

RECEIVED
LEGISLATIVE AUDITOR
OCT 23 AM 8:59

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

CLAIBORNE ECONOMIC DEVELOPMENT BOARD

FINANCIAL REPORT

DECEMBER 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 4-5-00

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
For the year ended December 31, 1999

TABLE OF CONTENTS

	<u>Page</u>
TRANSMITTAL LETTER	1
AFFIDAVIT	2
ACCOUNTANTS' COMPILATION REPORT	3
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined Balance Sheet - All Fund Types and Account Groups as of December 31, 1999	4
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund Type - General Fund for the year ended December 31, 1999	5
Notes to Financial Statements	6
SUPPLEMENTARY INFORMATION SCHEDULES:	
Summary of Prior Year Findings	10
Corrective Action Plan for Current Year Findings	11

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
P.O. BOX 270 HOMER, LOUISIANA 71040 318-927-6166

ANNUAL FINANCIAL STATEMENTS

March 6, 2000

Office of Legislative Auditor
Attention: Ms. JoAnne Sanders
1600 North Third
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Ms. Sanders,

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Claiborne Economic Development Board as of and for the year ended December 31, 1999. The report includes all funds under the control and oversight of the board. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Administrative Director

Enclosure

JAMIESON, WISE & MARTIN

A PROFESSIONAL ACCOUNTING CORPORATION

601 MAIN STREET P. O. BOX 897
MINDEN, LOUISIANA 71058-0897
(318) 377-3171

FAX (318) 377-3177
E-MAIL JWM@CWIDE.NET

MICHAEL W. WISE, C.P.A.
CARLOS E. MARTIN, C.P.A.
DAVID W. TINSLEY, C.P.A.

KRISTINE J. HARPER, C.P.A.
M. KENT CRAFT, C.P.A.

WM. PEARCE JAMIESON, C.P.A. (1991)

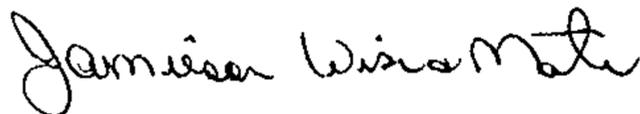
MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Accountants' Compilation Report

Board of Directors
Claiborne Economic Development Board

We have compiled the accompanying general purpose financial statements of the Claiborne Economic Development Board, as of and for the year ended December 31, 1999, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management of the Claiborne Economic Development Board. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



March 6, 2000
Minden, LA

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
 Combined Balance Sheet - All Fund Types and Account Groups
 December 31, 1999

	Governmental Fund Type	Account Groups		Total (Memorandum Only)
	General Fund	General Fixed Assets	General Long-Term Debt	
ASSETS				
Cash in bank	\$ 15,298	-	-	15,298
Certificates of deposit	36,000	-	-	36,000
Land and video	-	58,977	-	58,977
Amount to be provided from general fund	-	-	13,643	13,643
Total assets	\$ 51,298	58,977	13,643	123,918
LIABILITIES AND FUND EQUITY				
Liabilities:				
Notes payable	\$ -	-	13,643	13,643
Total liabilities	-	-	13,643	13,643
Fund equity:				
Investment in general fixed assets	-	58,977	-	58,977
Fund balance-				
Unreserved - undesignated	51,298	-	-	51,298
Total fund equity	51,298	58,977	-	110,275
Total liabilities and fund equity	\$ 51,298	58,977	13,643	123,918

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

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
Governmental Fund Type - General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the year ended December 31, 1999
With Comparative Totals for December 31, 1998

	General	Totals	
	Fund	(Memorandum Only)	
		1999	1998
Revenues:			
Interest revenue	\$ 1,415	1,415	3,687
Intergovernmental - donations	5,000	5,000	8,000
Miscellaneous revenue	-	-	40
Total revenue	<u>6,415</u>	<u>6,415</u>	<u>11,727</u>
Expenditures:			
General government:			
Salaries and payroll tax expense	51	51	398
Office expense	73	73	65
Promotional costs	5,756	5,756	9,000
Professional fees	200	200	170
Debt service:			
Principal payments	16,231	16,231	15,029
Interest expense	<u>1,973</u>	<u>1,973</u>	<u>1,471</u>
Total expenditures	<u>24,284</u>	<u>24,284</u>	<u>26,133</u>
(Deficiency) of revenues over expenditures	(17,869)	(17,869)	(14,406)
Fund balance at beginning of year	<u>69,167</u>	<u>69,167</u>	<u>83,573</u>
Fund balance at end of year	<u>\$ 51,298</u>	<u>51,298</u>	<u>69,167</u>

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

CLAIBORNE ECONOMIC DEVELOPMENT BOARD

Notes to Financial Statements

As of and for the year ended December 31, 1999

1. Summary of significant accounting policies

The Claiborne Economic Development Board is a corporation organized on September 13, 1971, under the Louisiana Revised Statutes 12:201-269 and 51:1151-1165. The Board is organized for the purpose of promoting, stimulating, developing and advancing the business prosperity and economic welfare of the Parish of Claiborne and its citizens; to encourage and assist in the organization of new businesses or industries in said Parish and to rehabilitate and assist existing businesses or industries; and to stimulate and assist in the expansion of all kinds of business activities which will promote the business development in the Parish.

The Board is composed of a Board of Directors of not less than three (3) nor more than twelve (12) members, all of whom shall be duly qualified electors of and taxpayers in the Parish of Claiborne. The Directors shall be elected by the governing body of the Parish of Claiborne (the Claiborne Parish Police Jury), and they shall serve without compensation.

The following is a summary of certain significant accounting policies:

A. Reporting entity

The board is a component unit of the Claiborne Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the district because it appoints a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the Claiborne Economic Development Board and do not present information on the Claiborne Parish Police Jury, the general government services provided by the Police Jury, or the other governmental units that comprise the Claiborne Parish financial reporting entity.

B. Fund accounting

The Board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The Board's current operations require the use of only one governmental fund. The fund classification and a description of the existing fund type follows:

CLAIBORNE ECONOMIC DEVELOPMENT BOARD

Notes to Financial Statements

As of and for the year ended December 31, 1999

Governmental Funds - Governmental funds are used to account for all or most of the Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt.

The Board's governmental fund includes:

1. General fund - the general operating fund of the Board and accounts for all financial resources, except those required to be accounting for in other funds. The Board's primary sources of revenue are interest on certificates of deposit and donations from businesses in Claiborne Parish. General operating expenditures are paid from this fund.

C. Fixed assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the general fund. All purchased general fixed assets are valued at cost. No depreciation has been provided on general fixed assets. The Board currently only has land and a video of the Parish of Claiborne in its general fixed assets account group.

D. Basis of accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. *All governmental funds are accounted for using a current financial resources measurement focus.* With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (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 be used to pay liabilities of the current period. The Board used the following practices in recording revenues and expenditures:

Revenues - Interest income on certificates of deposit is recorded monthly when earned.

Donations are recorded when received by the Board.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
Notes to Financial Statements
As of and for the year ended December 31, 1999

E. Cash

Cash includes amounts in demand deposits. Cash equivalents include amounts in certificates of deposits. Under state law, the Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Board may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 1999, the Board had cash and cash equivalents totaling \$51,298. 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 at least equal the amount on deposit with the fiscal agent. All cash balances at December 31, 1999, were secured by federal deposit insurance.

F. Vacation and sick leave

The Board has only one part-time employee and has not adopted a formal vacation and sick leave policy.

G. Total column on combined statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to consolidation.

2. General fixed assets

The following details general fixed assets of the Board at December 31, 1999:

Land	\$56,260
Video	<u>2,717</u>
Total	<u>\$58,977</u>

There were no changes in general fixed assets for the year ended December 31, 1999.

3. Pension plan

The Board's part-time employee participates in the federal social security program. The Board is required to remit to the Social Security Administration an amount equal to the employee's contribution.

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
Notes to Financial Statements
As of and for the year ended December 31, 1999

4. Notes receivable

The Claiborne Economic Development Board purchased a piece of property and made improvements to the property. In connection with the purchase and improvements of the property, the Board incurred debt in the amount of \$60,085 with Planter's Bank & Trust. The Board sold the property to Superior Foods. During the year ended December 31, 1996, the Board issued a notes receivable for \$53,779 to Superior Foods for the purchase amount of the property. The note was issued at 7.5% interest for forty months requiring monthly payments of \$1,500. For the year ended December 31, 1999, the notes receivable was paid in full.

5. Litigation and claims

The Board was not involved in any litigation at December 31, 1999, nor is it aware of any unasserted claims.

6. Notes Payable

For the year ended December 31, 1999, the Claiborne Economic Development Board had a note payable with Hibernia Bank with a principal balance outstanding of \$13,643. This note has an interest rate of 6% and requires monthly payments of \$1,421.

The annual requirements to amortize debt outstanding as of December 31, 1999 including interest payments of \$374 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 13,643	374	14,017

7. Board of Directors

The following serve as members of the Board of Directors of the Claiborne Economic Development Board with no payment for their services for the year ended December 31, 1999:

J.T. Taylor	President	Tom Crocker	Director
George Emerson	Vice-President	David Aubrey	Director
Bryant Lewis	Secretary-Treasurer	Terry Tuggle	Director
Gordon Simmons	Director		

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
Schedule of Prior Year Findings
As of and for the year ended December 31, 1999

For the prior year ended December 31, 1998, there were no findings that were required to be reported.

CLAIBORNE ECONOMIC DEVELOPMENT BOARD
Corrective Action Plan for Current Year Findings
As of and for the year ended December 31, 1999

There were no findings required to be reported for the year ended December 31, 1999.