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**BROUSSARD ECONOMIC DEVELOPMENT CORPORATION**

Financial Report

June 30, 1998

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 OCT 7 1998

EUGENE E. CHIARULLI, JR.  
*Certified Public Accountant  
Lafayette, Louisiana*

**BROUSSARD ECONOMIC DEVELOPMENT AUTHORITY**  
**Broussard, Louisiana**

**ANNUAL SWORN FINANCIAL STATEMENTS AND  
CERTIFICATION OF REVENUES \$50,000 OR LESS (if applicable)**

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Office of Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513 (1)(1)(c)(i).

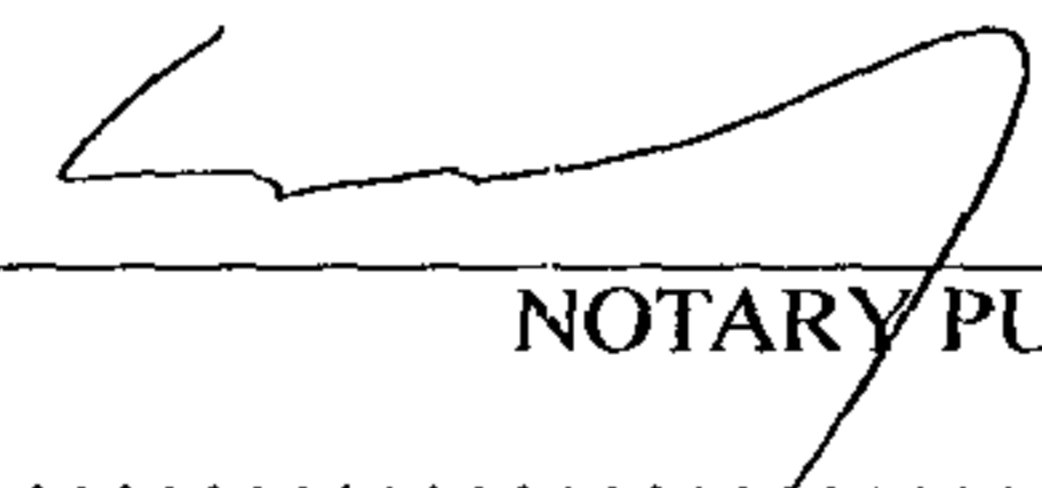
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Personally came and appeared before the undersigned authority, Larry Larriviere, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Broussard Economic Development Authority as of June 30, 1998, and the result of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Larry Larriviere, who duly sworn, deposes and says that the Broussard Economic Development Authority received \$50,000 or less in revenues and other sources for the fiscal year ending June 30, 1998, and accordingly, is not required to have an audit for the previously mentioned fiscal year end.

  
\_\_\_\_\_  
Signature

Sworn to and subscribed before me this 18<sup>th</sup> day of Sept., 1998.

  
\_\_\_\_\_  
NOTARY PUBLIC

\*\*\*\*\*

Officer	<u>Larry Larriviere, Treasurer</u>
Address	<u>522 West Main St.</u> <u>Broussard, LA 70518</u>
Telephone	<u>(318) 837-6854</u>

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EUGENE E. CHIARULLI, JR.

CERTIFIED PUBLIC ACCOUNTANT

212 HEYMANN BLVD.  
LAFAYETTE, LA 70503

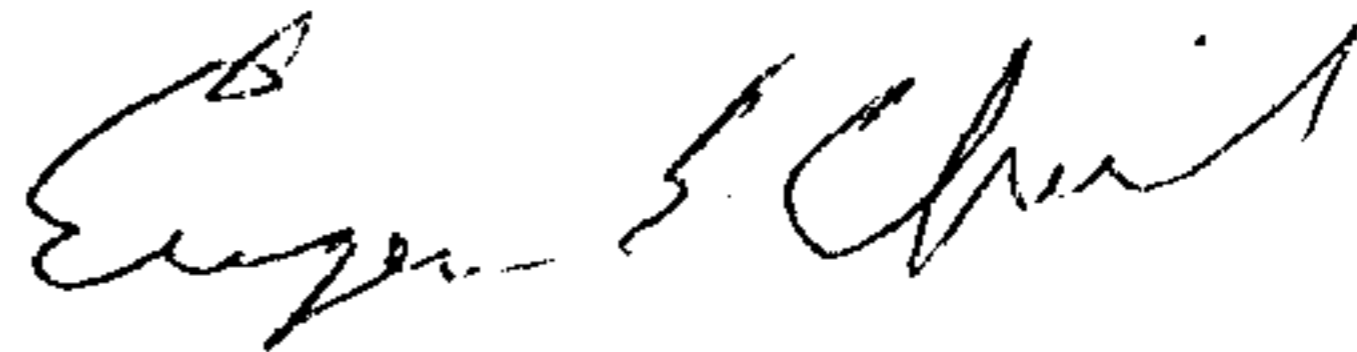
(318) 233-2802

## ACCOUNTANT'S COMPILATION REPORT

The Broussard Economic  
Development Corporation  
Broussard, Louisiana

I have compiled the accompanying general purpose financial statements of the Broussard Economic Development Corporation, a component unit of the Town of Broussard, Louisiana, as of and for the year ended June 30, 1998 as listed in the table of contents, 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. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



September 14, 1998

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1998

	<u>General Fund</u>	<u>General Fixed Assets Account Group</u>	<u>Total (Memorandum Only)</u>
<b>ASSETS</b>			
Cash	20,326	-	20,326
Equipment	-	4,996	4,996
<b>Total assets</b>	<u>20,326</u>	<u>4,996</u>	<u>25,322</u>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
	-	-	-
<b>Total liabilities</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund equity:			
Investment in general fixed assets	-	4,996	4,996
Fund balance - Unreserved, undesignated	20,326	-	20,326
<b>Total fund equity</b>	<u>20,326</u>	<u>4,996</u>	<u>25,322</u>
<b>Total liabilities and fund equity</b>	<u>20,326</u>	<u>4,996</u>	<u>25,322</u>

See Notes to Financial Statements.

**BROUSSARD ECONOMIC DEVELOPMENT CORPORATION**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND  
Year Ended June 30, 1998**

	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>			
	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<b>Total revenues</b>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<b>Expenditures:</b>			
Professional services	1,000	500	500
Office and administrative	200	67	133
Economic Development	<u>1,500</u>	<u>5,177</u>	<u>(3,677)</u>
<b>Total expenditures</b>	<u>2,700</u>	<u>5,744</u>	<u>(3,044)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	2,300	(5,744)	(8,044)
<b>Fund balance, beginning</b>	<u>26,070</u>	<u>26,070</u>	<u>-</u>
<b>Fund balance, ending</b>	<u>28,370</u>	<u>20,326</u>	<u>(8,044)</u>

See Notes to Financial Statements.

BROUSSARD ECONOMIC DEVELOPMENT CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1998

## INTRODUCTION

The Broussard Economic Development Corporation, (the Corporation) was incorporated on November 20, 1992 under the provisions Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950 as amended. The Corporation's members are comprised of the Mayor and aldermen of the Town of Broussard, and the members of the Team City Economic Development Committee of said town. Directors of the Corporation are elected by the members, number from three to nine, serve three year staggered terms and received no compensation. Officers of the Corporation are elected by the directors, and must be directors. The Corporation pursues economic development in and around the Town of Broussard. Through June 30, 1998, the Corporation had no employees.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the Town of Broussard is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.

2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent of the municipality.
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.

The Corporation has been determined to be a component unit of the Town of Broussard because the Town appoints a voting majority of the Corporation's governing body and has the ability to impose its will on the organization.

## B. FUND ACCOUNTING

The Corporation 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 relating 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 Corporation utilizes one governmental fund type, the general fund which accounts for all financial resources, except those required to be accounted for in other funds.

## C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Grants from other governments are recognized when qualifying expenditures are incurred.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.



#### D. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund is determined by its measurement focus.

All governmental funds are accounted for on a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. All fixed assets are stated at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

The Corporation had no long-term liabilities during the period from inception through June 30, 1998.

#### E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Corporation as an extension of formal budgetary integration in the funds.

#### F. CAPITALIZATION OF INTEREST EXPENSE

It is the policy of the corporation to capitalize material amounts of interest resulting from borrowing in the course of the construction of fixed assets. For the period ended June 30, 1998, no interest expense was incurred or capitalized.

#### G. TOTAL COLUMNS ON COMBINED STATEMENTS--OVERVIEW

Total columns on the Combined Statements-Overview 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 a consolidation. Interfund eliminations have not been made in the aggregation of this data.

## H. DOLLAR SIGNS

All numeric data in the financial statements and accompanying notes are presented in U.S. dollars. Dollar signs have been omitted.

## 2. DEPOSITS WITH FINANCIAL INSTITUTIONS

Under state law, the Corporation may deposit funds with 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 Corporation may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1998, the Corporation had cash deposits (book balances) totaling \$20,326.

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, equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank or in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1998, bank balances were entirely secured by federal deposit insurance.

## 3. CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets, which is comprised of office equipment, follows:

Balance at June 30, 1997	4,996
Additions	-
Deletions	-
Balance at June 30, 1998	<u>4,996</u>

## 4. COMPENSATION OF DIRECTORS AND OFFICERS

The directors and officers of the Corporation receive no compensation for their services.