

**JEFFERSON PARISH ECONOMIC
DEVELOPMENT COMMISSION**

JEFFERSON PARISH, LOUISIANA

FINANCIAL REPORT

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 8/25/04

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**REBOWE & COMPANY*/HANFORD M. HARRISON (A Joint Venture)
CERTIFIED PUBLIC ACCOUNTANTS**

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Jefferson Parish Economic Development Commission
Metairie, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Parish Economic Development Commission ("JEDCO"), a component unit of Jefferson Parish, Louisiana, as of and for the year ended December 31, 2003, which collectively comprise JEDCO's basic financial statements as listed in the table of contents. These financial statements are the responsibility of JEDCO's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of JEDCO as of December 31, 2003 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2004, on our consideration of JEDCO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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The Management's Discussion and Analysis and budgetary comparison information on pages 3 through 10 and 35 through 39, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise JEDCO's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of JEDCO. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Rebowe & Company/Hanford M. Harrison

March 26, 2004

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

The Management's Discussion and Analysis (MD&A) of the Jefferson Parish Economic Development Commission's (JEDCO) financial performance provides an overall review and an objective, easily readable analysis of JEDCO's financial activities for the year ended December 31, 2003. The intent of MD&A is to review JEDCO's overall financial performance and to assist readers in assessing its financial position. Therefore, readers should read MD&A in conjunction with JEDCO's financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of JEDCO exceeded its liabilities at the end of December 31, 2003 by \$2,390,744 (*net assets*). Of this amount, \$694,415 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- JEDCO's total net assets increased by \$354,354. Most of this increase is attributable to an increase in donations for the Jefferson Edge program.
- As of December 31, 2003, JEDCO's governmental funds reported combined ending fund balances of \$2,345,412, an increase of \$365,247 in comparison with the prior year. The portion of the fund balance that is *available for spending* at the government's discretion (*unreserved fund balance*) was \$2,233,133.
- At the end of the current year, unreserved fund balance for the general fund was \$362,657, or 26 percent of total general fund expenditures.
- JEDCO's total liabilities increased by \$352,009 (46 percent) during the current year. The key factor in this increase was an increase in deferred revenue.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to JEDCO's basic financial statements. JEDCO's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of JEDCO's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of JEDCO's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of JEDCO is improving or deteriorating.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

The *statement of activities* presents information showing how the government's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and compensated absences payable).

Both of the government-wide financial statements distinguish functions of JEDCO that are principally supported by intergovernmental revenues and charges for services. The governmental activities of JEDCO include Enterprise Center East, Enterprise Center West, Jefferson Edge program, Workforce Investment Board program, Bayou Segnette project, Financing the Future program, Port and Transportation program, Economic Development program, and Marketing program.

The government-wide financial statements can be found on pages 11 to 12 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. JEDCO, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of JEDCO can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

JEDCO maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Jefferson Edge fund, JEDCO West Proceeds fund, and EDA Revolving Loan fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

JEDCO adopts an annual appropriated budget for its general fund and all special revenues funds with the exception of the EDA Revolving Loan fund. A budget was not prepared for this fund and is explained in Note B on page 23. Budgetary comparison statements have been provided for all major funds in the required supplementary information and for nonmajor funds in the other supplemental information section.

The basic governmental financial statements can be found on pages 13 to 17.

Fiduciary Funds. *Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support JEDCO's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.*

The basic fiduciary fund financial statements can be found on page 19 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 to 33 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* in the form of budgetary comparison statements for each major fund. This information was discussed earlier in the governmental fund section.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 41 to 44 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of JEDCO, assets exceeded liabilities by \$2,390,744 at December 31, 2003.

JEDCO's Net Assets		
	<u>2003</u>	<u>2002</u>
Current and other assets	\$3,420,241	\$2,702,537
Capital assets	<u>85,226</u>	<u>96,567</u>
Total assets	<u>3,505,467</u>	<u>2,799,104</u>

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

	<u>2003</u>	<u>2002</u>
Long-term liabilities outstanding	\$1,080,944	\$ 734,489
Other liabilities	<u>33,779</u>	<u>28,225</u>
Total liabilities	<u>1,114,723</u>	<u>762,714</u>
Net Assets:		
Invested in capital assets	85,266	96,567
Unrestricted	694,415	594,535
Restricted:		
Economic development	847,549	835,471
Bayou Segnette project	16,941	-
Jefferson Edge	<u>746,573</u>	<u>509,817</u>
Total Net Assets	<u>\$2,390,744</u>	<u>\$2,036,390</u>

The amount "Invested in capital assets" represents JEDCO's net book value of its fixed assets (4 percent). It is the accumulation of years of investments in fixed assets. These assets are not available for spending. The restricted portion of net assets (67 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$694,415) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current period, JEDCO is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental activities. The same situation held true for the prior year.

The government's net assets increased by \$354,354 during the current year. Some of this increase represents the degree to which increases in ongoing revenues have outstripped similar increases in ongoing expenses. However, most of the increase related to an increase in donations received for the Jefferson Edge program. Other explanations for the growth are increases in intergovernmental funds and capital grants.

Governmental activities. Governmental activities increased JEDCO's net assets by \$354,354. Key elements of this increase are as follows:

	<u>2003</u>	<u>2002</u>
Revenues:		
Program revenues:		
Charges for services	\$ 142,526	\$ 145,136
Capital grants and contributions	40,866	-
General revenues:		
Share of Jefferson Parish occupational licenses	1,349,428	1,254,375
State funds	100,000	75,000

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

	<u>2003</u>	<u>2002</u>
Rents and telephone	\$ 93,251	\$ 78,050
Interest and investment earnings	57,922	69,505
Miscellaneous	26,446	9,519
Gain on sale -special item	-	105,487
Restricted donations	<u>320,100</u>	<u>318,174</u>
 Total revenues	 <u>2,130,539</u>	 <u>2,055,246</u>
 Expenses:		
Enterprise Center East	134,874	180,887
Enterprise Center West	144,348	103,206
JEDCO West	-	49,443
Jefferson Edge	264,341	104,857
Workforce Investment Board	74,950	60,372
Bayou Segnette Project	20,000	-
Financing the Future	232,912	259,817
Port/Transportation	55,440	97,488
Economic Development	227,009	265,446
Marketing	133,192	156,593
Administrative	489,119	563,969
Interest on long-term debt	-	188
Total expenses	<u>1,776,185</u>	<u>1,842,266</u>
Increase in net assets	354,354	212,980
Net assets - beginning	<u>2,036,390</u>	<u>1,823,410</u>
Net assets - ending	<u>\$2,390,744</u>	<u>\$2,036,390</u>

The largest single revenue source for JEDCO continues to be JEDCO's share of occupational licenses from Jefferson Parish. The occupational licenses have increased from the prior year. This represents the general increase in the economy; both in consumer spending and commercial activity.

State funds received were \$100,000 for the Jefferson EDGE Project and \$18,866 for the new Bayou Segnette Project. Jefferson Parish also contributed \$22,000 to the Bayou Segnette project.

Rents and telephone revenues have increased from the prior year due to an increase in tenants and increase in rents charged to tenants.

Interest and investment earnings have declined from the prior year due to lower interest rates.

Restricted donations increased over last year due to increased donations in the Jefferson Edge program.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

Expenditures have remained relatively consistent with the prior year with the exception of one-time expenditures in the Jefferson Edge program.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, JEDCO uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of JEDCO's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing JEDCO's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current year, JEDCO's governmental funds reported combined fund balances of \$2,345,112, an increase of \$365,247 in comparison with the prior year. Of this balance \$2,233,133 is considered to be unreserved.

The general fund is the chief operating fund of JEDCO. At the end of the current year, unreserved fund balance of the general fund was \$362,657. The entire general fund balance is unreserved. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 26 percent of total general fund expenditures.

The fund balance of JEDCO's general fund decreased by \$251,625 during the current year. Key factors in this decline are as follows:

- Transfer of proceeds from sale of building in 2002 to a special revenue fund in the amount of \$369,836.

The Jefferson Edge fund has a total fund balance of \$746,573, of which \$634,294 is unreserved for use in the Jefferson Edge project. The net increase in the fund balance during the current year was \$236,756. The key factor in this increase was an increase in donations to the program.

The JEDCO West Proceeds fund has a total fund balance of \$367,767, all of which is unreserved. This fund was created by a transfer from general fund of sales proceeds from a building sold in 2002 as discussed earlier.

The EDA Revolving Loan fund has a total fund balance of \$847,549, all of which is unreserved for use in economic development. The net increase in the fund balance during the current year was \$12,078.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

General Fund Budgetary Highlights

JEDCO's budget is prepared according to Louisiana law. During the course of the year, JEDCO revises its budget to take into consideration significant changes in revenue or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. A statement showing JEDCO's original and final budget compared with actual operating results is provided in this annual report. The General Fund's actual revenues were under projected revenues by \$13,236 and expenditures were under final projections by \$162,331. Operating transfers are not included for budget purposes.

A comparison of actual results as of December 31, 2003 and the original budget for the General Fund are as follows:

	<u>Original Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Difference</u>
Total Revenues	\$1,538,028	\$1,471,792	\$ (66,236)
Total Expenditures	<u>1,571,028</u>	<u>1,405,547</u>	<u>165,481</u>
Net Change in Fund Balance	<u>\$ (33,000)</u>	<u>\$ 66,245</u>	<u>\$ 99,245</u>

Differences between the original budget and the final amended budget for expenditures were relatively minor. Differences between the original budget and the final amended budget for revenues were caused by changes in amount of rents projected to be collected from tenants.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2003, JEDCO had approximately \$85 thousand invested in capital assets. This amount is net of accumulated depreciation to date. The net book value of capital assets at December 31, 2003 is as follows:

Office furniture	\$ 81,460
Leasehold improvements	<u>3,766</u>
Total	<u>\$ 85,226</u>

The total decrease in JEDCO's investment in capital assets for the current year was 12 percent. During the current year, additions of \$12,677 of fixed assets were capitalized while fixed assets with a cost of \$26,201 were donated to Jefferson Parish. Depreciation for the year ended December 31, 2003 was \$21,887.

Additional information on JEDCO's capital assets can be found in Note G on pages 27 to 28.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2003**

JEDCO's long-term obligations at December 31, 2003 are comprised of:

Compensated absences payable	\$ 39,894
Escrow deposits	7,000
Deferred revenues	<u>1,034,050</u>
	<u>\$1,080,944</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

JEDCO anticipates an increase in its share of occupational licenses received from Jefferson Parish for 2004 due an increase in the Consumer Price Index.

Several factors will influence whether or not JEDCO will experience an increase or decrease of revenues (i.e. occupancy of the Enterprise Centers and investment tools).

JEDCO also anticipates increases in expenses for medical, life, general liability and other insurance expenses as well as a 3% salary increase.

Revenues and expenses allocated for the Jefferson Edge Project are project oriented and are reflected as such. The contract for the Jefferson Edge with the State of Louisiana was renewed in January 2004. Revenue and expenses allocated for the Workforce Investment Board Project are based on reimbursement of expenses. Monthly reports and documentation continue to be submitted to the Jefferson Parish Workforce Investment Board. The contract with the Jefferson Parish Workforce Investment Board was renewed in 2003 and extended until December 2004.

The JEDCO West Proceeds Fund is a combination of proceeds from the sale of the JEDCO West building in August 2002 plus interest.

Revenues and expenses allocated for the Bayou Segnette Project are project oriented. A Cooperative Endeavor Agreement with the State of Louisiana is the funding source for this project.

CONTACTING JEDCO'S FINANCIAL MANAGEMENT

This financial report is designed to provide taxpayers, customers, and creditors with a general overview of JEDCO's finances and to show JEDCO's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact JEDCO at 3445 North Causeway Boulevard, Suite 300, Metairie, LA 70002 or call (504) 833-1881 during regular office hours.

BASIC FINANCIAL STATEMENTS

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
STATEMENT OF NET ASSETS
December 31, 2003

ASSETS	
Cash and cash equivalents	\$ 1,455,695
Investments	200,146
Receivables:	
Accounts	1,022
Notes	686,422
Due from other governments	33,675
Prepaid expenses	9,231
Promises to give (Jefferson Edge)	1,034,050
Capital assets (net of accumulated depreciation)	<u>85,226</u>
TOTAL ASSETS	<u><u>3,505,467</u></u>
 LIABILITIES	
Accounts payable	33,779
Compensated absences payable	39,894
Escrow deposits	7,000
Deferred revenue (Jefferson Edge)	<u>1,034,050</u>
 Total Liabilities	 <u><u>1,114,723</u></u>
 NET ASSETS	
Invested in capital assets	85,266
Unrestricted	694,415
Restricted for:	
Economic development	847,549
Bayou Segnette project	16,941
Jefferson Edge	<u>746,573</u>
TOTAL NET ASSETS	<u><u>\$ 2,390,744</u></u>

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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2003

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Enterprise Center East	\$ 134,874	-	\$ -	\$ (134,874)
Enterprise Center West	144,348	-	-	(144,348)
Jefferson Edge	264,341	-	-	(264,341)
Workforce Investment Board	74,950	54,134	-	(20,816)
Bayou Segnette	20,000	-	40,866	20,866
Financing the Future	232,912	86,892	-	(146,020)
Port/Transportation	55,440	-	-	(55,440)
Economic Development Services	227,009	1,500	-	(225,509)
Marketing	133,192	-	-	(133,192)
Administrative	489,119	-	-	(489,119)
Total Governmental Activities	\$ 1,776,185	\$ 142,526	\$ -	(1,592,793)
General revenues:				
Share of Jefferson Parish occupational licenses				1,349,428
State Funds				100,000
Rents and Telephone				93,251
Interest and investment earnings				57,922
Miscellaneous				26,446
Restricted donations				320,100
Total general revenues				1,947,147
Increase in net assets				354,354
Net assets - Beginning				2,036,390
Net assets - Ending				\$ 2,390,744

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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2003

	General Fund	Jefferson Edge Fund	EDA Revolving Loan Fund	JEDCO West Proceeds Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 53,478	\$ 873,323	\$ 161,127	\$ 367,767	\$ -	\$ 1,455,695
Investments	200,146	-	-	-	-	200,146
Receivables:						
Accounts	1,022	-	-	-	-	1,022
Notes	-	-	686,422	-	-	686,422
Due from other funds	133,602	-	-	-	20,866	154,468
Due from other government:	-	-	24,914	-	8,761	33,675
Prepaid expenses	9,231	-	-	-	-	9,231
Promises to give (Jefferson Edge)	-	1,034,050	-	-	-	1,034,050
TOTAL ASSETS	\$ 397,479	\$ 1,907,373	\$ 872,463	\$ 367,767	\$ 29,627	\$ 3,574,709
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 6,956	\$ 26,750	\$ -	\$ -	\$ 73	\$ 33,779
Due to other funds	20,866	100,000	24,914	-	8,688	154,468
Escrow deposits	7,000	-	-	-	-	7,000
Deferred revenue (Jefferson Edge)	-	1,034,050	-	-	-	1,034,050
Total liabilities	34,822	1,160,800	24,914	-	8,761	1,229,297
Fund Balances:						
Reserved for:						
Encumbrances	-	112,279	-	-	-	112,279
Unreserved, reported in:						
General fund	362,657	-	-	-	-	362,657
Special revenue funds	-	634,294	847,549	367,767	-	1,849,610
Capital projects funds	-	-	-	-	20,866	20,866
Total fund balances	362,657	746,573	847,549	367,767	20,866	2,345,412
TOTAL LIABILITIES AND FUND BALANCES	\$ 397,479	\$ 1,907,373	\$ 872,463	\$ 367,767	\$ 29,627	\$ 3,574,709

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

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
December 31, 2003**

Total Fund Balances at December 31, 2003 - Governmental Funds		\$ 2,345,412
Cost of capital assets at December 31, 2003	\$ 275,249	
Less - accumulated depreciation as of December 31, 2003:		
Office furniture	(183,649)	
Leasehold improvements	<u>(6,374)</u>	85,226
Elimination of interfund assets and liabilities:		
Due from other funds	(154,468)	
Due to other funds	<u>154,468</u>	-
Long-term liabilities at December 31, 2003:		
Compensated absences payable		<u>(39,894)</u>
Net Assets of governmental activities at December 31, 2003		<u><u>\$ 2,390,744</u></u>

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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2003

	General Fund	Jefferson Edge Fund	EDA Revolving Loan Fund	JEDCO West Proceeds Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Intergovernmental:						
Share of Jefferson Parish occupational licenses	\$ 1,269,428	\$ 80,000	\$ -	\$ -	\$ -	\$ 1,349,428
State Funds	-	100,000	-	-	18,866	118,866
Other Parish funds	-	-	-	-	22,000	22,000
Charges for services	86,892	-	1,500	-	54,134	142,526
Enterprise Centers:						
Rents and telephone	93,251	-	-	-	-	93,251
Interest	5,050	1,337	47,970	3,565	-	57,922
Miscellaneous	17,171	-	9,275	-	-	26,446
Donations	-	320,100	-	-	-	320,100
Total revenues	1,471,792	501,437	58,745	3,565	95,000	2,130,539
EXPENDITURES						
Current:						
Enterprise Center East	133,860	-	-	-	-	133,860
Enterprise Center West	140,755	-	-	-	-	140,755
Jefferson Edge	-	264,341	-	-	-	264,341
Workforce Investment Board	-	-	-	-	74,729	74,729
Bayou Segnette	-	-	-	-	20,000	20,000
Financing the Future	232,410	-	-	-	-	232,410
Port/Transportation	55,514	-	-	-	-	55,514
Economic Development Service:						
Marketing	226,874	-	-	-	-	226,874
Administrative	134,518	-	-	-	-	134,518
Capital outlay	469,591	-	23	-	-	469,614
Total expenditures	1,405,547	264,993	23	-	94,729	1,765,292
EXCESS OF REVENUES OVER EXPENDITURES	66,245	236,444	58,722	3,565	271	365,247

(Continued)

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2003

	General Fund	Jefferson Edge Funds	EDA Revolving Loan Fund	JEDCO West Proceeds Fund	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)						
Transfers in	157,562	30,940	-	369,836	74,656	632,994
Transfers out	(475,432)	(30,628)	(46,644)	(5,634)	(74,656)	(632,994)
Total other financing sources and uses	<u>(317,870)</u>	<u>312</u>	<u>(46,644)</u>	<u>364,202</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(251,625)</u>	<u>236,756</u>	<u>12,078</u>	<u>367,767</u>	<u>271</u>	<u>365,247</u>
FUND BALANCES - BEGINNING	<u>614,282</u>	<u>509,817</u>	<u>835,471</u>	<u>-</u>	<u>20,595</u>	<u>1,980,165</u>
FUND BALANCES - ENDING	<u>\$ 362,657</u>	<u>\$ 746,573</u>	<u>\$ 847,549</u>	<u>\$ 367,767</u>	<u>\$ 20,866</u>	<u>\$ 2,345,412</u>

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

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2003**

Total net increase in fund balances - governmental funds \$ 365,247

Amounts reported for governmental activities in the Statement of Activities
are different because:

Capital outlays are reported in governmental funds as expenditures.
However, in the Statement of Activities, the cost of those assets is
allocated over their estimated useful lives as depreciation expense.
This is the amount by which depreciation exceeds capital outlays
in the period:

Capital outlays	\$ 12,677	
Depreciation expense	<u>(21,887)</u>	(9,210)

Donations of capital assets to a governmental entity are not reported
in the governmental funds. However, in the Statement of
Activities, the donation is reported as an expenditure:

Cost of assets donated	\$ (26,201)	
Accumulated depreciation on assets donated	<u>24,070</u>	(2,131)

Payment of compensated absences is an expenditure in the governmental
funds, but reduces long-term liabilities in the Statement of Net Assets
by the excess of compensated absences earned over amounts used.

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Increase in net assets of governmental activities \$ 354,354

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

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
FUDICIARY FUNDS DESCRIPTION
December 31, 2003**

FIDUCIARY TYPE FUNDS - AGENCY FUNDS

Agency Funds account for assets held by an entity as an agent for individuals, private organizations, other governments, and/or other entity's funds.

HUD Revolving Loan Fund

The HUD Revolving Loan Fund accounts for loans made by the Department of Housing and Urban Development, Community Development Block Grant Loan Guarantee Program to borrowers in the community for economic development.

Incentive Fund

The Incentive fund accounts for loans made by Jefferson Parish through its Incentive Fund to borrowers in the community for economic development.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2003**

	<u>HUD Revolving Loan Agency Fund</u>	<u>Incentive Agency Fund</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 24,538	\$ 6,680	\$ 31,218
Notes receivable	<u>702,678</u>	<u>146,477</u>	<u>849,155</u>
Total Assets	<u>\$ 727,216</u>	<u>\$ 153,157</u>	<u>\$ 880,373</u>
LIABILITIES			
Due to Jefferson Parish			
Department of Community Development	\$ 727,216	\$ -	\$ 727,216
Incentive Fund	<u>-</u>	<u>153,157</u>	<u>153,157</u>
Total Liabilities	<u>\$ 727,216</u>	<u>\$ 153,157</u>	<u>\$ 880,373</u>

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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE A - GENERAL INFORMATION

The Jefferson Parish Economic Development Commission ("JEDCO") is a special district of Jefferson Parish, Louisiana which was created by House Bill No. 908 of the 1987 Regular Session of the Louisiana Legislature. The name under which it was created is Jefferson Parish Economic Development and Port District, but in accordance with its bylaws, it operates under the name Jefferson Parish Economic Development Commission or JEDCO.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Financial Reporting Entity

GASB Codification of Governmental Accounting and Financial Reporting Standards established the criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criteria for including a governmental organization as a part of the reporting entity for a governmental unit is the ability to exercise oversight responsibility over such organization by the unit's elected officials. Oversight responsibility is derived from, among other things, the governmental unit's power to appoint the governing board and the ability to significantly influence operations.

Based on the foregoing criteria, JEDCO was determined to be a component unit of Jefferson Parish, Louisiana, the governing body with oversight responsibility. The accompanying basic financial statements present information only on the funds maintained by JEDCO and do not present information on Jefferson Parish, the general government services provided by Jefferson Parish, or the other governmental units that comprise the governmental reporting entity of Jefferson Parish. There are no component units which have been combined with JEDCO to form the reporting entity, nor are there any potential component units which should be combined with JEDCO to form the reporting entity.

2. Basis of Presentation

The accompanying financial statements of JEDCO 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.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Accounting

Government-wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. Activities are presented using the economic resources method. The accounting objective of this measurement focus is the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or noncurrent) associated with the government's activities are reported. Fund equity is classified as net assets. Government activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, the Statement of Net Assets and Statement of Activities present revenues, expenses, and fixed asset acquisitions as follows:

Revenues - Revenues are recognized in the accounting period in which they are earned.

Expenses - Expenses are recorded when the liability is incurred or economic asset used.

Fixed Assets - Fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Program revenues included in the Statement of Activities are derived directly from outside parties; as a whole, program revenues reduce the cost of the function to be financed from JEDCO's general revenues.

JEDCO reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Fund Financial Statements

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. 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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Accounting (Continued)

funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental funds and the agency funds. Under this method, revenues are recognized when susceptible to accrual (i.e., 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.

Expenditures are recorded when the related fund liability is incurred. Transfers between funds that are not expected to be repaid are accounted for as other financial sources or uses and are recorded when the interfund receivable and payable arises.

JEDCO maintains two categories of funds: governmental and fiduciary. Each category is further divided into separate fund types.

JEDCO's governmental fund type consists of a General Fund which is used to account for all of its operating activities, special revenue funds which are used to account for specific revenues restricted for specific purposes, and capital project funds that are used to account for the acquisition and construction of major capital facilities.

JEDCO's fiduciary fund types consist of agency funds which are used to account for assets that JEDCO holds for another governmental unit.

Those revenues susceptible to accrual are rents, charges for telephone usage, revenues for charges for services, and interest on notes and cash and cash equivalents. Revenue from shared occupational licenses is considered measurable and available when received and are recorded as revenue at that time.

4. Budgetary Accounting

Formal budgetary accounting is employed as a management control device during the year. The level of budgetary control is at the fund/department level and expenditures may not exceed budgeted appropriations. Appropriations which are not expended lapse at year-end. A budget is adopted for the General Fund, the Jefferson Edge Special Revenue Fund, Bayou Segnette Capital Project Fund and the Workforce Investment Board Special Revenue Fund on a basis consistent with generally accepted accounting principles.

Operating transfers are not included for budget purposes. The adopted budget of expenditures operates as an appropriation for that year. Any unexpended balance of the

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Accounting (Continued)

amount appropriated reverts to the fund balance and becomes available for future appropriation. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. A budget was not adopted for the EDA Revolving Loan Special Revenue Fund because its expenditures are limited by the terms of the grant arrangements under which its revenues are received.

5. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits and certificates of deposit with a maturity date within three months of the date acquired by JEDCO. Louisiana State statutes permit JEDCO to invest in direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, direct security repurchase agreements of any federal book entry only securities, and certificates of deposit of state banks, organized under the State of Louisiana, and national banks having their principal office in the State of Louisiana, or in mutual or trust fund institutions which have underlying investments limited to securities of the U.S. government or its agencies, and the Louisiana Asset Management Pool (LAMP). Investments for JEDCO are reported at fair value. LAMP operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

6. Promises to Give

Promises to give are future donations from businesses that are pledged over the next five years for the Jefferson Edge program. Upon receipt, the promises to give will be recognized as revenue.

7. Allowance for Estimated Uncollectible Receivables

An allowance for estimated uncollectible receivables is established when collectibility of a loan or an account becomes doubtful. As of December 31, 2003, management had established no allowance for estimated uncollectible receivables and all accounts were considered collectible.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Deferred Revenue

Deferred revenues arise when resources are received by JEDCO before it has a legal claim to them. In subsequent periods, when JEDCO has legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

9. Capital Assets and Depreciation

For the government-wide financial statements, capital assets are recorded at cost in the statement of net assets. Donated assets are valued at their estimated fair market value on the date received. JEDCO does not have any infrastructure assets. Depreciation is computed using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Building	40 years
Leasehold improvements	5-10 years
Office furniture	5-7 years

For fund financial statements, capital acquisitions are reflected as expenditures in the governmental funds at the time purchased.

10. Compensated Absences

In the governmental funds, only that portion which is expected to be liquidated from expendable available financial resources is accrued at year-end. The remainder of the accrued liability which is applicable to governmental fund types is reported in the government-wide financial statements. The amount of accumulated annual leave at December 31, 2003 applicable to governmental fund types was \$39,894, none of which met the condition for accrual in the governmental fund types; hence, the entire amount is reported in the government-wide financial statements. In accordance with GASB Statement No. 16, no liability is recorded for accumulated sick pay benefits because such benefits can be used only for sick leave.

NOTE C - LEGAL COMPLIANCE - BUDGET

Under state law, JEDCO is required to complete and submit a budget for its General and Special Revenue Funds to the governing authority of Jefferson Parish no later than fifteen days prior to the beginning of the fiscal year to which the budget applies. The total proposed expenditures may not exceed the total of estimated funds available at the fund level. Public participation in the budgetary process prior to adoption of the budget is required if the total proposed expenditures are \$250,000 or more. The budget presented in the accompanying basic financial statements is the amended budget which was adopted by the Board of Commissioners.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003**

NOTE C - LEGAL COMPLIANCE - BUDGET (CONTINUED)

Actual revenues under budgeted revenues are as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Workforce Investment Board Fund	\$ 69,200	\$ 54,134	\$ (15,066)

Actual expenditures over budgeted expenditures are as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Workforce Investment Board Fund	\$ 69,200	\$ 74,729	\$ (5,529)

Louisiana Revised Statute 39:1310 exempts special revenue funds which are expenditure driven from the requirement to adopt amended budgets if projected revenues or expenses deviate more than five percent from the adopted budget. The Workforce Investment Board budget qualifies for this exemption.

NOTE D- USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE E- CASH, CASH EQUIVALENTS, AND INVESTMENTS

At December 31, 2003, the carrying amount of JEDCO's deposits was \$1,486,913 of which \$31,218 is reported in the agency fund and \$1,455,695 is reported in the Statement of Net Assets. Certificates of deposit included in the cash amount were \$132,892. The bank balance of the deposits at December 31, 2003 was \$1,524,040. Of the bank balance, \$200,000 was covered by federal deposit insurance and \$1,324,040 was covered by collateral held by the pledging financial institution's agent in JEDCO's name.

State statutes authorize the government to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

LAMP investments are restricted to securities issued guaranteed or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, instrumentalities, as well as repurchase agreements collateralized by those securities. LAMP may also invest in commercial paper of domestic United States Corporations rated A-1 or A-1+ by Standards & Poors. The dollar

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE E - CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their funds.

JEDCO's investments are categorized to give an indication of the level of risk assumed by the entity at year-end.

Category 1 includes investments that are insured or registered or for which the securities are held by JEDCO or its agent in the government's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the government's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the government's name.

At year-end the carrying amount of investments is as follows:

	<u>Amount</u>
Investments not subject to categorization:	
Louisiana Asset Management Pool (LAMP)	<u>\$200,146</u>
 Total investments	 <u>\$200,146</u>

NOTE F- INTERFUND TRANSACTIONS

Interfund transactions consist of interfund receivables/payables and transfers. Interfund receivables/payables at December 31, 2003 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund:		
Bayou Segnette	\$ -	\$ 20,866
WIB	8,688	-
Jefferson Edge	100,000	-
EDA Revolving Loan	24,914	-
Capital Projects Fund:		
Bayou Segnette	20,866	-
Special Revenue Fund:		
WIB	-	8,688
EDA Revolving Loan	-	24,914
Jefferson Edge	-	100,000
	<u>\$ 154,468</u>	<u>\$ 154,468</u>

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE F- INTERFUND TRANSACTIONS (CONTINUED)

Transfers at December 31, 2003 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Jefferson Edge Fund	\$ 30,628	\$ 30,940
Workforce Investment Board Fund	74,656	74,656
EDA Revolving Loan Fund	46,644	-
JEDCO West Proceeds Fund	5,634	369,836
Special Revenue Funds:		
Jefferson Edge Fund	30,940	30,628
Workforce Investment Board Fund	74,656	74,656
EDA Revolving Loan Fund	-	46,644
JEDCO West Proceeds Fund	<u>369,836</u>	<u>5,634</u>
	<u>\$ 632,994</u>	<u>\$ 632,994</u>

NOTE G - CAPITAL ASSETS

The following presentation of capital asset balances and current year activity for the fiscal year ended December 31, 2003 was as follows:

	<u>Balance December 31, 2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2003</u>
Office furniture	\$ 278,631	\$ 12,677	\$ 26,201	\$ 265,107
Leasehold improvements	<u>10,142</u>	<u>-</u>	<u>-</u>	<u>10,142</u>
Total at historical cost	288,773	12,677	26,201	275,249
Total accumulated depreciation	<u>192,206</u>	<u>21,887</u>	<u>24,070</u>	<u>190,023</u>
Capital assets, net	<u>\$ 96,567</u>	<u>\$ (9,210)</u>	<u>\$ 2,131</u>	<u>\$ 85,226</u>

Office equipment with a total cost of \$26,201 and accumulated depreciation of \$24,070 was donated to Jefferson Parish during the year.

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE G - CAPITAL ASSETS (CONTINUED)

Depreciation expense of \$21,887 for the year ended December 31, 2003, was reported as follows:

Governmental Activities:	
Enterprise Center East	\$ 766
Enterprise Center West	3,342
Administrative	<u>17,779</u>
Total	<u>\$ 21,887</u>

NOTE H- PENSION PLAN

JEDCO's employees are covered by its simplified employee pension (SEP) plan and are subject only to the Medicare portion of social security taxes. JEDCO makes a contribution to an IRA account established for each full-time employee. The amount contributed by JEDCO is 6.2% of the employee's total compensation. JEDCO's total contribution under this plan for 2003 was \$53,666 based on a covered payroll of \$865,582. JEDCO's total current year payroll for all employees was \$885,118. JEDCO also participates in a retirement plan in which all full time employees are eligible to participate. The annual contribution by JEDCO is 5% of the employee's annual salary. JEDCO's total contribution under this plan for 2003 was \$43,275 based on covered payroll of \$865,582.

NOTE I - OPERATING LEASES

JEDCO leases the third floor of an office building that it uses for its administrative office and Enterprise Center East operations. The lease is considered an operating lease for accounting purposes. The lease term is ten years expiring in 2005. Lease payments under the lease for the year ended December 31, 2003 were \$151,660.

JEDCO leases a suite on the first floor of an office building that it uses for its Enterprise Center West operations. The lease is considered an operating lease for accounting purposes. The lease term is five years expiring in 2007. Lease payments under the lease for the year ended December 31, 2003 were \$58,650.

JEDCO leases a copy machine that it uses for its Enterprise Center West operations. The lease is considered an operating lease for accounting purposes. The lease term is three years expiring in 2005. Lease payments under the lease for the year ended December 31, 2003 were \$2,592.

Minimum future annual lease payments required are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Amount</u>
2004	\$ 214,902
2005	165,269
2006	58,650
2007	<u>29,325</u>
	<u>\$ 468,146</u>

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE J - COMPENSATED ABSENCES PAYABLE

Changes in compensated absences payable for the year ended December 31, 2003 were as follows:

	Balance January 1, <u>2003</u>	<u>Additions</u>	<u>Payments</u>	Balance December 31, <u>2003</u>
Compensated absences	\$ <u>40,342</u>	\$ <u>49,247</u>	\$ <u>49,695</u>	\$ <u>39,894</u>

The entire balance of compensated absences payable is considered to be a long-term liability by JEDCO.

NOTE K - CONDUIT DEBT (NOT INCLUDED IN THE FINANCIAL STATEMENTS)

In 2000, the State of Louisiana authorized JEDCO to issue \$8.5 million in Variable Rate Demand Industrial Development Bonds. The bonds were issued for the purpose of financing the acquisition and installation of equipment of a manufacturing facility on behalf of a local corporation at its manufacturing plant located in Jefferson Parish. JEDCO's obligations under the Series 2000 Bonds are limited. These special obligations are payable solely from lawfully available funds from payments made by the corporation (as defined in the Loan Agreement) and certain funds held by the Trustee pursuant to the Trust Indenture. The bonds do not constitute a debt or pledge of faith and credit of JEDCO and, accordingly, have not been reported in the accompanying financial statements. No other assets are available for payment of the principal or interest on the bonds. The bonds may be called for redemption by the corporation at the option of JEDCO before maturity, in whole or in part, in the inverse order of maturity, on any interest date.

In 2002, the State of Louisiana authorized JEDCO to issue \$6.5 million in Variable Rate Taxable Revenue Bonds. The Bonds were issued for the purpose of financing the expansion of an existing warehouse facility on behalf of a local corporation located in Jefferson Parish. The facilities are to be leased by JEDCO to the corporation pursuant to a Lease Agreement between JEDCO and the corporation. JEDCO's obligations under the Series 2002 Bonds are limited. These special obligations are payable solely from the revenues and other amounts derived from the leasing of the facility by JEDCO to the corporation. The bonds do not constitute debt or pledge of faith and credit of JEDCO and, accordingly, have not been reported in the accompanying financial statements. No other assets are available for payment of the principal or interest on the bonds. The bonds may be called for redemption by the corporation at the option of JEDCO, on any date, before maturity, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE L - IN-KIND DONATIONS

For the Jefferson Edge program, JEDCO received in-kind donations. The value of these in-kind donations is immaterial for 2003 and is not included in JEDCO's financial statements.

NOTE M - CONTRIBUTED SERVICES

The twenty-one members of the Board of Commissioners of JEDCO and members of the Board's various advisory committees serve without compensation. The value of these contributed services is not included in JEDCO's financial statements.

NOTE N - COOPERATIVE ENDEAVOR AGREEMENT

In 2002, JEDCO entered into a cooperative endeavor agreement with Newton & Associates ("Newton"), a local business, to provide certain economic incentives for the expansion of Newton's business in Jefferson Parish, Louisiana. JEDCO has leased property from Newton's affiliate, NSB IV, LLC, at a fair market rental rate, and in turn has subleased the same property to Newton at the same fair market rental rate, subject to an annual rental rebate. This lease began on January 1, 2002. Newton is entitled to a rental rebate in the amount of \$4,000 for each new employee hired limited to \$120,000 per year or \$600,000 of the five year term of the lease and sublease. All parties have agreed that the annual base rental, as provided by the lease and sublease, shall be payable monthly, by Newton directly to NSB, in full satisfaction of Newton's obligation to make monthly rental payments to JEDCO under the sublease, and in full satisfaction of JEDCO's obligation to make monthly rental payments to NSB under the lease.

All funds under this agreement are held by Jefferson Parish ("Parish") in the Parish Economic Incentive Fund. JEDCO will determine if Newton has created and retained the required number of new jobs under the terms of this agreement and the other performance objectives under the agreement. If the performance objectives are met, the Parish will disburse the funds from its Incentive Fund to JEDCO. JEDCO will release the funds to Newton upon receipt from the Parish. As of December 31, 2003, no funds have been received from the Parish under this agreement.

JEDCO did not make a contribution to the Parish's Economic Incentive Fund during 2003.

NOTE O - NOTES RECEIVABLE

JEDCO has notes receivable recorded in the EDA Revolving Loan Fund which are made to various businesses under the terms of the capitalization grant received from the Economic Development Administration. These notes totaled \$686,422 at December 31, 2003. The notes have various maturity dates and interest rates. No allowance has been established for the year ended December 31, 2003.

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE O - NOTES RECEIVABLE (CONTINUED)

JEDCO has notes receivable recorded in the HUD Revolving Loan Fund (an agency fund) which are made to various businesses under the terms of the Department of Housing and Urban Development Community Development Block Grant Loan Guarantee Program. These notes totaled \$702,678 at December 31, 2003. The notes have various maturity dates and interest rates. No allowance has been established for the year ended December 31, 2003.

JEDCO has a note receivable recorded in the Incentive Fund (an agency fund) which was made to a business under the terms of Jefferson Parish Incentive Fund. This note totaled \$150,000 at December 31, 2003. The note has a maturity date of September 2010 and an interest rate of 7.75%. No allowance has been established for the year ended December 31, 2003.

NOTE P - PROMISES TO GIVE (JEFFERSON EDGE)

As of December 31, 2003, promises to give total \$1,034,050.

Amounts due in:

Less than one year	\$ 280,500
One to five years	<u>753,550</u>
Total	<u>\$1,034,050</u>

Promises to give are future donations from businesses that are pledged over the next five years for the Jefferson Edge program; therefore, JEDCO will recognize the promises to give as revenue when received. Deferred revenue in the amount of \$1,034,050 has been recorded at December 31, 2003.

NOTE Q - CHANGES IN ASSETS AND LIABILITIES OF AGENCY FUNDS

The following summarizes the changes in the assets and liabilities of the agency funds during 2003.

	HUD Revolving Loan Fund			
	Balance January 1, 2003	Additions	Reductions	Balance December 31, 2003
Assets:				
Cash and cash equivalents	\$ 166,167	\$ 206,071	\$ 347,700	\$ 24,538
Notes receivable	<u>448,311</u>	<u>347,700</u>	<u>93,333</u>	<u>702,678</u>
Total assets	<u>\$ 614,478</u>	<u>\$ 553,771</u>	<u>\$ 441,033</u>	<u>\$ 727,216</u>

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE Q - CHANGES IN ASSETS AND LIABILITIES OF AGENCY FUND
(CONTINUED)

Liabilities:

Due to Jefferson Parish
Department of Community
Development:

Drawdowns	\$ 425,781	\$ 87,785	\$ -	\$ 513,566
Net income	<u>188,697</u>	<u>24,953</u>	<u>-</u>	<u>213,650</u>
Total liabilities	<u>\$ 614,478</u>	<u>\$ 112,738</u>	<u>\$ -</u>	<u>\$ 727,216</u>

Incentive Fund

	<u>Balance January 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2003</u>
Assets:				
Cash and cash equivalents	\$ -	\$ 156,680	\$ 150,000	\$ 6,680
Notes receivable	<u>-</u>	<u>150,000</u>	<u>3,523</u>	<u>146,477</u>
Total assets	<u>\$ -</u>	<u>\$ 306,680</u>	<u>\$ 153,523</u>	<u>\$ 153,157</u>

Liabilities:

Due to Jefferson Parish
Incentive Fund:

Drawdowns	\$ -	\$150,000	\$ -	\$ 150,000
Net income	<u>-</u>	<u>3,180</u>	<u>23</u>	<u>3,157</u>
Total liabilities	<u>\$ -</u>	<u>\$153,180</u>	<u>\$ 23</u>	<u>\$ 153,157</u>

The HUD Revolving Loan Fund accounts for loans made by the Department of Housing and Urban Development Community Development Block Grant Loan Guarantee Program to borrowers in the community for economic development. The funds are held for the Jefferson Parish Department of Community Development.

The Incentive Fund accounts for loans made by Jefferson Parish through its Incentive Fund to borrowers in the community for economic development. The funds are held for the Jefferson Parish Incentive Fund.

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2003

NOTE R - ESCROW DEPOSITS

JEDCO assists local businesses in obtaining loans from the Small Business Administration. JEDCO collects an application fee at the beginning of the loan process. These application fees are held in an account until the loan process is completed. All application fees are returned to the applicant even if the loan is not obtained. Escrow deposits totaled \$7,000 at December 31, 2003.

NOTE S – JEDCO DEVELOPMENT CORPORATION

On August 22, 1990, JEDCO formed a non-profit corporation called the JEDCO Development Corporation to operate as a Certified Development Corporation (the "Corporation") pursuant to Section 504 of Title V of the Small Business Investment Act of 1958, as amended. The Corporation is to be governed by all requirements of Section 504. The Corporation was formed under the non-profit corporation statutes of the State of Louisiana. The Corporation assists in the growth and development of small business concerns in the Jefferson Parish area pursuant to Section 504 of the Development Company Program of the Small Business Investment Act of 1958, as amended, and its regulations. The Corporation has no assets or liabilities and had no activity for the year ended December 31, 2003.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
GENERAL FUND AND MAJOR FUND DESCRIPTIONS
December 31, 2003**

GENERAL FUND

To account for resources traditionally associated with JEDCO which are not required legally or by sound financial management to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.

Jefferson Edge Fund

The Jefferson Edge Fund was created for the purpose of implementing the Jefferson Edge program which is a five year economic development strategic plan for Jefferson Parish. Funding for the implementation comes from the State of Louisiana, Jefferson Parish and the private sector through annual or multi-year commitments.

EDA Revolving Loan Fund

The EDA Revolving Loan Fund accounts for the grants received from the Economic Development Agency.

CAPITAL PROJECT FUND

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

JEDCO West Proceeds Fund

The JEDCO West Proceeds Fund was created to account for the proceeds from the sale of the JEDCO West building that was sold in 2002.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental				
Share of Jefferson Parish occupational license:	\$ 1,269,428	\$ 1,269,428	\$ 1,269,428	\$ -
Charges for services:				
Loan processing and servicing	125,000	125,000	86,892	(38,108)
Rents:				
Enterprise Center East	64,000	30,300	49,215	18,915
Enterprise Center West	26,350	26,350	25,229	(1,121)
Telephone charges:				
Enterprise Center East	14,300	8,000	7,978	(22)
Enterprise Center West	8,950	8,950	10,829	1,879
Interest	5,000	5,000	5,050	50
Incentive fees	5,000	5,000	-	(5,000)
Miscellaneous	20,000	7,000	17,171	10,171
Total revenues:	<u>1,538,028</u>	<u>1,485,028</u>	<u>1,471,792</u>	<u>(13,236)</u>
EXPENDITURES				
Current:				
Enterprise Center East:				
Advertising and promotion:	500	500	121	379
Dues and subscription:	400	400	171	229
Furniture and equipment rents	83,400	83,100	75,834	7,266
Health benefits and taxes	16,000	6,630	5,010	1,620
Postage	1,300	1,300	1,728	(428)
Office supplies	400	400	4,812	(4,412)
Maintenance	-	2,000	1,850	150
Training/seminar	1,000	500	217	283
Miscellaneous	500	500	2,239	(1,739)
Staff salaries/benefits	65,000	39,450	29,085	10,365
Travel/mileage	750	750	125	625
Communicator	18,000	18,000	12,668	5,332
Total Enterprise Center East:	<u>187,250</u>	<u>153,530</u>	<u>133,860</u>	<u>19,670</u>
Enterprise Center West:				
Advertising and promotion:	1,000	1,000	453	547
Dues and subscription:	1,300	1,300	171	1,129
Furniture and equipment rents	66,200	66,200	61,242	4,958
Health benefits and taxes	10,500	7,150	7,090	60
Office supplies	500	500	2,832	(2,332)
Miscellaneous	1,000	1,000	1,061	(61)
Training/Seminar:	1,000	1,000	217	783
Staff salaries/benefits	61,500	57,000	46,933	10,067
Travel/mileage	400	400	274	126
Postage	500	500	(42)	542
Communicator	21,600	21,600	20,524	1,076
Total Enterprise Center West:	<u>165,500</u>	<u>157,650</u>	<u>140,755</u>	<u>16,895</u>

(Continued)

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (CONTINUED)
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Financing the Future				
Advertising and promotion:	400	400	100	300
Dues and subscription:	5,000	5,000	5,031	(31)
Health benefits and taxes:	32,500	29,160	28,844	316
Office and equipment rent:	22,000	22,000	21,042	958
Postage and copying	1,700	1,700	2,366	(666)
Staff salaries/benefits:	167,500	169,200	168,002	1,198
Training/seminar:	1,800	1,800	736	1,064
Travel/mileage	2,500	2,500	733	1,767
Communication:	3,600	3,600	3,222	378
Office supplies	2,500	2,500	2,334	166
Total Financing the Future	239,500	237,860	232,410	5,450
Port/Transportation				
Communication:	3,250	3,250	3,314	(64)
Dues and subscription:	2,000	2,000	1,417	583
Health benefits and taxes:	6,200	5,675	5,266	409
Office and equipment rent:	7,000	7,000	6,319	681
Office supplies	1,700	1,700	1,428	272
Postage and copying	1,800	1,800	1,953	(153)
Staff salaries/benefits:	30,500	30,825	30,368	457
Travel/mileage	5,000	5,000	3,619	1,381
Training and seminar	1,500	1,500	1,830	(330)
Total Port/Transportation	58,950	58,750	55,514	3,236
Economic Development Services				
Data base analysis	400	2,400	1,925	475
Health benefits and taxes:	48,900	42,550	31,091	11,459
Communication:	3,250	3,250	3,418	(168)
Office and equipment rent:	21,000	21,000	18,957	2,043
Dues and subscription:	2,300	4,300	1,445	2,855
Office supplies	2,900	2,900	2,369	531
Staff salaries/benefits:	193,600	195,600	152,273	43,327
Travel/mileage	2,800	2,800	1,572	1,228
Postage and copying	2,100	2,100	2,062	38
Travel/seminar	6,000	6,000	1,221	4,779
GIS System Implementation	-	6,000	-	6,000
La. Comm. real estate database	2,500	2,500	2,500	-
Special projects	-	30,000	8,041	21,959
Total Economic Development Services	285,750	321,400	226,874	94,526
Marketing:				
Advertising	8,500	29,775	29,070	705
Communication:	2,500	2,500	3,225	(725)
Health benefits and taxes:	17,400	15,110	14,515	595

(Continued)

OTHER SUPPLEMENTAL INFORMATION

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (CONTINUED)
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Marketing (continued)				
Office and equipment renta	1,300	1,300	-	1,300
Travel/seminars	500	500	1,044	(544)
Staff salaries/benefits	80,100	80,600	80,497	103
Office supplies	1,800	1,800	2,775	(975)
Travel/mileage	500	500	330	170
Postage	5,500	5,500	3,062	2,438
Dues and subscriptions	700	700	-	700
Total Marketing	118,800	138,285	134,518	3,767
Administration				
Accounting/audi	15,000	15,000	14,677	323
Business developmen	400	400	40	360
Commissioners' meeting	5,200	5,200	3,057	2,143
Communication:	5,000	5,000	4,064	936
Computers	15,000	15,000	3,439	11,561
Health benefits and taxes	64,900	57,800	55,328	2,472
Insurance	17,478	18,503	14,192	4,311
Postage	4,500	4,500	2,741	1,759
Miscellaneous	25,000	7,000	10,724	(3,724)
Office and equipment renta	32,000	32,000	29,508	2,492
Seminars/convention:	3,000	3,000	4,187	(1,187)
Staff salaries/benefits	313,800	316,500	316,174	326
Office supplies	4,000	4,000	3,835	165
Travel/mileage	7,000	7,000	6,007	993
Dues and subscriptions	3,000	3,000	1,618	1,382
Attorney fees	-	6,500	-	6,500
Total Administration	515,278	500,403	469,591	30,812
Capital Outlay	-	-	12,025	(12,025)
Total expenditures	1,571,028	1,567,878	1,405,547	162,331
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(33,000)	(82,850)	66,245	(1) 149,095
FUND BALANCES - BEGINNING	569,064	569,064	204,863	(364,201)
FUND BALANCES - ENDING	\$ 536,064	\$ 486,214	\$ 271,108	(2) \$ (215,106)

EXPLANATION OF BUDGET TO GAAP DIFFERENCES:

(1) JEDCO does not budget transfers	\$ (317,870)
Deficiency of Revenues Under Expenditures - budget to GAA	\$ (251,625)

(2) The amount reported as "fund balance" on the budgetary basis of accounting derives from the basis of accounting used in preparing JEDCO's budget. (See Note B for a description of JEDCO's budgetary accounting method.) This amount differs from the fund balance reported in the statement of revenues, expenditures, and changes in fund balances because of the cumulative effect of transactions such as those described above.

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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
JEFFERSON EDGE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Share of Jefferson Parish occupational licenses	\$ 80,000	\$ 80,000	\$ 80,000	\$ -
State Funds	100,000	100,000	100,000	-
Interest	-	2,500	1,337	(1,163)
Restricted donations	400,000	325,000	320,100	(4,900)
Total revenues	<u>580,000</u>	<u>507,500</u>	<u>501,437</u>	<u>(6,063)</u>
EXPENDITURES				
Current:				
Fundraising campaign	86,667	-	-	-
Marketing and promotions campaign and consultant	206,167	103,000	74,706	28,294
Projects	183,333	295,405	163,423	131,982
Administrative	10,000	20,000	5,975	14,025
Miscellaneous	25,000	5,000	20,889	(15,889)
Total expenditures	<u>511,167</u>	<u>423,405</u>	<u>264,993</u>	<u>158,412</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>68,833</u>	<u>84,095</u>	<u>236,444</u>	(1) <u>152,349</u>
FUND BALANCES - BEGINNING	<u>-</u>	<u>485,764</u>	<u>485,764</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 68,833</u>	<u>\$ 569,859</u>	<u>\$ 722,208</u>	(2) <u>\$ 152,349</u>

EXPLANATION OF BUDGET TO GAAP DIFFERENCES:

(1) JEDCO does not budget transfers	<u>\$ 312</u>
Excess of Revenues Over Expenditures - budget to GAAP	<u>\$ 236,756</u>

(2) The amount reported as "fund balance" on the budgetary basis of accounting derives from the basis of accounting used in preparing JEDCO's budget. (See Note B for a description of JEDCO's budgetary accounting method.) This amount differs from the fund balance reported in the statement of revenues, expenditures, and changes in fund balances because of the cumulative effect of transactions such as the one described above.

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

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
EDA REVOLVING LOAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ -	\$ -	\$ 1,500	\$ 1,500
Interest	-	-	47,970	47,970
Miscellaneous	-	-	9,275	9,275
Total revenues	<u>-</u>	<u>-</u>	<u>58,745</u>	<u>58,745</u>
EXPENDITURES				
Current:				
Administrative	-	-	23	(23)
Total expenditures	<u>-</u>	<u>-</u>	<u>23</u>	<u>(23)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>-</u>	<u>-</u>	<u>58,722</u>	<u>58,722</u>
FUND BALANCES - BEGINNING				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,722</u>	<u>\$ 58,722</u>

EXPLANATION OF BUDGET TO GAAP DIFFERENCES:

(1) JEDCO does not budget transfers	<u>\$ (46,644)</u>
Excess of Revenues Over Expenditures - budget to GAAP	<u>\$ 12,078</u>

(2) The amount reported as "fund balance" on the budgetary basis of accounting derives from the basis of accounting used in preparing JEDCO's budget. (See Note B for a description of JEDCO's budgetary accounting method.) This amount differs from the fund balance reported in the statement of revenues, expenditures, and changes in fund balances because of the cumulative effect of transactions such as the one described above.

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

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
December 31, 2003**

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.

Workforce Investment Board

The Workforce Investment Board Fund was created in November 2001 to account for the revenues and expenditures of the Workforce Investment Act (WIA) project. JEDCO was contracted by Jefferson Parish to more fully implement Title I of the WIA and specifically to work directly with employers to solicit and develop on-the-job and customized training for Jefferson Parish.

CAPITAL PROJECTS FUND

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Bayou Segnette Fund

The Bayou Segnette Fund was created to account for the revenues and expenditures of the Bayou Segnette project. The purpose of the project is to provide fueling services to area recreational and commercial boaters.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2003**

	<u>Special Revenue Workforce Investment Board Fund</u>	<u>Capital Projects Bayou Segnette Fund</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Due from other funds	\$ -	\$ 20,866	\$ 20,866
Due from other governments	8,761	-	8,761
	<u>\$ 8,761</u>	<u>\$ 20,866</u>	<u>\$ 29,627</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 73	\$ -	\$ 73
Due to other funds	8,688	-	8,688
Total Liabilities	<u>8,761</u>	<u>-</u>	<u>8,761</u>
Fund Balances:			
Unreserved, Undesignated	-	20,866	20,866
Total Fund Balances	<u>-</u>	<u>20,866</u>	<u>20,866</u>
	<u>\$ 8,761</u>	<u>\$ 20,866</u>	<u>\$ 29,627</u>

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

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2003**

	<u>Special Revenue Workforce Investment Board Fund</u>	<u>Capital Projects Bayou Segnette Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES			
Charges for services	\$ 54,134	\$ -	\$ 54,134
Intergovernmental			
Parish funds	-	22,000	22,000
State funds	-	18,866	18,866
Total revenues	<u>54,134</u>	<u>40,866</u>	<u>95,000</u>
EXPENDITURES			
Current:			
Workforce Investment Board	74,729	-	74,729
Bayou Segnette projec	-	20,000	20,000
Total expenditures	<u>74,729</u>	<u>20,000</u>	<u>94,729</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(20,595)</u>	<u>20,866</u>	<u>271</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	74,656	-	74,656
Transfers out	(74,656)	-	(74,656)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(20,595)</u>	<u>20,866</u>	<u>271</u>
FUND BALANCES - BEGINNING	<u>20,595</u>	<u>-</u>	<u>20,595</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 20,866</u>	<u>\$ 20,866</u>

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

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
 WORKFORCE INVESTMENT BOARD SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 69,200	\$ 69,200	\$ 54,134	\$ (15,066)
Total revenues	<u>69,200</u>	<u>69,200</u>	<u>54,134</u>	<u>(15,066)</u>
EXPENDITURES				
Current:				
Marketing campaign	1,000	1,000	-	1,000
Health benefits and taxes	10,100	10,100	8,547	1,553
Miscellaneous	2,000	2,000	21,007	(19,007)
Training expenses	1,500	1,500	1,496	4
Staff salaries	54,100	54,100	43,420	10,680
Travel/mileage	500	500	259	241
Total expenditures	<u>69,200</u>	<u>69,200</u>	<u>74,729</u>	<u>(5,529)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(20,595)</u>	<u>(20,595)</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>20,595</u>	<u>20,595</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
 BAYOU SEGNETTE CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
State funds	\$ -	\$ 18,866	\$ 18,866	\$ -
Other Parish funds	-	22,000	22,000	-
Total revenues	<u>-</u>	<u>40,866</u>	<u>40,866</u>	<u>-</u>
EXPENDITURES				
Current:				
Bayou Segnette project	-	40,866	20,000	20,866
Total expenditures	<u>-</u>	<u>40,866</u>	<u>20,000</u>	<u>20,866</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>20,866</u>	<u>20,866</u>
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,866</u>	<u>\$ 20,866</u>

SINGLE AUDIT SECTION

**REBOWE & COMPANY*/HANFORD M. HARRISON (A Joint Venture)
CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

Board of Commissioners
Jefferson Parish Economic Development Commission
Jefferson Parish, Louisiana

We have audited the basic financial statements of Jefferson Parish Economic Development Commission ("JEDCO"), a component unit of Jefferson Parish, Louisiana as of and for the year ended December 31, 2003 and have issued our report thereon dated March 26, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether JEDCO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered JEDCO's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may

occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of JEDCO in a separate letter dated March 26, 2004.

This report is intended solely for the information and use of the audit committee, management, the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24.513, this report is distributed by the Legislative Auditor as a public document.

Rebowe & Company/Hanford M. Harrison

March 26, 2004

**REBOWE & COMPANY*/HANFORD M. HARRISON (A Joint Venture)
CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

Board of Commissioners
Jefferson Parish Economic Development Commission
Jefferson Parish, Louisiana

Compliance

We have audited the compliance of Jefferson Parish Economic Development Commission ("JEDCO"), a component unit of Jefferson Parish, Louisiana, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. JEDCO's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of JEDCO's management. Our responsibility is to express an opinion on JEDCO's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about JEDCO's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of JEDCO's compliance with those requirements.

In our opinion, JEDCO complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

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Internal Control Over Compliance

The management of JEDCO is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered JEDCO's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24.513, this report is distributed by the Legislative Auditor as a public document.

Rebowe & Company/Hanford M. Harrison

March 26, 2004

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2003**

<u>Federal Grantor/Pass Through Or Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Federal Expenditures</u>
Department of Housing and Urban Development - Community Development Block Grant Loan Fund *	14.248	B00-UC-22-0001	\$ 820,964
Special Economic Development and Domestic Assistance Programs Long Term Economic Deterioration (LTED) Revolving Loan Fund *	11.307	08-39-02686	\$ 780,077

* - Major program.

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2003**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when JEDCO has met the qualifications for the respective grants.

NOTE B - DESCRIPTION OF GRANTS

Department of Housing and Urban Development (HUD) - Community Development Block Grant Loan Fund

HUD provides JEDCO with funds for loan pools which finance business development activities consistent with local economic development strategies. Loan repayments, interest and other related income create a revolving source of capital to stimulate economic activity and provide financing to businesses when private credit is unavailable.

Special Economic Development and Domestic Assistance Programs Long Term Economic Deterioration (LTED) Revolving Loan Fund

The Economic Development Administration provides JEDCO with funds for loan pools which finance business development activities consistent with local economic development strategies. Loan repayments, interest and other related income create a revolving source of capital to stimulate economic activity and provide financing to businesses when private credit is unavailable.

NOTE C - OUTSTANDING LOANS

The values of loans outstanding are as follows at December 31, 2003:

EDA Revolving Loan Fund	\$ 686,422
HUD Revolving Loan Fund	<u>702,678</u>
Total	<u>\$1,389,100</u>

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2003**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of JEDCO.
2. No reportable conditions disclosed during the audit of the financial statements are reported in the *Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of JEDCO, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for JEDCO expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. A management letter dated March 26, 2004 was issued.
8. The programs tested as major programs included:

Long Term Economic Deterioration Revolving Loan Fund - CFDA 11.307

Community Development Block Grant Loan Fund - CFDA 14.248
9. The threshold for distinguishing Type A and Type B programs was \$300,000.
10. JEDCO qualified as a low-risk auditee.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended December 31, 2003**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

There were no findings related to financial statements for the year ended December 31, 2003.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings related to federal awards for the year ended December 31, 2003.

**JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2003**

FINDINGS – FINANCIAL STATEMENT AUDIT

COMPLIANCE

Finding 02-1:BUDGETARY COMPLIANCE

Condition: This finding was a compliance finding stating that JEDCO did not amend the budgets for the Jefferson Edge Fund and the Workforce Investment Board Fund when total budgeted revenues exceeded total actual revenues by five percent or more.

Recommendation: We recommended that JEDCO strengthen their monitoring procedures of budget as compared to actual for all funds during the year to ensure that the state budget law is being complied with.

Current Status: The compliance finding for the Workforce Investment Board was resolved as it was determined that this fund is expenditure driven and would qualify for the exemption from the requirement to adopt amended budgets if projected revenues or expenses deviate more than five percent from the adopted budget under Louisiana Revised Statute 39:1310. The Jefferson Edge Fund budget was amended as necessary during the current year and was in compliance with state budget law.

FINDINGS - MAJOR FEDERAL AWARDS PROGRAMS AUDIT

There were no prior year findings related to federal awards.

MANAGEMENT LETTER

A management letter was not issued for the year ended December 31, 2002.

**JEFFERSON PARISH ECONOMIC
DEVELOPMENT COMMISSION**

MEMORANDUM OF ADVISORY COMMENTS

December 31, 2003

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**REBOWE & COMPANY*/HANFORD M. HARRISON (A Joint Venture)
CERTIFIED PUBLIC ACCOUNTANTS**

March 26, 2004

Board of Commissioners
Jefferson Parish Economic Development Commission
Metairie, Louisiana

We have audited the basic financial statements of the Jefferson Parish Economic Development Commission ("JEDCO") for the year ended December 31, 2003, and have issued our report thereon dated March 26, 2004. As part of our audit, we considered JEDCO's internal control over financial reporting in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal control and operating efficiency. The memorandum that accompanies this letter summarizes our comments and recommendations regarding these matters. We previously reported on JEDCO's internal control in a separately issued report entitled *Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* dated March 26, 2004.

We will review the status of these matters during our next audit engagement. We have already discussed many of these recommendations with JEDCO's management and have included their responses. We will be pleased to discuss these recommendations with you in further detail at your convenience, perform any additional study of these matters or assist you in implementing our recommendations.

Sincerely,

Rebowe and Company/Hanford M. Harrison

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OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S CORRECTIVE ACTION PLAN

1. Closing of Prior Year Revenues and Expenses

Observation:

Revenues and expenses for the year ended December 31, 2002 were not closed to fund balance for several funds. As a result, revenues and expenses in those funds were substantially overstated.

Recommendation:

Procedures should be implemented to ensure that prior year revenues and expenses are closed to fund balance at the beginning of the subsequent year.

Management's Corrective Action Plan:

Management has implemented procedures that will ensure that all revenues and expenses are closed to fund balance. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

2. Beginning Fund Balances

Observation:

Beginning fund balances for the year ended December 31, 2003 did not agree to the audited fund balance for December 31, 2002. Audit adjustments were posted incorrectly for the year ended December 31, 2002 resulting in incorrect beginning fund balances.

Recommendation:

Audit adjustments should be recorded in the period being audited and not recorded in the subsequent year. Proper dating of the audit adjustments will ensure that the beginning fund balances are correct.

Management's Corrective Action Plan:

Management has implemented procedures to post audit adjustments in the correct period and to verify that beginning fund balances agree to the audited fund balances. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

**OBSERVATIONS, RECOMMENDATIONS, AND
MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)**

3. Maintenance of Separate Funds

Observation:

JEDCO does not maintain separate funds for the Workforce Investment Board Special Revenue Fund, Jefferson Edge Special Revenue Fund, JEDCO West Proceeds Capital Project Fund, and the Bayou Segnette Capital Project Fund. Separate bank accounts are maintained for the Workforce Investment Board Special Revenue Fund, Jefferson Edge Special Revenue Fund, and the JEDCO West Proceeds Fund. However, the accounting for these funds is commingled in the General Fund.

Recommendation:

JEDCO should maintain separate funds for all special revenue and capital project funds and should not include these funds in the General Fund.

Management's Corrective Action Plan:

As of January 1, 2004, management has created separate funds for all special revenue and capital project funds. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

4. Bank Statements and Reconciliations

Observation:

Bank statements and reconciliations are not reviewed by the Executive Director or someone other than accounting employees.

Recommendation:

The Executive Director or someone other than accounting employees should review bank statements and reconciliations. Review and approval should be noted on the bank statements and reconciliations.

Management's Corrective Action Plan:

The Executive Director or someone other than accounting employees will review bank statements and bank reconciliations. Review and approval will be noted on the bank statements and reconciliations. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

**OBSERVATIONS, RECOMMENDATIONS, AND
MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)**

5. Promises to Give

Observation:

A complete and accurate schedule of promises to give was not maintained during the year and the activity for the promises to give was not recorded other than the receipt of payments.

Recommendation:

A complete and accurate schedule of promises to give should be maintained during the year and the activity should be recorded in the general ledger. Also, promises to give should be evaluated during the year to determine if collectible. This review should be performed by the Executive Director.

Management's Corrective Action Plan:

In the future, a complete and accurate schedule of promises to give will be maintained and the activity will be recorded in a timely manner. The Executive Director will evaluate promises to give on a regular basis to determine the collectibility of recorded promises to give. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

6. In-Kind Contributions

Observation:

In-kind contributions are not being recorded during the year.

Recommendation:

In-kind contributions should be recorded during the year.

Management's Corrective Action Plan:

JEDCO will record in-kind contributions during the year as they are received. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

7. Accrual Basis

Observation:

JEDCO does not maintain its books on the modified accrual basis of accounting. The books are maintained on the cash basis during the year and converted to modified accrual basis at year-end.

**OBSERVATIONS, RECOMMENDATIONS, AND
MANAGEMENT'S CORRECTIVE ACTION PLAN (CONTINUED)**

Recommendation:

JEDCO should maintain its books on the modified accrual basis of accounting during the year.

Management's Corrective Action Plan:

Beginning January 1, 2004, JEDCO will maintain its books on the modified accrual basis on a monthly basis. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.

8. Fraud Policy

Observation:

JEDCO's Employee Manual does not include a fraud policy.

Recommendation:

Although a fraud policy is not required, JEDCO should consider implementing a fraud policy.

Management's Corrective Action Plan:

JEDCO will implement a fraud policy for the year ending December 31, 2004. The contact person responsible for the corrective action is the Controller, Cynthia Grows, who may be reached at (504) 833-1881.