

**The Industrial Development Board
Of the Parish Of
St. Charles, Louisiana, Inc.**

FINANCIAL STATEMENTS

For the Years Ended December 31, 2016 and 2015



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRICpa.com



The Industrial Board of the
Parish of St. Charles, Louisiana, Inc.
Table of Contents
December 31, 2016

REPORT

| | |
|------------------------------|---|
| Independent Auditors' Report | 1 |
|------------------------------|---|

FINANCIAL STATEMENTS

| | |
|----------------------------------|---|
| Statements of Financial Position | 3 |
|----------------------------------|---|

| | |
|--------------------------|---|
| Statements of Activities | 4 |
|--------------------------|---|

| | |
|--------------------------|---|
| Statements of Cash Flows | 5 |
|--------------------------|---|

| | |
|-------------------------------|---|
| Notes to Financial Statements | 6 |
|-------------------------------|---|

SUPPLEMENTARY INFORMATION

| | |
|---|----|
| Schedule of Compensation, Benefits, and Other Payments to Agency Head | 10 |
|---|----|

GOVERNMENT AUDITING STANDARDS REPORTS

| | |
|---|----|
| Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 11 |
|---|----|

| | |
|---|----|
| Schedule of Findings and Questioned Costs | 13 |
|---|----|

| | |
|---------------------------------------|----|
| Schedule of Prior Year Audit Findings | 14 |
|---------------------------------------|----|



Report



Carr, Riggs & Ingram, LLC
111 Veterans Memorial Blvd.
Suite 350
Metairie, Louisiana 70005

(504) 833-2436
(504) 484-0807 (fax)
www.CRIcpa.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Hahnville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the Industrial Development Board of the Parish of St. Charles, Louisiana, Inc. (a nonprofit organization) (the "Board"), which comprise the Statements of Financial Position as of December 31, 2016 and 2015, and the related Statements of Activities and Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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 Board'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 Board's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used

and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our 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 on page 9 is presented for purposes of additional analysis and as required by Louisiana Revised Statute 24:513(A)(3) 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 our 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*, we have also issued our report dated June 16, 2017, on our consideration of the Board'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 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 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 Board's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

June 16, 2017



Financial Statements

**The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Statements of Financial Position**

| <i>At December 31,</i> | 2016 | 2015 |
|--|-------------|-------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 959 | \$ 17,007 |
| Investments | 23,922 | 11,468 |
| Due from other governments | 17,000 | - |
| Total assets | \$ 41,881 | \$ 28,475 |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Due to other governments - rental collection | \$ - | \$ 4,604 |
| Due to other governments | 6,000 | 5,000 |
| Total liabilities | 6,000 | 9,604 |
| Net Assets | | |
| Unrestricted | 35,881 | 18,871 |
| Total net assets | 35,881 | 18,871 |
| Total liabilities and net assets | \$ 41,881 | \$ 28,475 |

The accompanying footnotes are an integral part of these financial statements.

**The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Statements of Activities**

| <i>For the years ended December 31,</i> | 2016 | 2015 |
|---|------------------|-----------|
| Revenues: | | |
| Interest income | \$ 78 | \$ 11 |
| Administrative rental fee | 18,000 | 17,000 |
| Total revenues | 18,078 | 17,011 |
| Expenses: | | |
| General and administrative: | | |
| Bank charges | 68 | 15 |
| Auditing expense | 1,000 | 1,000 |
| Total expenses | 1,068 | 1,015 |
| Change in net assets | 17,010 | 15,996 |
| Net assets, beginning of year | 18,871 | 2,875 |
| Net assets, end of year | \$ 35,881 | \$ 18,871 |

The accompanying footnotes are an integral part of these financial statements.

**The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Statements of Cash Flows**

| <i>For the years ended December 31,</i> | 2016 | 2015 |
|--|-----------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Increase in net assets | \$ 17,010 | \$ 15,996 |
| Adjustments to reconcile net assets to net cash (used in) provided by operations: | | |
| Change in operating assets and liabilities: | | |
| Due to other governments | 1,000 | 1,000 |
| Due to other governments - rental collection | (4,604) | 4,604 |
| Due from other governments | (17,000) | 500 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | (3,594) | 22,100 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of investments | (12,454) | (5,093) |
| NET CASH USED IN INVESTING ACTIVITIES | (12,454) | (5,093) |
| (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | (16,048) | 17,007 |
| CASH AND CASH EQUIVALENTS, beginning of year | 17,007 | - |
| CASH AND CASH EQUIVALENTS, end of year | \$ 959 | \$ 17,007 |

The accompanying footnotes are an integral part of these financial statements.

**The Industrial Board of the
Parish of St. Charles, Louisiana, Inc.
Notes to Financial Statements
For the Year Ended December 31, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Industrial Development Board of the Parish of St. Charles, Louisiana, Inc. (a nonprofit organization) (the "Board"), is a non-profit corporation created under the provisions of Title 51, Chapter 7 of the Louisiana Revised Statutes of 1950. The Board was organized for the purpose of promoting, stimulating, developing, and advancing the business prosperity and economic welfare of the Parish of St. Charles, State of Louisiana, and their citizens. The Board's function is to encourage and assist in the organization of new businesses or industries and to rehabilitate and assist existing businesses and industries, thus providing maximum opportunities for employment to improve the standard of living to the citizens of St. Charles Parish and the State of Louisiana. The Board is to cooperate and act in conjunction with other organizations, public or private, in the promotion and development of industrial, commercial, agricultural, and recreational development in the Parish of St. Charles and the State of Louisiana.

The powers and management of the Board are vested in and exercised by a seven-member Board of Directors, which is appointed by the St. Charles Parish Council. The governing body of the Parish of St. Charles must give prior approval before the Board of Directors or the corporation may bind itself regarding the financing of any capital project or the issuance of any bonds.

The Board, under the authority of its corporate charter and the laws of the State of Louisiana, has authority to issue industrial development revenue bonds. It derives its revenue from application fees charged to businesses who apply for the bonds. The application fee is non-refundable.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The financial statements are reported on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Basis of Presentation

The financial statements of the Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units.

**The Industrial Board of the
Parish of St. Charles, Louisiana, Inc.
Notes to Financial Statements
For the Year Ended December 31, 2016**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Under State law, the Board may invest in United States bonds, treasury notes, certificates, or LAMP, a local government investment pool.

Fixed Assets and Long-Term Liabilities

Currently, the Board owns no fixed assets, and has no long-term liabilities, if any, are reflected on the accompanying Statements of Financial Position.

Compensated Absences and Pension Plans

The Board has no employees; therefore, it does not have a formal vacation and sick leave policy and does not contribute to a pension plan.

Use of Estimates

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

Subsequent Events

Subsequent events have been evaluated through June 16, 2017, the date the financial statements were available to be issued and no material events were noted for disclosure.

NOTE 2 - CASH AND CASH EQUIVALENTS

All cash related items having a maturity of three months or less from the date of acquisition are classified as cash and cash equivalents in the accompanying financial statements. At December 31, 2016 and 2015, the Board had cash (book balances) totaling \$959 and \$17,007, respectively, in an interest bearing demand deposit account. The Federal Deposit Insurance Corporation insures the accounts up to \$250,000 at December 31, 2016. There were no uninsured deposits at December 31, 2016 and 2015.

**The Industrial Board of the
Parish of St. Charles, Louisiana, Inc.
Notes to Financial Statements
For the Year Ended December 31, 2016**

NOTE 3 – INVESTMENT SECURITIES

The Board has investments in LAMP, a local government investment pool. This pool is administered by a non-profit corporation, Louisiana Asset Management Pool, Inc., which was organized under the laws of the State of Louisiana and is not required to be a registered investment company under the Investment Company act of 1940; however, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. 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 portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-RS 33:2955.

LAMP is rated AAA by Standard & Poor's. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. 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 value of the pool share. 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

At December 31, 2016 and 2015, the Board has investments in LAMP totaling \$23,922 and \$11,468, respectively.

NOTE 4 – RESTRICTED ASSETS - DIRECT FINANCING LEASES RECEIVABLE

The Board enters into direct financing lease agreements with various private corporations and issued industrial revenue bonds for the acquisition of various facilities. The various corporations lease these facilities from the Board for an amount necessary to pay principal, interest, and premiums, if any, on the industrial revenue bonds.

During the year ended December 31, 2015, the Board entered into a 22 year lease with a private company. The Board collects rental payments on behalf of other governments. The Board also collects \$17,000 of administrative fees recognized in the revenue of the Board. For the years ended December 31, 2016 and 2015, the Board recognized \$18,000 and \$17,000 of administrative rental fee revenue respectively.



**The Industrial Board of the
Parish of St. Charles, Louisiana, Inc.
Notes to Financial Statements
For the Year Ended December 31, 2016**

NOTE 5 – CHANGES IN LONG-TERM DEBT

There are no bonds at December 31, 2016 and 2015.

NOTE 6 – LITIGATION

There is no litigation pending against the Board at December 31, 2016 and 2015.



Supplementary Information



**The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Schedule of Compensation, Benefits
and Other Payments to Agency Head**

Mr. Timothy J. Vial, Board President, did not receive any compensation, benefits, or other payments for the year ended December 31, 2016.

The accompanying footnotes are an integral part of these financial statements.



Government Auditing Standards Reports



Carr, Riggs & Ingram, LLC
111 Veterans Memorial Blvd.
Suite 350
Metairie, Louisiana 70005

(504) 833-2436
(504) 484-0807 (fax)
www.CRIcpa.com

INDEPENDENT AUDITORS' 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
The Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Hahnville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Industrial Development Board of the Parish of St. Charles, Louisiana, Inc., (a non-profit organization) (the "Board"), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 16, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Caru, Riggs & Ingram, L.L.C.

June 16, 2017

**Industrial Development Board of the
Parish of St. Charles, Louisiana, Inc.
Schedule of Findings and Questioned Costs**

A. SUMMARY OF AUDITORS' RESULTS

| | |
|--|------------|
| 1. Type of independent auditors' report | Unmodified |
| 2. Internal control over financial reporting | |
| a. Material weakness identified | No |
| b. Significant deficiencies not considered to be material weaknesses | No |
| c. Noncompliance material to the financial statements noted | No |
| 3. Management letter | No |

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended December 31, 2016.

C. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS.

There were no findings related to compliance and other matters for the year ended December 31, 2016.

A. FINDINGS RELATED TO FINANCIAL STATEMENTS

Not applicable.

B. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS.

Not applicable.

C. MANAGEMENT LETTER

Not applicable.