

This report is intended solely for the use of management of the Industrial Development Board of the City of Jennings, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Krislow, Gallegos & Co.

Jennings, Louisiana
November 8, 1987

Minutage

9. Examine evidence indicating that agendas for meetings recorded in the minutes book were posted or advertised as required by USA-RS 42:1 through 42:12 (the open meetings law).

Upon examination of the minutes book, no official agenda could be found to be recorded. The Industrial Development Board does not advertise or post its meetings or agendas pursuant to USA-RS 42:7.

Client Response:

We agree that we are not in compliance with USA-RS 42:7. To comply, we will give written public notice of any regular, special, or rescheduled meeting no later than twenty-four hours before the meeting. This public notice shall include the agenda, date, time, and place of the meeting. Since the Industrial Development Board does not have an established office location, the notice will be posted at the building in which the meeting will be held. Also, we shall mail a copy of the notice to any member of the news media who requests notice of such meetings. Finally, an official agenda of each meeting will be prepared to be included in the minutes book.

Debit

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the Industrial Development Board for the year indicated no approval for these type of payments.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

The adoption of the budget could not be traced to the minutes of any meeting.

Client Response:

We agree that we are not in compliance with ISA-RS 39-1308. The president of the Board indicated that the budget was adopted at the meeting on October 10, 1996. However, it was inadvertently omitted from the minutes of this meeting.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. The General Fund expenditures total exceeded the appropriation by \$64,033 or 11.7%. However, there was a favorable excess of revenues over budgeted amounts amounting to \$65,900 or 21.7%. This favorable excess helped mitigate the ending deficit amount to the fund balance in the amount of \$128.

Client Response:

We agree that we are not in compliance with ISA-RS 39-1309. We will make periodic budget comparisons during the year and make necessary amendments to the budget when so deemed.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that the payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account, and

All of the payments examined were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the President of the Industrial Development Board, Gregory N. Marcontel.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Industrial Development Board of the
City of Jennings, Inc.
Jennings, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Industrial Development Board of the City of Jennings, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Industrial Development Board's compliance with certain laws and regulations during the year ended June 30, 1993 included in the accompanying Louisiana Auditors' Certificate. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been prepared or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$90,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

We examined the Industrial Development Board's expenditures during the year and found none for material and supplies which exceeded \$5,000 or any for public works which exceeded \$90,000.

Code of Ethics for Public Officers and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1181-1124 (the code of ethics), and a list of outside business interests of all board members and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list, including the needed information.

3. Obtain from management a listing of all employees paid during the period under examination.

The Board has no employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The Board has no employees; therefore this determination is not applicable.

ADDITIONAL REPORTS

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNING, LA.
Jenning, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1997

7. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The General Fund expenditures total exceed the appropriations by \$64,601. This was covered by favorable excess of revenues over budgeted amounts amounting to \$63,900.

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNING, INC.
Jenning, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 1997**

Interest bearing demand deposits	\$ 8,746
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These deposits are stated at cost, which approximates market. Under state law, these deposits (on 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 equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 1997, are secured as follows:

Bank Balance	\$ 8,746
Insured (FDIC)	\$ 8,746

3. RESTRICTED ASSETS

At June 30, 1997, the Board had \$4,266 of cash restricted for future building facility rehabilitation grants. The funds were received as donations but were not expended at June 30, 1997. Accordingly, fund balance has been reserved for \$4,266.

4. CHANGES IN GENERAL FUND ASSETS

A summary of changes in general fund assets follows:

	<u>Balance At</u> <u>7-1-96</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Adjustments</u>	<u>Balance At</u> <u>6-30-97</u>
Improvements	\$ 183,823	\$ 100,218	\$ -0-	(\$ 46,611)	\$ 337,430
Equipment	7,032	-0-	-0-	-0-	7,032
Buildings	<u>55,271</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>55,271</u>
Total	<u>\$ 246,126</u>	<u>\$ 100,218</u>	<u>\$ -0-</u>	<u>(\$ 46,611)</u>	<u>\$ 309,733</u>

5. COMPENSATION PAID TO BOARD MEMBERS

The Board paid no compensation to board members for the year ended June 30, 1997.

6. LITIGATION

At June 30, 1997, the Board was not involved in any litigation.

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNINGS, INC.
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 1997**

Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unamortized interest on general long-term debt, which is recognized when due.

I. BUDGETARY PRACTICES

The Board utilized the following budgetary practices:

For the year ended June 30, 1997, the Board adopted a budget for the general fund on a basis consistent with generally accepted accounting principles (GAAP). Periodic budget comparisons were made during the year and amendments were made when deemed necessary. All budgetary appropriations lapse at the end of each fiscal year. Formal encumbrance accounting is not utilized by the Board.

The Board did not make any amendments to its budget included in this report.

F. PERSONNEL POLICIES

The Board has no employees and accordingly has no personnel policies.

G. TOTAL COLUMNS 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, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

II. ENCUMBRANCES

The Board does not utilize encumbrance accounting.

3. CASH AND CASH EQUIVALENTS

Pursuant to State law the Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks registered under the laws of Louisiana and National Banks having principal offices in the State. Investments may include instruments or obligations issued by the United States Government or its agencies, time certificates of deposit of certain banks, or any other federally insured investment. At June 30, 1997, the Board has cash and cash equivalents (restricted and unrestricted) totaling \$8,746, as follows:

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNINGS, INC.
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 1997**

Because the Industrial Development Board is locally dependent on the City of Jennings, the Board was determined to be a component unit of the City of Jennings, the governing body with the oversight responsibility. The accompanying financial statements present information only on the funds maintained by the Board and do not present information of the City of Jennings, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

C. FUND ACCOUNTING

The accounts of the Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, as appropriate. Revenues are accounted for in those individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. 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 funds and account groups presented in the financial statements are grouped into generic fund types and broad fund categories as follows:

GOVERNMENTAL FUNDS

General Fund-The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in other funds.

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 governmental funds. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

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 are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental fund used the following practices in recording revenues and expenditures:

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNINGS, INC.
Jennings, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 1997**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Industrial Development Board of the City of Jennings, Inc. (the Board) was incorporated May 30, 1990, and is a quasi-public corporation. A quasi-public corporation is a corporation created specifically to assist government in providing public services via public funds flowing through the corporation. The Board was created and authorized by state statute to provide on-going public services of economic development in and around the City of Jennings. As such, it is controlled by the creating state statutes and subject to the general laws of the state, as well as the grant and contract provisions of its funding agencies. In general it is subject to the same laws and constraints as its public agency counterparts. The Board is governed by a Board of Directors who are appointed by the City Council of the City of Jennings to varying terms. No compensation is paid to the Board members. The following is a summary of the more significant policies.

A. BASIS OF PRESENTATION

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is the financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the City to impose its will on the organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organization for which the City does not appoint a voting majority but are locally dependent on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

BOARD OF GOVERNMENT MANAGERS CITY OF BOSTON, INC.
 (INCORPORATED, MASSACHUSETTS)

GENERAL FUND
 STATEMENT OF REVENUES, EXPENSES, RES.
 AND RESERVE BALANCES BY FUND AND FUND ITEM
 FOR THE FISCAL YEAR ENDED 1977

	1976-77		1977-78	
	AMOUNT	PERCENT	AMOUNT	PERCENT
REVENUES				
General				
Total entries independently				
Interest income	\$	0	\$	96
Other business revenue				
Fees of banking facilities	6,600	66.00	0	0
Fees/charges	0	0	0	0
General Finance operations/charges	0	0.00	0	0
Finance trust activities	0	0.00	0	0
Other activities	0	0.01	0	0
Charges	0	0	0	0
Arrears/Shell Island fund	0	0.00	0	0
Waiver grant	0	0.00	0	0
Other program revenues	0	0	0	0
Funds/Single fund activities/transfer into	0	0.00	0	0.00
Total Revenues	\$	6,600	\$	96.00
Expenses				
Operating activities				
Materials and supplies	\$	0	\$	0.00
Travel and other charges	0	0.00	0	0.00
Advertising, stock subscriptions	1,000	10.00	0	0.00
Other expenses:				
Auditors	0	0.00	0	0.00
Contract labor	1,000	10.00	0	0.00
Communications, postage	1,000	10.00	0	0.00
Fuels/light expenses	0	0.00	0	0.00
Miscellaneous	400	4.00	0	0.00
Repairs and maintenance	0	0.00	0	0.00
Charges				
Funds/Shell Island grant	0	0.00	0	0.00
Arrears/Shell Island	0	0.00	0	0.00
Capital outlay				
Special fund project	1,000	10.00	0	0.00
Special Finance investments	0	0.00	0	0.00
Total Expenses	\$	3,400	\$	34.00
Income of operations (net revenue)	\$	3,200	\$	62.00
Fund balance, beginning of year	3,000		3,000	
Fund balance, end of year	\$	6,200	\$	62.00

PLANNING, DEVELOPMENT BOARD OF THE CITY OF BIRMINGHAM, AL.
 BIRMINGHAM, ALABAMA

GENERAL FUND
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND BALANCE,
 FOR THE YEAR ENDING JUNE 30, 2007

REVENUES

Use of money and property:

Interest income

\$ 50

Miscellaneous revenues:

City of Arapahoe transfer

30,000

Donations:

David Thomas construction donations

49,000

Thomas bank donations

6,700

Other donations

1,800

Grants:

Antique Mall Model Fund

100

Building grant

1,000

Other program revenues:

Copy/Right technical assistance rates

2,750

Total Revenues

\$ 45,000

EXPENSES

Operating services:

Materials and supplies

\$ 80

Taxes and other charges

1,000

Advertising, dues & subscription

700

Other expenses:

Bank fees

100

Contract Labor

3,000

Copy/Right expenses

2,000

Miscellaneous

1,000

Repairs and maintenance

300

Grants:

Private institutions grants

200

Antique Mall (State)

1,200

Capital outlay:

Thomas bank project

1,500

David Thomas construction

60,200

Total Expenditures

\$ 68,000

Decrease in unexpended mon. resources

\$ (23,000)

Fund balance, beginning of year

30,000

Fund balance, end of year

\$ 7,000

**REGIONAL DEVELOPMENT BOARD - THE CITY OF HUNTSVILLE,
ALABAMA, LOUISIANA**

**CURRENT BALANCE SHEET
ALL FUND TYPES AND ACCOUNTS GROUPS
JUNE 30, 1997**

	GOVERNMENTAL FUNDS		ACCIDENT		TOTAL	
	GENERAL FUND	FUND 1	GENERAL FUND	FUND 1		
<u>ASSETS</u>						
Cash & cash equivalents	\$	6,680	\$	0	\$	6,680
Investment assets:						
Funds in bank		4,266		0		4,266
Property, plant and equipment		0		200,734		200,734
Other assets		200		0		200
TOTAL ASSETS	\$	7,146	\$	200,734	\$	211,680

LIABILITIES AND FUND BALANCE

Liabilities						
Accounts Payable	\$	6,679	\$	0	\$	6,679
Fund Balances						
Reserves in general fund assets		0		200,734		200,734
Reserved for flood rehabilitation program		4,266		0		4,266
Reserved for flood bank program		0		0		0
Unreserved undesignated		2,600		0		2,600
Total Fund Balances	\$	7,087	\$	200,734	\$	208,621
TOTAL LIABILITIES AND FUND BALANCE	\$	13,765	\$	200,734	\$	211,680

KRIZLOW, GILLESPIE & CO.

A CORPORATION OF THE STATE OF MISSISSIPPI

MEMPHIS, TENNESSEE

P. O. BOX 100000

MEMPHIS, TENNESSEE 38101

REGISTERED

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Industrial Development Board of the
City of Jennings, Inc.
Jennings, Louisiana

We have compiled the accompanying companies unit financial statements of the Industrial Development Board of the City of Jennings, Inc., as of June 30, 1993, and for the year then ended, 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. We have not audited or reviewed the accompanying companies unit statements, and, accordingly, do not express an opinion or any other form of assurance on them.

Krizlow, Gillespie & Co.

Jennings, Louisiana
November 6, 1993

INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNINGS, INC.
JENNINGS, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS
JUNE 30, 1997

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**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF JENNINGS, INC.
Jennings, Louisiana**

**Component Unit Financial Statements
June 30, 1987**

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 MAY 04 1988

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