

**Alexandria Central Economic Development District
Alexandria, Louisiana**

Annual Financial Report

For the Year Ended December 31, 2003

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 9-1-04

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CERTIFIED PUBLIC ACCOUNTANTS

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June 28, 2004


Board of Directors
Alexandria Central Economic Development District
Alexandria, LA 71315

We have compiled the accompanying balance sheet of the Alexandria Central Economic Development District as of December 31, 2003, and the related statement of revenues, expenditures, and changes in fund balance for the year then ended, and the accompanying supplementary information contained in the Schedule of Per Diem paid to board members, which is presented only for supplementary analysis purposes, 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 and supplementary schedules information that is the representation of management of the Alexandria Central Economic Development District. We have not audited or reviewed the accompanying financial statements and supplementary schedules and accordingly, do not express an opinion or any other form of assurance on them. However, we did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

Required budget comparison of the Alexandria Central Economic Development District has been omitted from the accompanying financial statements. Budget comparison has been omitted due to the fact that the District did not adopt a budget for the year ended December 31, 2003.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a reported dated June 28, 2004, on the results of our agreed-upon procedures.



ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

Alexandria Central Economic Development District
Alexandria, Louisiana

Combined Balance Sheet
All Fund Types and Account Groups
December 31, 2003

	Governmental Fund Type	Account Group	Total
	General Fund	General Fixed Assets	(Memorandum Only)
Assets:			
Cash	\$ 41,295	\$ -	\$ 41,295
Property, plant, and equipment	-	-	-
Total Assets	<u>\$ 41,295</u>	<u>\$ -</u>	<u>\$ 41,295</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
Fund Balance:			
Investment in general fixed assets	-	-	-
Unreserved fund balance	41,295	-	41,295
Total Fund Balances	<u>41,295</u>	<u>-</u>	<u>41,295</u>
Total Liabilities and Fund Balance	<u>\$ 41,295</u>	<u>\$ -</u>	<u>\$ 41,295</u>

See Accountants' Compilation Report.

The notes to the financial statements are an integral part of this statement.

Alexandria Central Economic Development District
Alexandria, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance

All Governmental Fund Types

For the Year Ended December 31, 2003

	General Fund
<u>Revenues:</u>	
Grant revenues - local	\$ 65,002
Total revenues	<u>65,002</u>
 <u>Expenditures:</u>	
Advertising	140
Legal and professional	5,650
Office expense	102
Research	43,876
Travel	<u>1,386</u>
Total expenditures	<u>51,154</u>
 Excess (deficiency) of revenues over expenditures	13,848
 Fund balance - beginning of year	<u>27,447</u>
 Fund balance - end of year	<u>\$ 41,295</u>

See Accountants' Compilation Report.

The notes to the financial statements are an integral part of this statement.

Alexandria Central Economic Development District
Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 2003

INTRODUCTION

The Alexandria Central Economic Development District, hereinafter referred to as the District, was created on December 6, 1999, and is governed by an eleven-member board of directors who are appointed by various agencies in Central Louisiana.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

A. Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with generally accepted accounting principles for 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

GASB Statement No. 14 has established standards for defining and reporting on the financial reporting entity. According to GASB Statement No. 14, a state may allow local governments to form regional governments or similar entities to provide goods or services to the citizens served by the local governments. When an arrangement of this type does not create an ongoing financial interest or responsibility for the participating governments, the newly formed entity is considered a jointly governed organization.

On December 6, 1999, the City of Alexandria and State of Louisiana formed the District to represent various agencies in Central Louisiana to promote economic development in Central Louisiana. Since the City of Alexandria does not have an ongoing financial interest or responsibility in the District's operations, the District is a jointly governed organization. The District's status as a jointly governed organization enables it to issue financial statements separate from those of the participating government.

The accompanying financial statements of the District present the financial position of the governmental fund type and account groups, and the results of operations of those funds.

C. Fund Accounting

The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditures. The general fund

Alexandria Central Economic Development District

Notes to Financial Statements

is the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.

D. Cash and Cash Equivalents

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments.

E. General 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 governmental fund (General Fund). No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost including interest. At December 31, 2003, there were no material assets in this account group.

F. Basis of Accounting

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

The governmental fund type is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available.

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

G. Total Column on Statement

The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles; neither is such data comparable to a consolidation.

NOTE 2 – CASH

Deposits are stated at cost, which approximates market. Under state law, these deposits 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.

Alexandria Central Economic Development District

Notes to Financial Statements

At December 31, 2003, only one bank account is maintained and utilized by the District for all receipts and disbursements. Bank deposits were fully covered by Federal Deposit Insurance.

NOTE 3 – BOARD OF DIRECTORS

Each of the Board of Directors served without compensation for the year ended December 31, 2003.

NOTE 4 – RESEARCH EXPENSES

During 2003, the District spent \$43,876 in research expenses. These expenses were paid to a research company to prepare a plan for the redevelopment of the central business district of the City of Alexandria on behalf of the District for its use and/or submittal to the governing authority of the City of Alexandria. The master plan will have as its primary focus the creation and development of an area of the central business district dedicated to the location of public and private business entities.

**Alexandria Central Economic Development District
Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 2003**

For the year ended December 31, 2003, there were no payments made to members of the governing board of the Alexandria Central Economic Development District.

ROZIER, HARRINGTON & MCKAY

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June 28, 2004

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Alexandria Central Economic Development District
Alexandria, 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 Alexandria Central Economic Development District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Alexandria Central Economic Development District's compliance with certain laws and regulations during the year ended December 31, 2003, included in the accompanying *Louisiana Attestation Questionnaire*. 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 representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

1. Select all expenditures made during the year for materials and supplies exceeding \$7,500, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures meeting the scope of the public bid law as described above.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), 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 noted information.

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

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Alexandria Central Economic Development District
June 28, 2004

Management indicated that they had no employees during the period of examination. We reviewed the cash disbursement journal, which supported this assertion.

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.

As stated in the note above, there were no employees paid in the period of examination.

BUDGETING

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

Finding 2003-1

Management could not provide us with this document because the Board did not adopt a budget for the year under examination.

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

We were unable to perform this procedure because the Board did not adopt a budget for the year under examination.

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

We were unable to perform this procedure because the Board did not adopt a budget for the year under examination.

ACCOUNTING AND REPORTING

8. Randomly select six 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 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 were properly coded to the correct fund and general ledger account.

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

Alexandria Central Economic Development District
June 28, 2004

Inspection of documentation supporting each of the six selected disbursements indicated that each check was signed by authorized personnel. No further approval necessary.

MEETINGS

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

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting facility. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

DEBT

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 bank 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.

We read minutes, made inquiries of management, and inspected the cash disbursement journal for the year under examination and noted no instances, which indicated payment of any bonuses, advances, or gifts.

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.

This report is intended solely for the use of management of the Alexandria Central Economic Development District 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.



ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

Alexandria Central Economic Development District

Schedule of Prior Year Findings For the Year Ended December 31, 2003

SECTION I Compilation Report	
N/A - No findings of this nature were reported	<u>Response</u> – Not applicable.
SECTION II Attestation Report	
N/A - No findings of this nature were reported	<u>Response</u> – Not applicable.
SECTION III Management Letter	
N/A - No findings of this nature were reported	<u>Response</u> – Not applicable.

Alexandria Central Economic Development District

Management's Corrective Action Plan For the Year Ended December 31, 2003

SECTION I Compilation Report	
N/A - No findings of this nature were reported	<u>Response</u> – Not applicable.
SECTION II Attestation Report	
<u>Finding 2003-1:</u> Management could not provide us with a budget because the Board did not adopt one for the year under examination.	<u>Response 2003-1:</u> We have reviewed the requirements of the Local Government Budget Act. Prior to our review, we were not aware that the act applied to us. We will adopt a 2004 budget at our July meeting and future budgets will be adopted prior to the beginning of the fiscal year.
SECTION III Management Letter	
N/A - No findings of this nature were reported	<u>Response</u> – Not applicable.

**Louisiana Attestation Questionnaire
For the Year Ended December 31, 2003**

APPENDIX

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

06/23/04 (Date Transmitted)

Rozier, Harrington & McKay
Post Office Box 12178
Alexandria, Louisiana 71315

In connection with your compilation of our financial statements as of **December 31, 2003** and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of the date transmitted as presented above.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes No

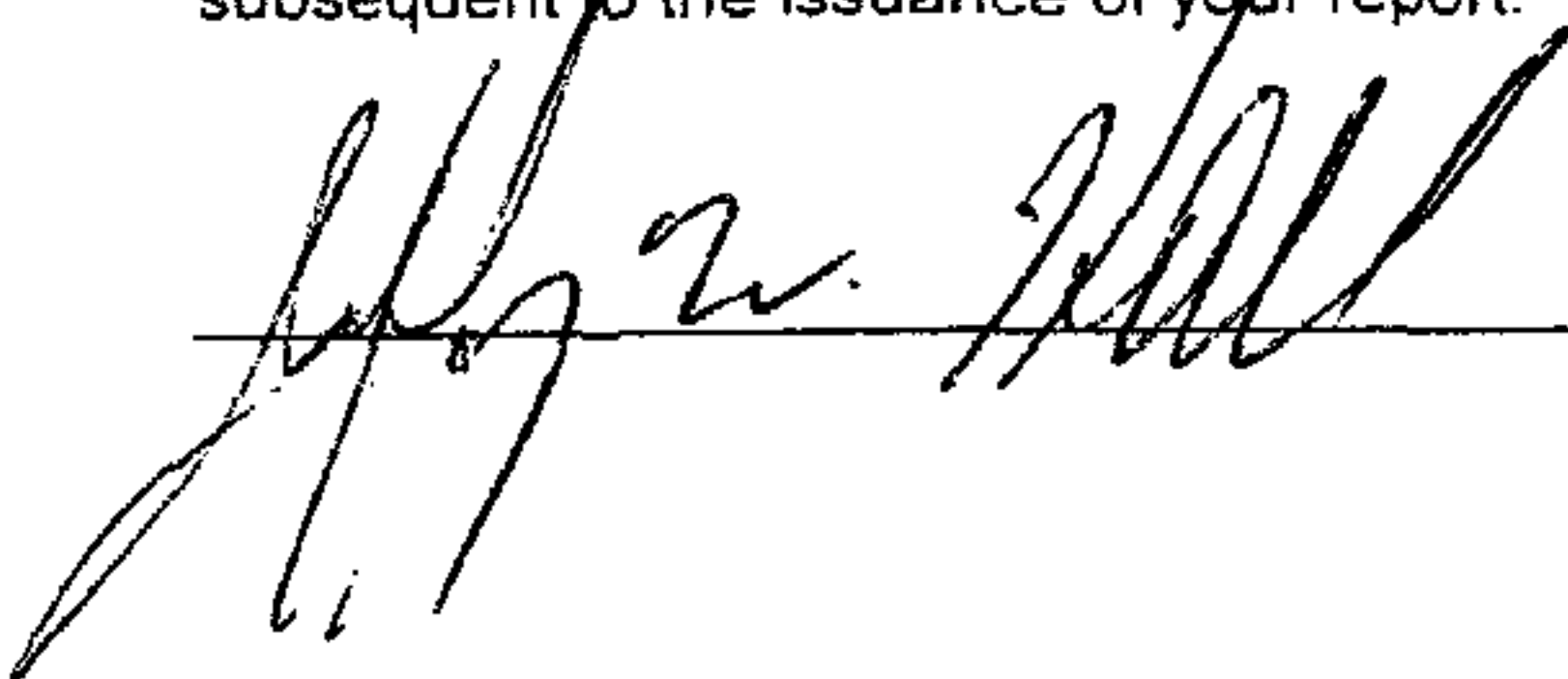
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance, which may occur subsequent to the issuance of your report.



President

6-28-04

Date

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June 30, 2004

To the Board of Directors
Alexandria Central Economic Development District
Alexandria, Louisiana 71315

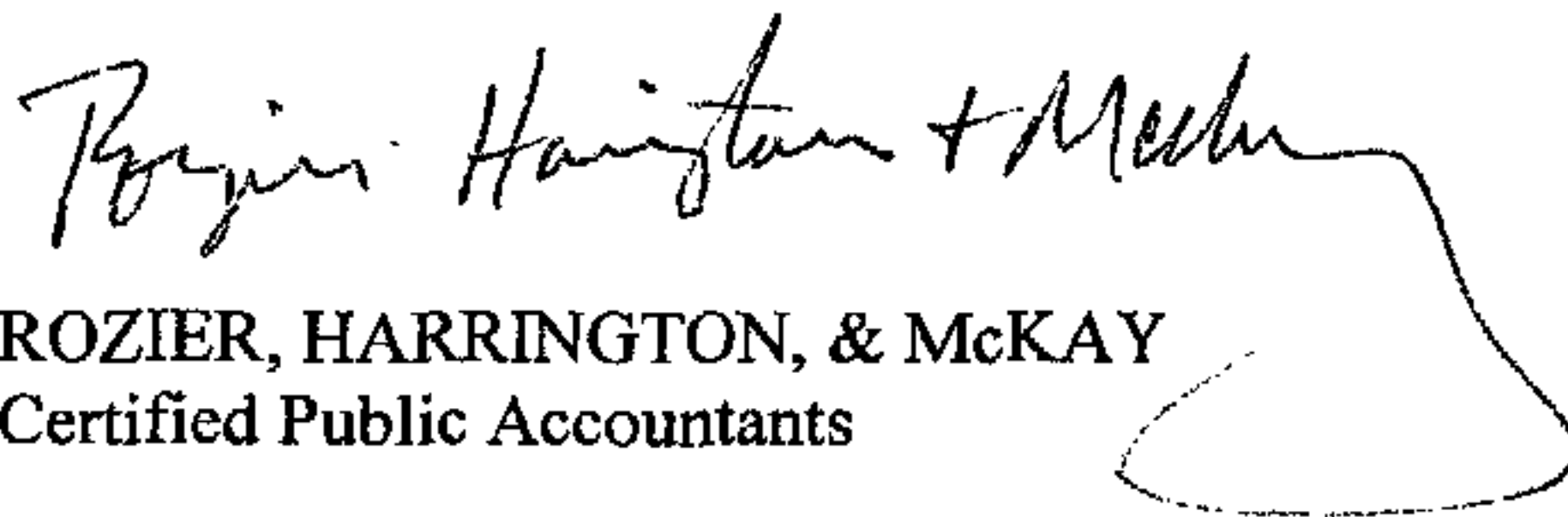
In performing procedures for the Alexandria Central Economic Development District for the year ended December 31, 2003, we became aware of a certain matter that needs to be brought to management's attention. This matter is described as follows:

Budget

The Alexandria Central Economic Development District did not adopt a budget for the year ended December 31, 2003.

We suggest that the Alexandria Central Economic Development District adopt a 2004 budget at their next monthly meeting. Also, future budgets will need to be adopted prior to the beginning of each fiscal year.

We will be available at your convenience to discuss our comments in greater detail. Our firm will also be available to assist in discussing this recommendation.


ROZIER, HARRINGTON, & McKAY
Certified Public Accountants

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