

**WEST BATON ROUGE CONVENTION
& VISITORS BUREAU
PORT ALLEN, LOUISIANA**

FINANCIAL REPORT

December 31, 2020

WEST BATON ROUGE CONVENTION & VISITORS BUREAU

Table of Contents

December 31, 2020

INDEPENDENT AUDITOR'S REPORT		1
MANAGEMENT'S DISCUSSION AND ANALYSIS		4
FINANCIAL STATEMENTS:		
Statement of Net Position and Governmental Funds Balance Sheet	<i>Statement A</i>	10
Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Net Position	<i>Statement B</i>	11
Notes to Financial Statements		12
REQUIRED SUPPLEMENTARY INFORMATION		
Statement of Revenues, Expenditures and Changes in Net Position Budget and Actual—General Fund	<i>Schedule 1</i>	27
Statement of Revenue, Expenditures and Changes in Net Position Budget and Actual—Special Revenue Fund	<i>Schedule 2</i>	28
OTHER SUPPLEMENTARY INFORMATION		
Schedule of Compensation, Benefits and Other Payments to Agency Head	<i>Schedule 3</i>	30
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		31
Schedule of Findings and Responses	<i>Schedule 4</i>	33
Schedule of Prior Findings	<i>Schedule 5</i>	34

BAXLEY AND ASSOCIATES, LLC

P. O. Box 482
58225 Belleview Drive
Plaquemine, Louisiana 70764
Phone (225) 687-6630 Fax (225) 687-0365

Margaret A. Pritchard, CPA/CGMA
Matthew L. Berthelot, CPA

Staci H. Joffrion, CPA/CGMA

Hugh F. Baxley, CPA/CGMA – Retired

To the Chairman and Members of the Board
West Baton Rouge Convention and Visitors Bureau
Port Allen, LA

INDEPENDENT AUDITOR’S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Convention and Visitors Bureau’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions 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 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

INDEPENDENT AUDITOR'S REPORT (continued)

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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau, as of December 31, 2020, and the respective changes in financial 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 on pages 4-9 and 27-28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits and Other Payments to Agency Head is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head is fairly stated in all material respects in relation to the basic financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT (continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2021, on our consideration of the West Baton Rouge Convention and Visitors Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the West Baton Rouge Convention and Visitors Bureau's 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 West Baton Rouge Convention and Visitors Bureau's internal control over financial reporting and compliance.

Baxley & Associates, LLC

Plaquemine, LA

August 3, 2021

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis

The Management's Discussion and Analysis of the West Baton Rouge Convention and Visitors Bureau (the Convention and Visitors Bureau) financial performance presents a narrative overview and analysis of the Convention and Visitors Bureau's financial activities for the year ended December 31, 2020. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with prior year's information. Please read this document in conjunction with the additional information contained in the Convention and Visitors Bureau's financial statements, which begins on page 10.

FINANCIAL HIGHLIGHTS

The Convention and Visitors Bureau's total net position increased by \$218,229 or 7.6%.

The operating revenues of the Convention and Visitors Bureau decreased \$431,318 or 26.6%.

The operating expenses of the Convention and Visitors Bureau decreased \$334,075 or 26.1%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Convention and Visitors Bureau's basic financial statements. The basic financial statements include: (1) government-wide financial statements, and fund financial statements, and (2) notes to the basic financial statements. The Convention and Visitors Bureau also includes in this report additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

Government –wide Financial Statements

The Convention & Visitors Bureau's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Convention & Visitors Bureau's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Convention & Visitors Bureau's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Convention & Visitors Bureau as a whole is improving or deteriorating. Evaluation of the overall health of the Convention & Visitors Bureau would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities and Changes in Net Position which reports how the Convention & Visitors Bureau's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when the Convention & Visitors Bureau receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the Convention & Visitors Bureau's distinct activities or functions on revenues provided by the Convention & Visitors Bureau's taxpayers.

The government-wide financial statements are presented along with fund financial statements on statements A and B of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Convention & Visitors Bureau uses two funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Convention & Visitors Bureau's general fund and one special revenue funds. All funds are governmental fund types.

The Convention & Visitors Bureau uses only one fund type:

The Governmental funds are reported in the fund financial statements and encompasses the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Convention & Visitors Bureau's governmental funds. These statements report short-term calendar accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental funds financial statements are presented on statements A and B of this report along with the government-wide financial statements.

Notes to the Basic Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found immediately following the financial statements.

FINANCIAL ANALYSIS OF THE CONVENTION & VISITORS BUREAU AS A WHOLE

	2020	2019
Current assets	\$ 1,491,156	\$ 1,265,601
Capital assets	1,776,380	1,826,469
Total assets	<u>3,267,536</u>	<u>3,092,070</u>
Current liabilities	54,993	64,420
Noncurrent liabilities	113,797	147,133
Total liabilities	<u>168,790</u>	<u>211,553</u>
Net investment in capital assets	1,667,380	1,692,469
Restricted, as restated	1,203,732	1,037,975
Unrestricted, as restated	227,634	150,073
Total net position, as restated	<u>\$ 3,098,746</u>	<u>\$ 2,880,517</u>

The Convention & Visitors Bureau continues to maintain an extremely high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities at December 31, 2020 is approximately 27.1 to 1.

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

The Convention & Visitors Bureau reported a positive balance in net position for its governmental activities. Note that approximately 54% of the governmental activities net position at December 31, 2020 consist of capital assets. The Convention & Visitors Bureau uses these capital assets to provide services to its citizens and tourists visiting the parish.

The following data is presented on the accrual basis of accounting which means that all costs are presented; however, the purchase of capital assets is not included but depreciation on the capital assets is included.

The following table provided a summary of the Convention & Visitors Bureau's changes in net position:

	2020	2019
Revenues		
Program revenues		
Charges for services	\$ 86,722	\$ 253,766
General Revenues		
Hotel-motel tax	583,334	612,292
Sales tax rebate	481,560	601,252
Grants and other income	28,856	130,190
Interest income	7,663	21,953
Total revenues	<u>1,188,135</u>	<u>1,619,453</u>
Expenses		
General government	908,041	1,277,402
Intergovernmental	36,051	-
Interest expense	4,037	4,802
Total expenses	<u>948,129</u>	<u>1,282,204</u>
Increase(decrease) before other financing sources	<u>240,006</u>	<u>337,249</u>
Other financing source (uses)	<u>(21,777)</u>	<u>-</u>
Change in net position	<u>218,229</u>	<u>337,249</u>
Net position - beginning	<u>2,880,517</u>	<u>2,543,268</u>
Net position - ending	<u>\$ 3,098,746</u>	<u>\$ 2,880,517</u>

Governmental Revenue

The Convention & Visitors Bureau is heavily reliant on hotel-motel tax and the state sales tax rebate to support its operations. Hotel-motel taxes and state sales tax rebate provided 89.6% in 2020 and 74.9% in 2019 of the Convention & Visitors Bureau's total revenues. Because of the Convention & Visitors Bureau's healthy financial position, we have been able to earn interest income of \$7,663 in 2020 and \$21,953 in

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

2019 to support our activities. Also, note that in 2020 charges for services covered only 9.1% of governmental operating expenses and only 19.8% in 2019. This means that the Convention & Visitors Bureau's taxpayers and the Convention & Visitors Bureau's other general revenues fund a significant portion of the Convention & Visitors Bureau's activities. As a result, the general economy and local businesses have a major impact on the Convention & Visitors Bureau's revenue streams.

Governmental Functional Expenses

Salaries and related expenses comprised 38.9% in 2020 and 34.4% in 2019 of total expenses. Operating services, materials and supplies made up 47.7% in 2020 and 58.4% in 2019 the total expenses.

Financial Analysis of the Convention & Visitors Bureau's Governmental Funds

The General Fund is the Convention & Visitors Bureau's operating fund and along with the Special Revenue Funds are the sources of day-to-day service delivery. As discussed, the General and Special Revenue Funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

- The General Fund is the main operating account of the Bureau. At the end of the fiscal year, unassigned fund balance of the General Fund was \$253,283, all of which is unassigned and available for spending.
- The Special Revenue Fund "Enterprise" accounts for all receipts and expenditures of funds received from the sales tax rebate to be used exclusively for the planning, development, or capital improvements of tourism sites in West Baton Rouge Parish. At the end of the current fiscal year, the fund balance of this fund was \$1,208,880, all of which is restricted.

General Fund Budgetary Highlights

At year-end, the Convention & Visitors Bureau realized 98.2% of our final budget revenue and total expenditures were 77.6% of budgeted amounts. Variances between actual budget results and final budgeted amounts were primarily due to COVID-19. Final budgeted revenues were \$81,250 (10.6%) lower than original budgeted amounts due to COVID-19 as well.

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

CAPITAL ASSETS AND DEBTS

Capital Assets

The Convention and Visitors Bureau's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2020 was \$1,776,380 compared to \$1,826,469 at December 31, 2019. In 2020 depreciation expense was \$87,129 compared to \$86,928 at December 31, 2019.

See Note 4 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	Governmental Activities	
	2020	2019
Depreciable assets	\$ 1,558,236	\$ 1,592,643
Less accumulated Depreciation	(615,912)	(600,230)
Land	<u>834,056</u>	<u>834,056</u>
Book value-depreciable assets	<u>\$ 1,776,380</u>	<u>\$ 1,826,469</u>

Long-term Debt

The Convention and Visitors Bureau may issue general obligation debt to meet its capital needs. During the current year the Convention and Visitors Bureau retired \$25,000 of bonds that were issued to fund renovation of the convention facilities. See note 5 to the financial statements for a discussion and analysis of long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Generally, the outlook for 2021 is favorable. The impact on projected hotel-motel tax and state sales tax rebate revenue should be close to budgeted amount for 2021. Hotel-motel tax for the year show an approximate 6.87% decrease from this point year-to-date compared to budget, and state sales tax rebate revenue is approximate 68.5% of budget as of the end of May 2021. Wages and salaries are only at 29.3% of budgeted amounts as of the end May 2021. Business is slowly returning to normal, and office is operating with a smaller staff and outsourced accounting has helped. The Bureau has only expended 31.7% of budget for expenditures as of the end of May 2021.

CONTACTING THE CONVENTION AND VISITORS BUREAU'S MANAGEMENT

This financial report is designed to provide a general overview of the Convention and Visitors Bureau's finances, comply with finance-related laws and regulations, and to demonstrate the Convention and Visitors Bureau's accountability for the money it receives. If you have any questions about this report or need additional information, please contact the West Baton Rouge Convention and Visitors Bureau, 2750 N. Westport Drive, Port Allen, LA 70767.

WEST BATON ROUGE CONVENTION & VISITORS BUREAU**Statement of Net Position and
Governmental Funds Balance Sheet**

December 31, 2020

	General Fund	SRF Enterprise Fund	Total	Adjustments	Statement of Position
ASSETS					
Cash and cash equivalents	\$ 133,506	\$ 374,970	\$ 508,476	\$ -	\$ 508,476
Accounts receivable	2,165	12,444	14,609	-	14,609
Investments - LAMP	74,520	850,197	924,717	-	924,717
Hotel-Motel tax receivable	38,887	-	38,887	-	38,887
Prepaid expenses	4,467	-	4,467	-	4,467
Interfund receivables	10,926	6,153	17,079	(17,079)	-
Capital assets, net of accumulated depreciation	-	-	-	942,324	942,324
Capital assets, not being depreciated					
Land	-	-	-	834,056	834,056
Total Assets	264,471	1,243,764	1,508,235	1,759,301	3,267,536
LIABILITIES					
Accounts payable and accrued expenses	5,035	23,958	28,993	-	28,993
Interfund payables	6,153	10,926	17,079	(17,079)	-
Long-term liabilities					
Due within one year	-	-	-	26,000	26,000
Due after one year	-	-	-	83,000	83,000
Compensated Absences	-	-	-	30,797	30,797
Total Liabilities	11,188	34,884	46,072	122,718	168,790
FUND BALANCE/NET POSITION					
Fund Balance:					
Restricted					
Tourist promotion	-	1,208,880	1,208,880	(1,208,880)	
Nonspendable					
Prepaid expenses	4,467	-	4,467	(4,467)	
Unassigned	248,816	-	248,816	(248,816)	
Total fund balances	\$ 253,283	\$ 1,208,880	\$ 1,462,163		
Total liabilities and fund balances					
Net Position:					
Invested in capital assets net of related debt				1,667,380	1,667,380
Restricted - Enterprise Fund				1,203,732	1,203,732
Unrestricted				227,634	227,634
Total Net Position					\$ 3,098,746

**WEST BATON ROUGE CONVENTION & VISITORS
BUREAU**
*Statement of Activities and Governmental Fund Revenues,
Expenditures and Changes in Fund Balance/Net Position*
Year Ended December 31, 2020

	General Fund	SRF Enterprise Fund	Total	Adjustments	Statement of Activities
Expenditures/expenses					
General government					
Advertising and marketing	\$ 7,202	\$ 112,067	\$ 119,269	\$ -	\$ 119,269
Bank charges	2,853	490	3,343	-	3,343
Catering expenses	54,677	-	54,677	-	54,677
Depreciation	-	-	-	87,129	87,129
Maintenance, repairs and security	57,146	76,536	133,682	-	133,682
Miscellaneous	1,952	913	2,865	-	2,865
Office, supplies and postage	14,831	35,806	50,637	-	50,637
Professional fees	30,696	-	30,696	-	30,696
Insurance	20,703	-	20,703	-	20,703
Salaries, wages and related expenses	376,127	-	376,127	(7,336)	368,791
Utilities & telephone	36,249	-	36,249	-	36,249
Intergovernmental	-	36,051	36,051	-	36,051
Capital outlays	-	63,965	63,965	(63,965)	-
Debt service					
Principle	-	25,000	25,000	(25,000)	-
Interest	-	4,037	4,037	-	4,037
Total Expenditures/Expenses	602,436	354,865	957,301	(9,172)	948,129
Revenues					
Program Revenues					
Conference center	80,184	-	80,184	-	80,184
Special events	100	6,438	6,538	-	6,538
Expenditures/Expenses Net of Program Revenues	(522,152)	(348,427)	(870,579)	9,172	(861,407)
General Revenue					
Hotel-Motel tax	583,334	-	583,334	-	583,334
From the State:					
Sales tax rebate	-	481,560	481,560	-	481,560
Interest income	797	6,866	7,663	-	7,663
Grants and other income	3,098	30,906	34,004	(5,148)	28,856
Total General Revenues	587,229	519,332	1,106,561	(5,148)	1,101,413
Excess (Deficiency) of Revenues over Expenditures	65,077	170,905	235,982	4,024	240,006
Other Financing Sources (Uses)					
Loss on disposition of asset	-	-	-	(21,777)	(21,777)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	65,077	170,905	235,982	(17,753)	218,229
Total Fund Balance/Net Position, Beginning, As Restated	188,206	1,037,975	1,226,181	-	2,880,517
Total Fund Balance/Net Position, Ending	\$ 253,283	\$ 1,208,880	\$ 1,462,163	\$ (17,753)	\$ 3,098,746

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements

December 31, 2020

INTRODUCTION

The West Baton Rouge Convention & Visitors Bureau was established May 12, 1977 as the West Baton Rouge Tourist Commission for the purpose of developing and carrying out programs designed to promote tourism in the area of West Baton Rouge Parish as provided for by Louisiana Revised Statutes 33:4574, et seq. The Commission's name was changed to the West Baton Rouge Convention & Visitors Bureau in 2007.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. The principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Reporting Entity. GASB Codification Section 2100, *Defining the Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the West Baton Rouge Convention & Visitors Bureau includes all funds, account groups, et cetera, that are within the oversight responsibility of the Convention & Visitors Bureau. Based on the criteria set forth in GASB Codification Section 2100, the Convention & Visitors Bureau is a component unit of the West Baton Rouge Council because the Bureau is fiscally dependent on the Parish Council. The accompanying financial statements present information only as to the transactions and the activities of the Convention and Visitors Bureau.

Date of Management's Review. Management has evaluated subsequent events through August 3, 2021, the date on which financial statements were available to be issued.

Fund Accounting. The accounts of the West Baton Rouge Convention & Visitors Bureau are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and one broad fund category as follows:

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

Governmental Funds:

General Fund - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund "Enterprise" - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose other than debt services or capital projects. The Bureau accounts for the State Sales Tax Rebate it receives in its Special Revenue Funds (See Note 2).

Basis of Accounting. The Statement of Net Position (statement A) and Statement of Activities (statement B) display information about the Convention & Visitors Bureau as a whole. These statements include all the financial activities of the Convention & Visitors Bureau. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

The Convention and Visitors Bureau uses the following practices in recording revenues and expenses:

Program Revenues. Program revenues included in the Statement of activities (statement B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Convention & Visitors Bureau's general revenues.

Fund Equity:

Equity Classifications.

Government-Wide Financial Statements.

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets. Consists of net position with constraints placed on the use either by:

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

1. External groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
 2. Law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Fund Financial Statements (FFS):

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

The Convention and Visitors Bureau adopted GASB Statement 54 (GASB Codification Section 1300, Fund Accounting) in the year ended December 31, 2013. As such, fund balances of the governmental fund are classified as follows:

Non-spendable. Amount that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted. Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed. Amounts that can be used only for specific purposes determined by a formal decision of the Convention and Visitors Bureau Board of Governors. The Board of Governors is the highest level of decision-making authority for the Visitors and Convention Bureau.

Assigned. Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Unassigned. All other spendable amounts.

The Board of Governors is the highest level of decision making authority for the West Baton Rouge Convention and Visitors Bureau. The Council would have to approve a resolution to approve or change any previously approved commitment of fund balance. The Board of Governors is also authorized to approve assigned fund balances. It is the Convention and Visitors Bureau's policy to spend restricted fund balances first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is the Convention and Visitors Bureau's policy to spend committed or assigned fund balances first when an expenditure is incurred for

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

purposes for which amounts in any of those unrestricted fund balance classifications could be used. The West Baton Rouge Convention and Visitors Bureau does not have any policy regarding minimum fund balance amounts. The Board of Governors has authorized the executive director of West Baton Rouge Convention and Visitors Bureau to make fund balance assignments in accordance with GASB Statement 54.

The amounts reflected in the Governmental Fund Statements (statements A and B) 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 balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of the current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Convention & Visitors Bureau's operations.

The amounts reflected in the Governmental Fund Statements (statements A and B) use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when related fund liability is incurred and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues. Revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Transfers. Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sales of fixed assets, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

Budgets and Budgetary Accounting. The Convention & Visitors Bureau followed these procedures in establishing the budget reflected in these financial statements:

1. The Convention & Visitors Bureau Executive Director and its Conference Center Coordinator prepare a proposed budget and submit it to the treasurer. After examination by the treasurer, the budget is submitted to the Convention & Visitors Bureau's Board of Governors for approval. After approval by the Convention & Visitors Bureau, the budget is submitted to the West Baton Rouge Parish Council. The Parish Council incorporates the Convention & Visitors Bureau Budget into the Parish Council Budget. The Convention & Visitors Bureau Budget is submitted to the Parish Council to allow enough time for the formal budget process followed by the Council to be completed. The Parish Council complies with the State Budget Law.
2. Budgetary amendments involving the transfer of funds from one program or function to another require the approval of the Convention & Visitors Bureau.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) and are presented on the modified accrual basis of accounting.

Cash. Cash includes amounts in demand deposits as well as short term certificates with maturity dates within 90 days of the date acquired by the government. These deposits are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

As of December 31, 2020, the Bureau has deposits totaling \$501,952 (book balances). \$252,836 of the Bureau's \$502,836 in deposits (collected bank balances) was exposed to credit risk. These deposits were secured from risk by \$393,719 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) and none were unsecured and uninsured.

Investments. The \$924,717 in investments at December 31, 2020 are invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, these investments are not categorized above because they are not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. 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

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments. LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 88 days as of December 31, 2020.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

Risk Management. The Convention & Visitors Bureau is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Bureau purchases commercial insurance policies at levels which management believes is adequate to protect the Bureau. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

Short Term Interfund Receivables/Payables. During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due to/from other funds” on the balance sheet. Short-term interfund loans, if any, are classified as “interfund receivables/payables.”

Prepaid Items. Payments made to vendors for services that will benefit periods beyond December 31 are recorded as prepaid items in both government-wide and fund financial statements.

Long Term Debt. Long Term Debt obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Long Term Debt for governmental funds is not reported as a liability in the fund financial statements. Bond issue cost is reported as expense in the year of the debt issuance. The debt proceeds are reported as other financing sources, and the payment of principal and interest are reported as expenditures in the fund statements.

Compensated Absences. Full-time, permanent employees of the Bureau earn vacation leave and sick leave at various rates depending on the number of years of service. The Bureau's policy allows employees to accumulate unused sick leave up to 180 days and unused vacation leave up to 5 days. An employee is compensated for up to 5 days of unused vacation leave at the employee's hourly rate of pay at the time of termination. Compensatory time is calculated at one and one-half hours for each hour of overtime earned. Upon an employee's retirement, sick leave, not to exceed 30 days, and vacation leave not to exceed 5 days, and compensatory time shall be paid as severance pay. The liability for these compensated absences is recorded as long term debt in the government-wide and proprietary financial statements. However, any matured compensated absences existing at year-end which are payable to currently terminating employees are reported in the governmental funds as wages and benefits payable and on the government-wide and proprietary financial statements as the current portion of compensated absences.

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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic and the COVID-19 control responses, and such differences may be material.

Elimination and Reclassification. In the process of aggregating data for the statement of net position and the statements of activities, some amounts reported as interfund activity and balances in the funds were eliminated to minimize the “grossing up” effect on assets and liabilities within the statement of position column.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

Current Year Adoption of New Accounting Standards. There were no new standards issued by the GASB that were required to be adopted by the Bureau in 2020.

Capital Assets. Capital assets consist of equipment, vehicles, buildings and building improvements and are capitalized at historical costs. The Bureau maintains a threshold level of \$1,000 or more for capitalizing capital assets. These assets, net of accumulated depreciation, are included on the Statement of Net Position. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

The useful lives are as follows:

Building	40 years
Building improvements	20 years
Furniture, fixtures & equipment	5-10 years
Vehicles	7 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

2. REVENUE

Hotel – Motel Tax. The Convention & Visitors Bureau under the provision of Louisiana Revised Statutes Section 33:4574.1-A levies a four percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the jurisdiction of the commission. The proceeds from this tax are accounted for in the Bureau's General Fund.

State Sales Tax Rebate. Under the provisions of Louisiana Revised Statutes Section 47:332.12, the West Baton Rouge Parish Council is entitled to receive a portion of the state sales tax imposed on hotel occupancy within West Baton Rouge Parish. The money is to be used exclusively for the planning, development or capital improvements of tourism sites in West Baton Rouge Parish. The Parish Council has designated the West Baton Rouge Convention & Visitors Bureau to receive and expend these funds on behalf of the Parish Council. The proceeds from this source are accounted for in the Bureau's Special Revenue Fund. The West Baton Rouge Parish Council collects these funds.

During 2020, the Convention & Visitors Bureau recognized income of \$481,560 from the state sales tax rebate. The Parish Council collected and recognized as income all other amounts due to the parish for the state sales tax rebate.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

3. INTERFUND BALANCES

The Bureau reports interfund balances between its funds. The totals of all balances agree with the sum of interfund balances present in the fund statements. The balances reflected in interfunds represent either routine charges for goods and services or permanent (non-loan) transfers from one fund to another.

	Due From		
Due To	General Fund	Enterprise Fund	Total
General Fund	\$ -	\$ 10,926	\$ 10,926
Enterprise Fund	6,153	-	\$ 6,153
Total	\$ 6,153	\$ 10,926	\$ 17,079

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 2020 is as follows:

	Beginning of Year	Additions	Reductions	End of Year
Capital assets not being depreciated				
Land	\$ 834,056	\$ -	\$ -	\$ 834,056
Capital assets being depreciated				
Building & improvements	1,299,407	8,721	39,700	1,268,428
Christmas display	1,945	-	-	1,945
Office furniture and equipment	224,170	55,244	24,839	254,575
Vehicles	67,121	-	33,833	33,288
Total capital assets being depreciated	1,592,643	63,965	98,372	1,558,236
Less accumulated depreciated				
Building & improvements	389,739	57,860	12,775	434,824
Christmas display	1,864	81	-	1,945
Office furniture and equipment	151,995	23,156	24,839	150,312
Vehicles	56,632	6,032	33,833	28,831
Total accumulated depreciation	600,230	87,129	71,447	615,912
Total capital assets being depreciated, net	992,413	(23,164)	26,925	942,324
Total governmental activities capital assets, net	\$ 1,826,469	\$ (23,164)	\$ 26,925	\$ 1,776,380

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

5. LONG-TERM DEBT

During 2014 the Bureau issued certificates of indebtedness totaling \$250,000. The proceeds were used for repairs and renovations of the convention facilities.

The following is a summary of the Bureau's long-term debt transactions for the year ended December 31, 2020:

Type of Debt	Balance at December 31, 2019	Additions or Bonds Issued	Bonds Redeemed and Other Reductions	Balance at December 31, 2020	Due in More Than One Year	Amount due within One Year
<i>Governmental Activities:</i>						
Series 2014	\$ 134,000	\$ -	\$ 25,000	\$ 109,000	\$ 83,000	\$ 26,000
Compensated absences	38,134	34,161	41,498	30,797	30,797	-
Total governmental long-term debt	\$ 172,134	\$ 34,161	\$ 66,498	\$ 139,797	\$ 113,797	\$ 26,000

Long-term debt payable at December 31, 2020 consisted of the following:

\$250,000 certificates of indebtedness, Series 2014 of the West Baton Rouge Convention & Visitors Bureau, payable annually through December 1, 2024, 3.06% interest	\$ 109,000
---	------------

The annual requirements to amortize the long-term debt payable as of December 31, are as follows:

Year Ending December 31,	Principal	Interest
2021	\$ 26,000	\$ 3,335
2022	27,000	2,540
2023	28,000	1,714
2024	28,000	857
	\$ 109,000	\$ 8,446

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

6. PER DIEM PAYMENTS

There were no per diem payments made during 2020 to board members of the West Baton Rouge Convention & Visitors Bureau.

7. OPERATING LEASES

The Bureau leases office equipment under an operating lease agreement with Xerox for a multifunction copier/printer in January 2020. The life of the lease is sixty months with a minimum lease payment of \$697 per month and addition to charges for printing that are stipulated in the lease. The Bureau also leases office equipment under an operating lease agreement with Pitney Bowes for a digital mailing system in October 2016. The life of the lease is sixty-three months with a minimum lease payment of \$155 per month.

Rental expense under these leases was \$9,742 for the year ended December 31, 2020. The minimum future lease payments receivable under non-cancelable operating leases are as follows:

Year Ending December 31,	
2021	\$ 10,229
2022	8,369
2023	8,369
2024	8,369
2025	697
	<u>\$ 36,033</u>

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

8. RECONCILIATIONS

*Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net position*

Fund balances - total governmental funds \$ 1,462,163

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

Capital assets used in governmental activities are not financial statement of resources and, therefore, are not reported in the governmental funds

Governmental capital assets	\$ 2,392,292	
Less accumulated depreciation	<u>(615,912)</u>	
		1,776,380

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

Bonds payable	\$ (109,000)	
Compensated absences	<u>(30,797)</u>	
		<u>(139,797)</u>
Net position of governmental activities		<u>\$ 3,098,746</u>

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, Changes in Fund Balances to the Statement of Activities

Net change in fund balances - total governmental funds \$ 235,982

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 63,965	
Depreciation expense	<u>(87,129)</u>	
		(23,164)

The issuance of long term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Principal payments	<u>\$ 25,000</u>	
		25,000

Some 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.

Compensated absences	\$ 7,336	
Gain (loss) on disposal of fixed assets	<u>(26,925)</u>	
		(19,589)

Change in net position of governmental activities		<u>\$ 218,229</u>
---	--	-------------------

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2020

9. NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED

In June 2017, GASB has issued Statement No. 87 "Leases". This Statement is effective for fiscal years beginning subsequent of December 15, 2019. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provision of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB issued Statement No. 95 "Postponement of the Effective Dates of Certain Authoritative Guidance" which has deferred the effective date of Statement No. 87 Implementation Guide No. 2019-03 by 18 months to fiscal years beginning after June 15, 2021. The Bureau plans to adopt this Update as applicable by the effective date.

Management is currently evaluating the effects of this GASB pronouncement.

10. PRIOR PERIOD ADJUSTMENTS

Prior period adjustments were made to the unrestricted net position balance and the restricted net position balance to correct error of accounts payable balances as of December 31, 2019.

General Fund	Fund	Government- Wide
Fund balance/net position at December 31, 2019, as originally stated	\$ 186,876	\$ 1,841,212
Correction of accounts payable error	1,330	1,330
Fund balance/net position at December 31, 2019, as restated	<u>\$ 188,206</u>	<u>\$ 1,842,542</u>
SRE - Enterprise Fund		
Fund balance/net position at December 31, 2019, as originally stated	\$ 958,556	\$ 958,556
Correction of accounts payable error	79,419	79,419
Fund balance/net position at December 31, 2019, as restated	<u>\$ 1,037,975</u>	<u>\$ 1,037,975</u>
Total - Restated	<u>\$ 1,226,181</u>	<u>\$ 2,880,517</u>

11. SUBSEQUENT EVENT

As a result of the continued spread of COVID-19 coronavirus and its variants, economic uncertainties have arisen which may have and may continue to impact the Bureau's ongoing operations. The extent of the potential impact on future operations ultimately cannot be reasonably estimated at this time.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Required Supplementary Information

December 31, 2020

WEST BATON ROUGE CONVENTION & VISITORS BUREAU

Statement of Revenues, Expenditures and
Changes in Net Position

Year Ended December 31, 2020

Budget (Legal Basis) and Actual - General Fund

	Budgeted Amounts		Actual Amounts GAAP Basis	Nonbudgeted Items and Adjustments	Actual (Budgetary Basis)	Budget to GAAP Differences Favorable (Unfavorable)
	Original	Final				
Revenues						
Conference center	\$ 160,500	\$ 80,000	\$ 80,184	\$ 3,382 ²	\$ 83,566	\$ 3,566
Special events	-	-	100	-	100	100
Hotel-Motel tax	600,000	600,000	583,334	-	583,334	(16,666)
Interest income	1,500	750	797	-	797	47
Grants and other income	2,500	2,500	3,098	-	3,098	598
Total revenues	764,500	683,250	667,513	3,382	670,895	(12,355)
Expenditures						
General government						
Advertising and marketing	10,000	10,000	7,202	-	7,202	2,798
Maintenance, repairs and security	82,000	82,000	57,146	-	57,146	24,854
Office, supplies and postage	131,120	131,120	74,313	12,199 ¹	86,512	44,608
Audit and accounting	40,000	40,000	30,696	-	30,696	9,304
Insurance	25,000	25,000	20,703	-	20,703	4,297
Salaries, wages and related expenses	450,000	458,000	376,127	-	376,127	81,873
Utilities & telephone	45,000	45,000	36,249	(726) ¹	35,523	9,477
Total expenditures	783,120	791,120	602,436	11,473	613,909	177,211
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (18,620)</u>	<u>\$ (107,870)</u>	65,077	<u>\$ (8,091)</u>	<u>\$ 56,986</u>	<u>\$ 164,856</u>
Total fund balance						
Beginning, as restated			188,206			
Ending			<u>\$ 253,283</u>			

Explanation of differences

¹ Expenditures are budgeted on the cash basis - prior year's accounts payable \$14,381 are added and current year's accounts payable are subtracted \$2,908

² Revenues are budgeted on the cash basis - prior year's accounts receivable \$5,547 are added and current year's accounts receivable are subtracted \$2,165

WEST BATON ROUGE CONVENTION & VISITORS BUREAU

Statement of Revenues, Expenditures and
Changes in Net Position

Year Ended December 31, 2020

Budget (Legal Basis) and Actual - Special Revenue Fund

	Budgeted Amounts		Actual Amounts GAAP Basis	Nonbudgeted Items and Adjustments	Actual (Budgetary Basis)	Budget to GAAP Differences Favorable (Unfavorable)
	Original	Final				
Revenues						
Special events	\$ 70,000	\$ 5,000	\$ 6,438	\$ -	\$ 6,438	\$ 1,438
From the State:						
Sales tax rebate	515,000	450,000	481,560	-	481,560	31,560
Interest income	12,000	6,300	6,866	-	6,866	566
Grants and other income	20,000	20,000	30,906	(11,531) ²	19,375	(625)
Total revenues	617,000	481,300	525,770	(11,531)	514,239	32,939
Expenditures						
General government						
Advertising and marketing	261,600	261,600	112,067	2,027 ¹	114,094	147,506
Maintenance, repairs and security	20,000	20,000	76,536	-	76,536	(56,536)
Office, supplies and postage - Special Events	100,000	104,500	37,209	(4,854) ¹	32,355	72,145
Intergovernmental	-	-	36,051	-	36,051	(36,051)
Capital outlays	250,000	250,000	63,965	-	63,965	186,035
Debt service						
Principle	27,050	30,000	25,000	-	25,000	5,000
Interest	-	-	4,037	-	4,037	(4,037)
Total expenditures	658,650	666,100	354,865	(2,827)	352,038	314,062
Excess (Deficiency) of Revenues over Expenditures	\$ (41,650)	\$ (184,800)	170,905	\$ (8,704)	\$ 162,201	\$ 347,001
Total fund balance						
Beginning, as restated			1,037,975			
Ending			\$ 1,208,880			

Explanation of differences

¹ Expenditures are budgeted on the cash basis - prior year's accounts payable \$20,854 are added and current year's accounts payable are subtracted \$23,681

² Revenues are budgeted on the cash basis - prior year's accounts receivable \$913 are added and current year's accounts receivable are subtracted \$12,444

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Other Supplementary Information

December 31, 2020

WEST BATON ROUGE CONVENTION & VISITORS BUREAU*Schedule of Compensation, Benefits and Other Payments to
Agency Head**Year Ended December 31, 2020***Agency Head Name: Kathy Gautreau****Purpose**

Salary	\$ 80,583
Benefits - insurance	7,612
Benefits - retirement	4,819
Cell phone	843
Per Diem	248
Travel - trade shows	1,892
Special meals	234
Membership	108
	<u>\$ 96,339</u>

BAXLEY AND ASSOCIATES, LLC

P. O. Box 482
58225 Belleview Drive
Plaquemine, Louisiana 70764
Phone (225) 687-6630 Fax (225) 687-0365

Margaret A. Pritchard, CPA/CGMA
Matthew L. Berthelot, CPA

Staci H. Joffrion, CPA/CGMA

Hugh F. Baxley, CPA/CGMA – Retired

To the Chairman and Members of the Board
West Baton Rouge Convention and Visitors Bureau
Port Allen, LA

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*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements and have issued our report thereon dated August 3, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the West Baton Rouge Convention and Visitors Bureau's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Baton Rouge Convention and Visitors Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the West Baton Rouge Convention and Visitors 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.

**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* (continued)**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Baton Rouge Convention and Visitors Bureau's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

West Baton Rouge Convention and Visitors Bureau's Response to Finding

West Baton Rouge Convention and Visitors Bureau's response to the finding identified in our audit is described in the accompanying schedule of findings. West Baton Rouge Convention and Visitors Bureau's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Baxley & Associates, LLC

Plaquemine, LA
August 3, 2021

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Schedule of Findings and Responses

December 31, 2020

Section I – Internal Control Findings

Finding 2020-001

Material Weakness in Internal Control Over Financial Reporting-Inadequate Segregation of Duties

Criteria: The segregation of duties and responsibilities between different individuals for custody of assets, recordkeeping for those assets, and reconciliation of those asset accounts is an important control activity needed to adequately protect the entity's assets and ensure accurate financial reporting.

Condition: The entity does not employ enough personnel to achieve an optimum level of segregation of duties.

Potential Effect: Errors could occur which could affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause: The size of the entity and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Recommendation: The resolution of this finding is not under the control of the Bureau as it may not be cost effective, however the Board and management should monitor the assignment of duties to insure as much segregation of duties as possible.

View of Responsible Official: We have hired an outside firm to perform bookkeeping services and will have the finding corrected in 2021.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

*Schedule of Prior Findings**December 31, 2020*

Ref No.	Fiscal Year Initially Occurred	Description of Finding	Status of the Finding	Current Year Finding Ref No.
2019-001	1996	Inadequate segregation of duties	Unresolved	2020-001
2019-002	2012	Lack of qualified personnel to apply GAAP in preparing financial statements	Resolved	N/A