051,000	948,957	102,043
CAPITAL OUTLAY:	0	0	0	0
Total Expenditures	1,051,000	1,051,000	948,957	102,043

(Continued)

The accompanying notes are an integral part of this financial statement

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU**
Alexandria, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**
(CONTINUED)

	BUDGETED AMOUNTS			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL	
EXCESS (DEF) OF REVENUES OVER EXPENDITURES	(119,750)	(119,750)	119,026	238,776
OTHER FINANCING SOURCES (USES):				
Operating Transfers Out	0	0	0	0
Total Other Financing sources (uses)	0	0	0	0
Excess Of Revenues and Other Financing Sources over (Under) Expenditures and Other Financing Uses	(119,750)	(119,750)	119,026	238,776
FUND BALANCE, BEGINNING	1,015,018	1,015,018	1,015,018	0
FUND BALANCE, ENDING	\$895,268	\$895,268	\$1,134,044	\$238,776

The accompanying notes are an integral part of this financial statement

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
Alexandria, Louisiana

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain the report on internal control structure and compliance with laws and regulations required by Government Auditing Standards issued by the Comptroller General of the United States. The paragraph on internal control structure is based solely on the audit of the general purpose financial statements and includes where appropriate, any deficiencies and/or material weaknesses. The paragraph on compliance with laws and regulations is, likewise, based solely on the audit of the general purpose financial statements and presents, where applicable, compliance matters that would be material to the general purpose financial statements.

**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***

Board of Directors
Alexandria/Pineville Area Convention & Visitor's Bureau
Alexandria, Louisiana

I have audited the financial statements of the Alexandria/Pineville Area Convention & Visitor's Bureau as of and for the year ended December 31, 2019, and the related notes to the financial statements and have issued my report thereon dated August 13, 2020. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Alexandria/Pineville Area Convention & Visitor's Bureau internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Visitor's Bureau internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Visitor's Bureau internal control over financial reporting.

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.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Visitor's Bureau's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Visitor's Bureau, others within the entity, and government entities and is not intended to be and should not be used by anyone other than these specified parties.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Paul Dauzat
Certified Public Accountant
August 13, 2020

GRAVITY DRAINAGE DISTRICT NO. 1 OF RAPIDES PARISH
SCHEDULE OF FINDINGS

For The Year Ended December 31, 2019

I have audited the financial statements of the Alexandria/Pineville Area Convention & Visitor's Bureau as of and for the year ended December 31, 2019, and have issued my report thereon dated August 13, 2020. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2019, resulted in an unqualified opinion.

Section 1-Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weaknesses ☐ Yes ☒ No Significant Deficiency ☐ Yes ☒ No

Compliance:

Non Compliance Material to Financial Statements ☐ Yes ☒ No

Section 11-Financial Statement Findings

There were no financial statement findings.

ALEXANDRIA/PINEVILLE AREA CONVENTION VISITOR'S BUREAU

Alexandria, Louisiana

**Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2018**

Finding Number 2018-1

Description of Finding: Filing of late audit report with the Louisiana Legislative Auditor in accordance Louisiana RS 24:513.

Corrective Action Taken: In compliance for the year ended December 31, 2019.

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU
Alexandria, Louisiana**

**STATEMENT OF CHANGES IN UNSETTLED DEPOSITS, BY FUND
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	RANDOLPH RIVER FRONT CENTER OPERATING FUND
DEPOSIT BALANCES	
BEGINNING OF YEAR	\$1,464,969
ADDITIONS:	
City of Alex. city wide tax	301,871
Rental Charges	193,773
Interest	2,639
Other Deposits	378
State Tax Rebate	250,417
Total Deposits & additions	<u>2,214,047</u>
DEDUCTIONS:	
Admin Costs	458,858
Contract Labor-other	36,266
Repairs & Maint	193,170
Maint. Contracts/security	5,704
Telephone	2,864
Advertising & promo	44,605
Total Deductions	<u>741,467</u>
Deposit Balances, End of Year	<u>\$1,472,580</u>

The accompanying notes are an integral part of this financial statement

**ALEXANDRIA/PINEVILLE AREA
CONVENTION AND VISITOR'S BUREAU
Alexandria, Louisiana**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2019**

AGENCY HEAD NAME: SHERRY ELLINGTON
POSITION: EXECUTIVE DIRECTOR

SALARY	\$78,500
BENEFITS- CONTRACT LABOR PAYMENTS RECEIVED	
BENEFITS - HEALTH INSURANCE	74
DEFERRED COMPENSATION (contributions made by the agency)	
BENEFITS LIFE INS	581
BENEFITS LONG TERM CARE/DISAB INS	2,452
BENEFITS RETIREMENT	3,925
CAR ALLOWANCE	10,200
VEHICLE PROVIDED BY GOVERNMENT (REPORTED W-2 AMOUNT)	
CELL PHONE	1,435
DUES	4,515
VEHICLE RENTAL	
PER DIEM	
REIMBURSEMENTS	
TRAVEL	2,287
REGISTRATION FEES	186
CONFERENCE TRAVEL	
HOUSING	
TRAVEL ADVANCES	
SPECIAL MEALS	
OTHER (ON BEHALF PAYMENTS MADE BY OTHERS)	
TOTAL	<u>\$104,155</u>

SEE INDEPENDENT AUDITOR'S REPORT

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To: Board of Directors
Alexandria/Pineville Area Convention &
Visitors Bureau

I have performed the procedures enumerated below, which were agreed to by Alexandria/Pineville Area Convention & Visitors 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 period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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, I 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.

The procedures and associated results are presented in the accompanying Schedule of Procedures, Results and Managements' response where applicable.

I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my 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 Statute 24:513, this report is distributed by the LLA as a public document.



Paul Dauzat, CPA
Alexandria, Louisiana
August 13, 2020

ALEXANDRIA/PINEVILLE AREA CONVENTION VISITORS BUREAU
STATEWIDE AGREED-UPON PROCEDURES
For The Year Ended December 31, 2019

Written Policies and Procedures		
Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain the entity's written policies and procedures and report whether those written policies and procedures address the following business function:</p> <p>Disaster Recover/Business Continuity</p>	No	Will develop in 2020

ALEXANDRIA/PINEVILLE AREA CONVENTION VISITORS BUREAU
STATEWIDE AGREED-UPON PROCEDURES
For The Year Ended December 31, 2019

Collections		
Agreed-Upon Procedure	Results	Managements' Response
<p>Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.</p> <p>Using the list provided by management, select a minimum of five (5) or all if less than 5 cash locations and obtain written documentation and report whether:</p> <p>a) Each person responsible for collecting cash is:</p> <p>* bonded</p> <p>* not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account.</p> <p>* not required to share the same cash register or drawer with another employee.</p> <p>b) The entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.</p>	<p>Obtained listing which consisted of one location for collections.</p> <p>yes</p> <p>no</p> <p>n/a</p> <p>yes</p>	<p>Limited staff</p>

ALEXANDRIA/PINEVILLE AREA CONVENTION VISITORS BUREAU
STATEWIDE AGREED-UPON PROCEDURES
For The Year Ended December 31, 2019

Collections		
Agreed-Upon Procedure	Results	Managements' Response
<p>c) Select the highest dollar week of cash collections from the general ledger or other accounting records during the fiscal period and:</p> <p>* Report whether the deposits were made within one day of collection.</p> <p>* Verify that daily cash collections are completely supported by documentation.</p> <p>Obtain existing written documentation and report whether the entity has a process specifically defined to determine completeness of all collections by a person who is not responsible for collections.</p>	<p>Selected highest dollar of cash collections which consisted of two cash collections for the year.</p> <p>yes</p> <p>yes</p> <p>no</p>	<p>Limited staff</p>

ALEXANDRIA/PINEVILLE AREA CONVENTION VISITORS BUREAU
STATEWIDE AGREED-UPON PROCEDURES
For The Year Ended December 31, 2019

Disbursements-General		
Agreed-Upon Procedure	Results	Managements' Response
Obtain a listing of entity disbursements from management.	Obtained a list of disbursements from disbursements journal.	Items are checked off of invoice when received.
Using the disbursements population from above, randomly select 25 disbursements excluding credit card/debit card/fuel card purchases or payments.	Selected 48 disbursements.	
Obtain supporting documentation (e.g. purchase requisitions, system screen logs for each transaction and report whether the supporting documentation for each transaction demonstrated that:	Entity uses a check request system with approval.	
a) Purchases were initiating using requisition/ purchase order system.	yes	
b) Purchase orders were approved by a person who did not initiate the purchase.	yes	
c) Payments for purchases were not processed without:		
* An approved requisition and/or purchase order	yes	
* A receiving report showing receipt of goods purchased.	no	The entity has limited staff.
* An approved invoice.	yes	
Using entity documentation report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursements system.	no	
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ALEXANDRIA/PINEVILLE AREA CONVENTION VISITORS BUREAU
STATEWIDE AGREED-UPON PROCEDURES
For The Year Ended December 31, 2019

Disbursements-General

Agreed-Upon Procedure	Results	Managements' Response
Using entity documentation report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.	no The executive director can initiate purchases and also has signatory authority.	All disbursements require 2 signatures.
Inquire of management and observe whether the supply of unused checks or blank check stock is maintained in a locked location, with access restricted to those persons that do not have signatory authority.	yes	
If a signature stamp or signature machine is used, inquire of the signer whether his or her signature and any signed checks are maintained under his or her control or is used only with the knowledge and consent of the signer.	n/a	