

**WASHINGTON ECONOMIC  
DEVELOPMENT FOUNDATION, INC.  
Bogalusa, Louisiana**

**COMPILED FINANCIAL STATEMENTS**

**For the Year Ended  
December 31, 2020**

*Minda B. Raybourn*

*Certified Public Accountant  
Limited Liability Company*

820 11<sup>th</sup> Avenue  
Franklinton, Louisiana 70438  
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**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.  
Bogalusa, Louisiana**

**Financial Statements  
As of and for the Year Ended December 31, 2020**

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# **MINDA B. RAYBOURN**

*Certified Public Accountant*

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Member  
AICPA

Member  
I.CPA

To the Board of Washington  
Economic Development Foundation, Inc.  
Bogalusa, Louisiana

Management is responsible for the accompanying financial statements of Washington Economic Development Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to my compilation engagement. I have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

I am not independent with respect to Washington Economic Development Foundation, Inc.

*Minda Raybourn*

Minda B. Raybourn CPA, LLC  
June 15, 2021

## **FINANCIAL STATEMENTS**

WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2020

**ASSETS**

Current Assets:

Cash and Cash Equivalents	\$ 119,573
Certificate of Deposit	100,000
Accounts Receivable	2,724
Prepaid Insurance	1,618
Total Current Assets	<u>223,916</u>
Capital Assets (Net of Accumulated Depreciation)	33,660

Total Assets 257,575

**LIABILITIES**

Current Liabilities:

Accounts Payable	2,600
Payroll Taxes Payable	-
Total Current Liabilities	<u>2,600</u>

**NET ASSETS**

With Donor Restrictions	-
Without Donor Restrictions	<u>254,975</u>
Total Net Assets	<u>254,975</u>

Total Liabilities and Net Assets \$ 257,575

See accountant's report and accompanying notes to the financial statements.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**

**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2020**

<b>OPERATING ACTIVITIES</b>	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
Revenues and other support			
Membership dues	\$ 10,355	\$ -	\$ 10,355
Business/economic development fee	34,200	-	34,200
FAEDF reimbursements	34,915	-	34,915
Parish allocation of sales tax	14,805	-	14,805
Annual meeting income	-	-	-
Miscellaneous income	286	-	286
Total revenues and other support	94,560	-	94,560
 <b>EXPENSES</b>			
Program services:			
Economic development	96,592	-	96,592
Support services:			
General administrative	14,148	-	14,148
Fundraising	2,850	-	2,850
Total expenses	113,590	-	113,590
 <b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	(19,030)	-	(19,030)
 <b>NONOPERATING ACTIVITIES</b>			
Interest income	2,004	-	2,004
Total nonoperating activities	2,004	-	2,004
 <b>CHANGE IN NET ASSETS</b>	(17,026)	-	(17,026) #
 <b>NET ASSETS AS OF BEGINNING OF YEAR</b>	272,001	-	272,001
 <b>NET ASSETS AS OF END OF YEAR</b>	\$ 254,975	\$ -	\$ 254,975

See accountant's report and accompanying notes to the financial statements.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**

**STATEMENT OF CASH FLOWS**  
**Increase (Decrease) in Cash and Cash Equivalents**  
**For the Year Ended December 31, 2020**

<b>Cash flows from operating activities:</b>	
Receipts from members, appropriations, agreements, etc.	\$ 94,430
Cash payments for supplies and services	(19,104)
Cash payments to employees	(95,937)
Net cash (used) provided by operating activities	<u>(20,611)</u>
 <b>Cash flows from capital and financing related activities</b>	
Purchases of capital assets	<u>-</u>
Net cash (used) provided by capital and financing related activities	<u>-</u>
 <b>Cash flows from investing activities</b>	
Interest and dividends	2,004
Purchase of certificate of deposit	<u>-</u>
Net cash (used) provided by investing activities	<u>2,004</u>
 <b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	 (18,607)
 <b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	 <u>138,180</u>
 <b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	 <u>\$ 119,573</u>

See accountant's report and accompanying notes to the financial statements.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**Increase (Decrease) in Cash and Cash Equivalents**  
**For the Year Ended December 31, 2020**

**Reconciliation of Change in Net Assets to Net**

**Cash Provided by Operations:**

Change in net assets	\$ (19,030)
Depreciation	2,012
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	130
(Increase) decrease in prepaid insurance	7
Increase (decrease) in accounts payable	(2,796)
Increase (decrease) in accrued payroll taxes	(934)
Net cash provided by operations	<u>\$ (20,611)</u>

See accountant's report and accompanying notes to the financial statements.



**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**

**SCHEDULE OF FUNCTIONAL EXPENSES  
For the Year Ended December 31, 2020**

<u>Item of Expense</u>	Program Service			Support Services		Total Expenses
	Industrial Dev.	General Adm.	Fund Raising	Fund Raising	Fund Raising	
Annual meeting expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Automobile expense	675	225	-	-	-	900
Advertising and promotion	-	-	-	-	-	-
Conference	-	-	-	-	-	-
Depreciation	1,509	504	-	-	-	2,013
Dues & subscriptions	431	144	-	-	-	575
Employee benefits	10,277	1,180	354	-	-	11,811
Insurance expense	3,133	1,045	-	-	-	4,178
Miscellaneous	-	-	-	-	-	-
Office supplies	1,455	485	-	-	-	1,940
Payroll taxes	5,154	592	178	-	-	5,924
Professional fees	450	150	-	-	-	600
Repairs and maintenance	677	226	-	-	-	903
Salaries	67,222	7,728	2,318	-	-	77,268
Telephone	3,061	1,020	-	-	-	4,081
Travel	85	28	-	-	-	113
Utilities	2,463	821	-	-	-	3,284
	-	-	-	-	-	-
Totals	<u>\$ 96,592</u>	<u>\$ 14,148</u>	<u>\$ 2,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,590</u>

See accountant's report and accompanying notes to the financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities**

The Washington Economic Development Foundation, Inc. (The Foundation), was organized as a nonprofit corporation on May 6, 1981, under the laws of the State of Louisiana. The Foundation's purpose is to promote economic development in Washington Parish through an intensive program to relocate or establish manufacturing and service firms in the parish in order to create a significant number of new job opportunities. The Foundation's primary support is derived from a "co-operative endeavor agreement" with the City of Bogalusa (note 7), and dues paid by individuals and members of the business community.

**Basis of presentation**

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**Measure of operations**

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable the Foundation's ongoing economic development services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

from investments and other activities considered to be of a more unusual or nonrecurring nature.

**Concentrations of credit risk**

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Foundation maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Foundation's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

**Contribution's receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

**Cash and cash equivalents**

The Foundation's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

**Investments**

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fair value measurements**

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Foundation groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- |         |   |
|---------|---|
| Level 1 | Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.   |
| Level 2 | Other observable inputs, either directly or indirectly, including: <ul style="list-style-type: none"><li>• Quoted prices for similar assets/liabilities in active markets;</li><li>• Quoted prices for identical or similar assets in non-active markets;</li><li>• Inputs other than quoted prices that are observable for the asset/liability; and,</li><li>• Inputs that are derived principally from or corroborated by other observable market data.</li></ul> |
| Level 3 | Unobservable inputs that cannot be corroborated by observable market data.  |

**Property and equipment, net**

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from three to seven years. The Foundation's policy is to capitalize renewals and betterments acquired for greater than \$500 and expense normal repairs and maintenance as incurred. The Foundation's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Contributions**

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**Public Support and Revenue**

Annual membership dues are generally available for unrestricted use during the current year. Dues are recorded as revenue in the membership year pledged and any unpaid dues at year-end are recorded as receivables, at their net realizable value. There is no allowance for bad debts due to a history of having all dues paid on a current basis.

Grants are recorded as revenue when the corresponding reimbursable expenditures have been incurred.

**Functional expenses**

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among industrial development and supporting services benefitted. Such allocations are determined by management on an equitable basis. The expenses are allocated based on percentages.

**Use of Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates that affect certain reported amounts and disclosures. Therefore; actual results could differ from those estimates.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**Income taxes**

The Foundation is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**NOTE 2: AVAILABILITY AND LIQUIDITY**

The following represents Washington Economic Development Foundation, Inc.'s financial assets at December 31, 2020:

Financial assets at year end:		<u>2020</u>	
Cash and cash equivalents	\$	119,573	
Certificate of Deposit		<u>100,000</u>	
Total financial assets		<u>219,573</u>	
Less amounts not available to be used within one year:			
Net assets with donor restrictions		<u>-</u>	
		<u>-</u>	
Financial assets available to meet general expenditures over the next twelve months		<u>\$ 219,573</u>	

Washington Economic Development Foundation, Inc. is to generally maintain financial assets to meet one year of operating expenses. As part of its liquidity plan, excess cash is invested in certificates of deposit.

**NOTE 3: CASH AND CASH EQUIVALENTS**

At December 31, 2020, the Foundation has unrestricted cash and cash equivalents (book balances) totaling \$119,573 in demand deposits at Capital One Bank. These deposits consist of checking account totaling \$2,896 and a savings account totaling \$116,677.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

At December 31, 2020, the Foundation's deposits at Capital One Bank (collected bank balances) totaled \$120,301. At December 31, 2020, the amount on deposit with the financial institutions was within the FDIC insured limit of \$250,000.

**NOTE 4: CERTIFICATE OF DEPOSIT**

At December 31, 2020, the Foundation had a certificate of deposit in the amount of \$100,000 at Citizens Savings Bank. The certificate will mature on February 11, 2021. The carrying value of the certificate is at cost.

The interest rate on the certificate was 1.50%. The Foundation earned \$1,504 in interest income from the certificate of deposit.

**NOTE 5: ACCOUNTS RECEIVABLE**

At December 31, 2020, the Foundation's accounts receivable consisted of the following:

Accounts Receivable-FAEDF (Franklinton Area Economic Development Foundation agreed to share in the cost of a director. This receivable represents one month's billing.)	\$2,649
Accounts Receivable-Members	75
Total Accounts Receivable	<u>\$ 2,724</u>

**NOTE 6: PROPERTY, EQUIPMENT, AND IMPROVEMENTS**

Property, equipment, and improvements consist of the following:

	2020	Additions	Disposals	2020
Building Improvements	52,299	-	-	52,299
Buildings	13,900	-	-	13,900
Office Equipment	10,060	-	-	10,060
Land	22,500	-	-	22,500
Other	11,224	-	-	11,224
Total Assets	109,983	-	-	109,983
Less Accumulated Depreciation	(74,311)	(2,012)	-	(76,323)
Net Capital Assets	35,672	(2,012)	-	33,660

All fixed assets are stated at historical cost. Depreciation is computed on a straight-line basis for financial statement purposes. The Foundation purchased no new assets. Depreciation expense for 2020 was \$2,012.



**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**NOTE 7: BUSINESS/ECONOMIC DEVELOPMENT FEE**

The Foundation entered into a “cooperative endeavor agreement” with the City of Bogalusa, under the Louisiana Constitution of 1974 Section 14C. The Foundation proposed to perform certain functions to the benefit of the city, its residents, and residents surrounding Bogalusa.

These functions, which have a governmental purpose, would ordinarily be performed by the city. They include:

- A. Business/Economic Development
- B. Assisting the City in administering the Bogalusa Industrial Park
- C. Advising the City on uses of the Industrial Park
- D. Arranging for presentations and meetings with Industrial Park prospects and advising the city on said prospects.

The City and Foundation mutually agreed to reduce the fee from \$38,000 to \$34,200 in 2004. The contract became effective on January 1, 1997. It automatically renews each year unless a notice of termination is presented by either party ten days prior to the beginning of each calendar year. No notice was received or given by the Foundation ten days before January 1, 2021.

**NOTE 8: INTERGOVERNMENTAL AGREEMENT**

The Washington Economic Development Foundation, Inc (WEDF) entered into a cooperative endeavor with the Franklinton Area Economic Development Foundation, Inc, (FAEDF) to share the expenses of the Director. The current Director for WEDF will work at the FAEDF office two days per week or as needed. WEDF will invoice FAEDF monthly, for one half of the director’s salary and benefits effective November 1, 2004. The annual cost reimbursement for the fiscal year December 31, 2020 was \$34,915.

**NOTE 9: IN-KIND SERVICES**

The Foundation receives donated services from a variety of unpaid volunteers assisting the Foundation in the pursuit of economic development programs. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under accounting standards have not been satisfied.

**NOTE 10: ADVERTISING COSTS**

The Foundation incurred no advertising expenses.

**NOTE 11: LITIGATION AND CLAIMS**

As of December 31, 2020, the Foundation did not have any lawsuit or pending litigation.

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC.**  
**Notes to Financial Statements**  
**December 31, 2020**

**NOTE 12: LEASES**

The Foundation does not have any items under a capital or operating lease at December 31, 2020.

**NOTE 13: SUBSEQUENT EVENTS**

Subsequent events have been evaluated by management through June 15, 2021, the date the financial statements were available to be issued and these financial statements considered subsequent events through such date. No events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2020.

## **Supplemental Information**

**Schedule 1**

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC**

**SCHEDULE OF COMPENSATION PAID BOARD MEMBERS**

**For the year ended December 31, 2020**

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The Foundation's Executive Board consists of members elected from the general membership each year at the annual meeting, plus the immediate past president.

Board members were not paid any compensation for the year ended December 31, 2020, and no compensation is planned for future years.

See accountant's report

**Schedule 2**

**WASHINGTON ECONOMIC DEVELOPMENT FOUNDATION, INC**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO**  
**AGENCY HEAD**

**For the Year Ended December 31, 2020**

Agency Head: Ryan Seal, Executive Director

Salary	\$ 58,136
Benefits-Insurance	7,067
Employer Provided Medicare & Social Security	4,448
Travel	596
Per Diem	-
Conference	-
Dues	455
Business Meals	77
Total	<u>\$ 70,778</u>

Note: One half of these costs are shared with Franklinton Area Economic Development Foundation, Inc. through an intergovernmental agreement. Refer to Note 7 for more detail.

See accountant's report