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October 20, 2017

Board of Directors
Greater Lafayette Convention and Visitors Bureau, Inc.
d/b/a Visit Lafayette – West Lafayette
301 Frontage Road
Lafayette, IN 47905

We have reviewed the audit report prepared by Reed & Company, PC, for the period January 1, 2015 to December 31, 2015. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Greater Lafayette Convention and Visitors Bureau, Inc. d/b/a Visit Lafayette – West Lafayette, as of December 31, 2015, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

**Greater Lafayette Convention
and Visitors Bureau, Inc.
d/b/a Visit Lafayette - West Lafayette**
Audited Financial Statements
December 31, 2015 and 2014

**Greater Lafayette Convention and Visitors Bureau, Inc.
d/b/a Visit Lafayette - West Lafayette**

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Reed & Company, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Greater Lafayette Convention and Visitors Bureau, Inc.
Lafayette, Indiana

We have audited the accompanying financial statements of Greater Lafayette Convention and Visitors Bureau, Inc., d/b/a Visit Lafayette - West Lafayette (a nonprofit organization), which comprise the statements of assets and liabilities resulting from cash transactions as of December 31, 2015 and 2014, the related statements of cash receipts and disbursements and changes in net assets 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 the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 *Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources*, issued by the Indiana State Board of Accounts. 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 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 assets, liabilities, and net assets of Greater Lafayette Convention and Visitors Bureau, Inc., d/b/a Visit Lafayette - West Lafayette as of December 31, 2015 and 2014, and its receipts, disbursements, and changes in its net assets for the years then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Reed & Company, P.C.

Lafayette, Indiana
August 16, 2016

Greater Lafayette Convention and Visitors Bureau, Inc.
d/b/a Visit Lafayette - West Lafayette

Statements of Assets and Liabilities Resulting from Cash Transactions
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash	\$ <u>235,516</u>	\$ <u>261,840</u>
TOTAL ASSETS	\$ <u><u>235,516</u></u>	\$ <u><u>261,840</u></u>
LIABILITIES AND NET ASSETS		
Payroll and withholding taxes	\$ 254	\$ 163
Net assets, unrestricted	<u>235,262</u>	<u>261,677</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>235,516</u></u>	\$ <u><u>261,840</u></u>

See Accompanying Notes to Financial Statements

Greater Lafayette Convention and Visitors Bureau, Inc.

d/b/a Visit Lafayette - West Lafayette

Statements of Cash Receipts and Disbursements
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
RECEIPTS		
Tippecanoe County	\$ 825,000	\$ 878,000
Visitor Guide ad revenue	37,698	34,132
Interest	41	211
Total Receipts	<u>862,739</u>	<u>912,343</u>
DISBURSEMENTS		
Wages	284,543	260,286
Directors' per diem	4,200	4,305
Building rent	66,000	61,600
Utilities	8,748	8,398
Building and equipment maintenance	20,994	23,721
Postage	18,430	15,296
Travel	10,273	9,077
Telephone	6,976	6,433
Professional fees	4,700	4,500
Promotion, advertising, and printing	275,273	279,200
Research and education	2,718	5,558
Office and operating supplies	7,164	6,532
Dues and subscriptions	25,075	23,186
Payroll taxes	22,147	21,444
Retirement	15,450	13,015
Worker's compensation insurance	732	218
Group insurance	45,769	49,646
Equipment purchases	7,776	11,333
Auto expenses	7,992	8,041
Liability insurance	4,833	5,053
Property taxes	6,712	6,366
Grants	42,649	48,782
Total Disbursements	<u>889,154</u>	<u>871,990</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(26,415)	40,353
Cash Balance, Beginning of Year	261,840	222,149
Increase (decrease) in payroll and withholding taxes	<u>91</u>	<u>(662)</u>
Cash Balance, End of Year	<u>\$ 235,516</u>	<u>\$ 261,840</u>

See Accompanying Notes to Financial Statements

Greater Lafayette Convention and Visitors Bureau, Inc.
d/b/a Visit Lafayette - West Lafayette

Statements of Changes in Net Assets
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Net Assets, Beginning of Year	\$ 261,677	\$ 221,324
Excess (Deficiency) of Receipts Over Disbursements	<u>(26,415)</u>	<u>40,353</u>
Net Assets, End of Year	<u>\$ 235,262</u>	<u>\$ 261,677</u>

See Accompanying Notes to Financial Statements

Greater Lafayette Convention and Visitors Bureau, Inc.
d/b/a Visit Lafayette - West Lafayette

Notes to Financial Statements
December 31, 2015 and 2014

Note 1. Nature of Business and Significant Accounting Policies

Nature of Business

Greater Lafayette Convention and Visitors Bureau, Inc., d/b/a Visit Lafayette - West Lafayette markets and promotes the area as a visitor destination for conventions, meetings, leisure and sports travel, working collaboratively with other entities to enhance local economic development.

Basis of Accounting

The accompanying financial statements have been prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Under this basis, the only asset recognized is cash and no accruals or prepayments of income and expenses are reflected in the books of the Bureau. Accordingly, the financial statements are not intended to present the financial position and the results of operations in conformity with accounting principles generally accepted in the United States of America.

Concentrations of Risk

The Bureau is funded primarily by the Tippecanoe County Innkeeper's Tax, which may be impacted by the area's economic conditions and by changes in legislation.

The Bureau maintains its cash balance in a demand deposit account with a federally insured bank. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2015 and 2014, the Bureau's uninsured cash balance totaled \$15,504 and \$39,539, respectively.

Income Taxes

Greater Lafayette Convention and Visitors Bureau, Inc. is a not-for-profit organization incorporated under the laws of the State of Indiana and is exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code.

As of December 31, 2015, Greater Lafayette Convention and Visitors Bureau, Inc.'s exempt returns for the years ended December 31, 2012, December 31, 2013, and December 31, 2014 remain subject to examination by the Federal and Indiana tax authorities.

Date of Management Review

Management has evaluated subsequent events through August 16, 2016, the date on which the financial statements were available to be issued.

Greater Lafayette Convention and Visitors Bureau, Inc.
d/b/a Visit Lafayette - West Lafayette

Notes to Financial Statements
December 31, 2015 and 2014

Note 2. Leases

The Bureau leases office space under a ten-year lease extension through November 30, 2019. The rental rates are as follows: \$5,100 per month for December 1, 2009 through November 30, 2014 and \$5,500 per month for December 1, 2014 through November 30, 2019. The Bureau has the option to renew the lease for an additional five years following the extension.

The Bureau leased office equipment under an agreement that required minimum monthly payments of \$453 through January 2014, continuing on a month-to-month basis after the end date. In August 2014, the Bureau entered into a 60-month lease of office equipment requiring monthly base payments of \$199 through July 2019.

The Bureau leased a vehicle under a three-year operating lease at a rate of \$320 per month through September 2014. A new three-year vehicle operating lease began in October 2014 at a rate of \$408 per month through September 2017.

Total rental expense under these leases for the years ended December 31, 2015 and 2014 was \$73,258 and \$69,845, respectively.

The minimum future lease payments under these leases are as follows:

Years Ending December 31,		
2016	\$	73,291
2017		72,068
2018		68,400
2019		61,900
	\$	<u>275,659</u>

Note 3. Pension Plan

The Bureau maintains a pension plan covering all employees who are at least age 21 and have performed services for the Bureau during at least three of the immediately preceding five years. The Bureau contributes 6% of gross salaries to the plan for eligible employees. The pension costs for 2015 and 2014 were \$15,450 and \$13,015, respectively.

Note 4. Local Funding

The Bureau is funded by the Tippecanoe County Innkeeper's Tax under Indiana Code 6-9-7. The funding amount is based on an annual budget approved by the county council, and the funds are disbursed to the Bureau as requested. Funding for the years ended December 31, 2015 and 2014 was \$825,000 and \$878,000, respectively.