

**GREATER BOSSIER ECONOMIC
DEVELOPMENT FOUNDATION
BOSSIER CITY, LOUISIANA
DECEMBER 31, 2010 AND 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/20/11

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

BOSSIER CITY, LOUISIANA

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AUDITED FINANCIAL STATEMENTS

HEARD, McELROY, & VESTAL

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CERTIFIED PUBLIC ACCOUNTANTS

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June 13, 2011

To the Board of Directors
Greater Bossier Economic Development Foundation
Bossier City, Louisiana

Independent Auditor's Report

We have audited the accompanying statements of financial position of the Greater Bossier Economic Development Foundation (a nonprofit organization) as of December 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the Greater Bossier Economic Development Foundation. 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Greater Bossier Economic Development Foundation as of December 31, 2010 and 2009, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 13, 2011, on our consideration of Greater Bossier Economic Development Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Heard, McElroy & Vestal, LLP

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GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2010 AND 2009

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
<u>Current assets:</u>		
Cash and cash equivalents	647,247	511,019
Investments-Note 3	<u>549,811</u>	<u>634,811</u>
Total current assets	1,197,058	1,145,830
<u>Property and equipment</u> , less accumulated depreciation of \$36,439 and \$29,546-Note 5	18,506	23,166
<u>Other assets:</u>		
Investment in Red River Bidco, Inc.	<u>100,000</u>	<u>100,000</u>
Total assets	<u>1,315,564</u>	<u>1,268,996</u>
<u>LIABILITIES</u>		
<u>Current liabilities:</u>		
Payroll taxes	<u>1,467</u>	<u>1,354</u>
Total liabilities	1,467	1,354
<u>NET ASSETS</u>		
<u>Net assets:</u>		
Unrestricted	<u>1,314,097</u>	<u>1,267,642</u>
Total liabilities and net assets	<u>1,315,564</u>	<u>1,268,996</u>

The accompanying notes are an integral part of the financial statements.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>Revenue and other support:</u>		
Dues	48,150	49,516
Riverboat revenue	447,848	474,587
Grant revenue	-	32,500
Special projects	21,000	6,000
Investment income	7,491	12,235
Miscellaneous income	<u>10,500</u>	<u>10,250</u>
Total revenue and other support	534,989	585,088
<u>Expenses:</u>		
Program services:		
Community support	187,100	279,150
Legislative expenses	6,000	6,000
Special projects	<u>9,251</u>	<u>10,327</u>
Total program services	202,351	295,477
Supporting services:		
Salaries and benefits	191,651	181,341
Professional services	17,286	9,328
Marketing	15,925	63,508
Newsletter and promotion	3,313	4,257
Rent-Note 6	14,940	14,940
Office operations	34,807	32,740
Depreciation	6,894	6,662
Other	<u>1,367</u>	<u>782</u>
Total supporting services	<u>286,183</u>	<u>313,558</u>
Total expenses	<u>488,534</u>	<u>609,035</u>
<u>Change in net assets</u>	46,455	(23,947)
<u>Net assets-beginning of year</u>	<u>1,267,642</u>	<u>1,291,589</u>
<u>Net assets-end of year</u>	<u>1,314,097</u>	<u>1,267,642</u>

The accompanying notes are an integral part of the financial statements.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>Cash flows from operating activities:</u>		
Change in net assets	46,455	(23,947)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	6,894	6,662
Changes in operating assets and liabilities:		
Decrease in receivables	-	32,194
Increase (decrease) in payables	<u>113</u>	<u>(3,681)</u>
Net cash provided by operating activities	53,462	11,228
<u>Cash flows from investing activities:</u>		
Proceeds from redemption of certificate of deposit	85,000	-
Purchase of fixed assets	<u>(2,234)</u>	<u>(1,388)</u>
Net cash provided (used) by investing activities	<u>82,766</u>	<u>(1,388)</u>
<u>Net increase in cash</u>	136,228	9,840
<u>Cash at beginning of year</u>	<u>511,019</u>	<u>501,179</u>
<u>Cash at end of year</u>	<u>647,247</u>	<u>511,019</u>

The accompanying notes are an integral part of the financial statements.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

1. Organization

The Greater Bossier Economic Development Foundation (the Foundation) is a Louisiana nonprofit corporation which has been in existence since 1979 as the economic development arm of the Bossier Chamber of Commerce. On April 13, 2005, the Foundation was incorporated and exempt under Section 501(c)(6) of the Internal Revenue Code and became its own independent nonprofit entity. The activities currently provided by the Foundation include providing leadership and excellence in economic development for Bossier City, Louisiana.

2. Summary of Significant Accounting Policies

The significant accounting policies followed by the Foundation and the methods of applying those policies which materially affect the determination of financial position, changes in financial position, or changes in net assets are summarized below:

Financial Statement Presentation:

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the governing board.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Board of Directors and/or the passage of time. There are no temporarily restricted net assets at December 31, 2010 and 2009.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. There are no permanently restricted net assets at December 31, 2010 and 2009.

Contributions:

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Promises to Give:

Contributions that are unrestricted by the donor are recognized when the contribution is received. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Estimates:

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

2. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents:

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of these financial instruments.

Income Taxes:

The Foundation is exempt from income taxes as an organization described in Section 501(c)(6) of the Internal Revenue Code. The Foundation has been classified as an organization that is not a private foundation under Section 509(a). Accordingly, there is no provision for income taxes in these financial statements, however, the Foundation is required to file an annual information tax return.

The Foundation is required to review various tax positions it has taken with respect to its exempt status and determining whether in fact it continues to qualify as a tax exempt entity. It must also consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. In addition, as a tax exempt entity, the Foundation must assess whether it has any tax positions associated with unrelated business income subject to income tax. The Foundation does not expect any of these tax positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the Foundation's accounting records.

The Foundation is required to file U.S. federal Form 990 for informational purposes. Its federal income tax returns for the tax years 2007 and beyond remain subject to examination by the Internal Revenue Service.

3. Investments

Investments consist of certificates of deposit as follows:

		<u>2010</u>	<u>2009</u>
Business First Bank	0.76% maturing February 2, 2011	100,000	100,000
Capital One	0.70% maturing June 27, 2010	-	85,000
Citizens Bank & Trust	0.75% maturing July 14, 2011	100,000	100,000
Gibsland Bank & Trust	1.69% maturing January 26, 2011	90,000	90,000
First National Bank of Benton	0.749% maturing February 14, 2011	85,000	85,000
Red River Bank	1.25% maturing July 19, 2011	85,000	85,000
Regions Bank	0.150% maturing August 4, 2011	<u>89,811</u>	<u>89,811</u>
		<u>549,811</u>	<u>634,811</u>

4. Concentrations of Credit Risks

The Foundation maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2010 and 2009, the Foundation's uninsured cash balances totaled \$-0- and \$-0-, respectively.

5. Fixed Assets

Fixed assets at December 31, 2010 and 2009 are summarized as follows:

	<u>2010</u>	<u>2009</u>
Leasehold improvements	13,139	13,139
Furniture and fixtures	11,836	10,862

5. Fixed Assets (Continued)

	<u>2010</u>	<u>2009</u>
Office equipment	<u>29,970</u>	<u>28,711</u>
	54,945	52,712
<u>Less</u> -accumulated depreciation	<u>36,439</u>	<u>29,546</u>
Book value of fixed assets	<u>18,506</u>	<u>23,166</u>

Depreciation expense was \$6,894 and \$6,662 for the years ended December 31, 2010 and 2009.

6. Operating Lease

The Foundation currently leases its present location from the Bossier Chamber of Commerce under a month-to-month lease. The expense incurred under this lease for the years ended December 31, 2010 and 2009 was \$14,940.

7. Retirement Plan

Prior to August 2007, the Foundation participated in a 401(k) retirement plan which was a part of the Bossier Chamber of Commerce plan.

Beginning in August 2007, the Foundation began a separate retirement plan of its own, a Simple IRA. Under this plan, employees may contribute up to 6% to the plan, and the Foundation may contribute up to 3%. The Foundation contributed \$4,406 and \$4,254 to the plan for the years ended December 31, 2010 and 2009, respectively.

8. Subsequent Events

The Foundation has evaluated subsequent events through June 13, 2011, the date which the financial statements were available to be issued. No reportable items were noted.

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June 13, 2011

The Board of Directors
Greater Bossier Economic Development Foundation
Bossier City, Louisiana

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 the financial statements of Greater Bossier Economic Development Foundation as of and for the year ended December 31, 2010, and have issued our report thereon dated June 13, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Greater Bossier Economic Development Foundation's internal control over financial reporting as a basis for designing our auditing procedures 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 Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Bossier Economic Development Foundation's financial statements are free of 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*.

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This report is intended solely for the information and use of the Board of Directors and Management of Greater Bossier Economic Development Foundation and is not intended to be and should not be used by anyone other than these specified parties.

Heard, McElroy & Vestal, LLP

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2010

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Greater Bossier Economic Development Foundation.
2. No material weaknesses relating to the audit of the basic financial statements are reported.
3. No instances of noncompliance material to the basic financial statements of Greater Bossier Economic Development Foundation were disclosed during the audit.
4. Greater Bossier Economic Development Foundation was not subject to a Federal Single Audit for the year ended December 31, 2010.

B. Findings - Financial Statement Audit

None

C. Findings and Questioned Costs - Major Federal Award Programs

Not applicable.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2010

There were no findings and questioned costs from the prior year.