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ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY

**GENERAL PURPOSE
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2004**

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 12-1-04

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KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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Cheryl L. Bartley, CPA, CVA

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

* A Professional Accounting Corporation

**Ms. Beth Roberts, Executive Director
and Members of the Board of Directors
St. Martin Economic Development Authority
St. Martinville, Louisiana**

We have compiled the accompanying general-purpose financial statements of the St. Martin Economic Development Authority as of June 30, 2004 and for the year then ended, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

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

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated October 26, 2004, on the results of our agreed-upon procedures.

Kolder, Champagne, Slaven & Company, LLC

Certified Public Accountants

**Breux Bridge, Louisiana
October 26, 2004**

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ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
SWORN FINANCIAL STATEMENTS AND
CERTIFICATION OF REVENUES BETWEEN \$50,000 AND \$350,000

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues of between \$50,000 and \$350,000, is required by Louisiana Revised Statute 24:513(I)(1)(c)(i).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Beth Roberts, Executive Director of St. Martin Economic Development Authority, St. Martinville, Louisiana, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the St. Martin Economic Development Authority as of June 30, 2004, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Beth Roberts, Executive Director of St. Martin Economic Development Authority, who, duly sworn, deposes and says that the St. Martin Economic Development Authority received between \$50,000 and \$350,000 in revenues and other sources during the fiscal year ending June 30, 2004, and, accordingly, is not required to have an audit for the previously mentioned fiscal year end.



Beth Roberts, Executive Director
St. Martin Economic Development Authority

Sworn to and subscribed before me, this 17th day of Nov., 2004.



NOTARY PUBLIC

GENERAL-PURPOSE FINANCIAL STATEMENTS

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Statement of Assets, Liabilities, and Fund Balance
June 30, 2004

ASSETS	
CURRENT ASSETS	
Cash	\$ 97,653
Prepaid Expenses	<u>5,375</u>
TOTAL CURRENT ASSETS	<u>103,028</u>
FIXED ASSETS	
Furniture and Equipment	2,975
Accumulated Depreciation	<u>(2,296)</u>
TOTAL FIXED ASSETS	<u>679</u>
TOTAL ASSETS	<u>\$ 103,707</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accrued Expenses	\$ 12,855
Deferred Revenue	<u>18,152</u>
TOTAL LIABILITIES	<u>31,007</u>
FUND BALANCE	
Fund Balance	<u>72,700</u>
TOTAL FUND BALANCE	<u>72,700</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 103,707</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Statement of Revenues, Expenses,
and Changes in Fund Balance
Year Ended June 30, 2004

REVENUES	
City of Breaux Bridge	\$ 14,000
City of St. Martinville	14,000
St. Martin Parish Government	18,152
St. Martin Parish School Board	29,056
St. Martin Parish Sheriff	15,000
Interest income	688
Gain on Sale of Property	<u>2,002</u>
TOTAL REVENUE	<u>92,898</u>
EXPENSES	
Accounting	1,360
Allowance - Travel	6,000
Compensation expense:	
Salary	35,875
Retirement	3,329
Group Health Insurance	4,492
Medicare	520
Workers Compensation Insurance	375
Depreciation	281
Dues and Subscriptions	437
Economic Development	3,859
Industrial Park Project	30,641
Interest Expense	26
Marketing and Design	498
Miscellaneous	1,412
Office Printing and Supplies	1,804
Postage	220
Promotion	501
Telephone Expense	1,833
Travel	<u>555</u>
TOTAL EXPENSES	<u>94,018</u>
DEFICIENCY OF REVENUES OVER EXPENSES	(1,120)
FUND BALANCE, BEGINNING OF YEAR	<u>73,820</u>
FUND BALANCE, END OF YEAR	<u>\$ 72,700</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Statement of Revenues, Expenses,
and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
City of Breaux Bridge	\$ 14,000	\$ 14,000	\$ -
City of St. Martinville	14,000	14,000	-
St. Martin Parish Government	18,152	18,152	-
St. Martin Parish School Board	29,056	29,056	-
St. Martin Parish Sheriff	15,000	15,000	-
Interest Income	688	688	-
Gain on Sale of Property	-	2,002	2,002
	<u>90,896</u>	<u>92,898</u>	<u>2,002</u>
TOTAL REVENUES			
EXPENSES			
Accounting	1,360	1,360	-
Allowance - Travel	6,000	6,000	-
Compensation Expense			
Salary	35,875	35,875	-
Retirement	2,800	3,329	(529)
Group Health Insurance	3,950	4,492	(542)
Medicare	550	520	30
Workers Compensation Insurance	100	375	(275)
Depreciation	-	281	(281)
Dues & Subscription	437	437	-
Economic Development	3,670	3,859	(189)
Industrial Park Project	32,241	30,641	1,600
Interest Expense	-	26	(26)
Marketing and Design	498	498	-
Miscellaneous	1,412	1,412	-
Office Printing & Supplies	1,869	1,804	65
Postage	145	220	(75)
Promotion	501	501	-
Telephone	1,438	1,833	(395)
Travel	555	555	-
	<u>93,401</u>	<u>94,018</u>	<u>(617)</u>
TOTAL EXPENSES			
DEFICIENCY OF REVENUES OVER EXPENSES	(2,505)	(1,120)	1,385
FUND BALANCE, BEGINNING OF YEAR	<u>73,820</u>	<u>73,820</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 71,315</u>	<u>\$ 72,700</u>	<u>\$ 1,385</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to the Financial Statements

(1) Introduction

The St. Martin Economic Development Authority (the "Authority") was created on March 30, 1994 by the St. Martin Parish School Board, City of Breaux Bridge, City of St. Martinville, Village of Parks, and the St. Martin Parish Police Jury (now referred to as "Parish Government"). The Authority was formed as a nonprofit economic development cooperative, as mentioned in their articles of organization. The Authority operates under a Board of Directors and provides the following services as authorized by its articles of organization: economic development for St. Martin Parish.

The Board of Directors is composed of eight (8) members, appointed by the St. Martin Parish School Board, City of Breaux Bridge, City of St. Martinville, Village of Parks, the St. Martin Parish Government, and the St. Martin Parish Sheriff's Department.

(2) Summary of Significant Accounting Policies

A. Fund Accounting

The Authority uses one fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities; the Authority has only one function/activity.

B. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Authority's fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet. Operating statements of this fund present increases and decreases in net total assets. The accrual basis of accounting is utilized. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

C. Budgets

The St. Martin Economic Development Authority adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for fiscal year end June 30, 2004. However, the Authority's final amendments to the budget were done after year-end.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to the Financial Statements (Continued)

(3) Cash

Cash consists of two demand deposit accounts. Under state law, the Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

The following is a summary of cash (book balance) at June 30, 2004:

Demand deposits	<u>\$ 97,653</u>
-----------------	------------------

These deposits are stated at cost, which approximate market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Deposit balances (bank balances) at June 30, 2004 are secured as follows:

Bank balances	<u>\$ 104,380</u>
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At June 30, 2004 the deposits are secured as follows:

Federal deposit insurance	<u>\$ 104,380</u>
---------------------------	-------------------

(4) Prepaid Expenses

Items that have been paid at June 30, 2004 but will benefit periods beyond June 30, 2004 have been recorded as prepaid expenses.

(5) Fixed Assets

The changes in fixed assets follow:

	<u>Balance</u> <u>6/30/2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2004</u>
Furniture and Equipment	\$ 2,975	\$ -	\$ -	\$ 2,975
Accumulated Depreciation	<u>(2,015)</u>	<u>(281)</u>	<u>-</u>	<u>(2,296)</u>
	<u>\$ 960</u>	<u>\$ (281)</u>	<u>\$ -</u>	<u>\$ 679</u>

Depreciation expense for the year ended June 30, 2004 is \$281.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to the Financial Statements (Continued)

(6) Accrued Expenses

Accrued expenses at June 30, 2004 total \$12,855. These consist of the following:

Accrued salaries and related benefits	\$ 12,234
Printing and supply expenses	546
Telephone expenses	<u>75</u>
Total	<u>\$ 12,855</u>

(7) Deferred Revenue

The following is a summary of deferred revenues at June 30, 2004:

St. Martin Parish Government	<u>\$ 18,152</u>
------------------------------	------------------

(8) Board of Directors' Compensation

No per diem or other compensation was paid to directors of the St. Martin Economic Development Authority for the year ended June 30, 2004.

ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

Ms. Beth Roberts, Executive Director
and Members of the Board of Directors
St. Martin Economic Development Authority
St. Martinville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the St. Martin Economic Development Authority and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Authority's compliance with certain laws and regulations during the year ended June 30, 2004 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$20,000, or public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

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

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

Management provided us with a copy of the original budget and all board-approved amendments to the budget during the year.

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

We traced the adoption of the original budget to the minutes of a meeting held on June 4, 2003 which indicated that the budget had been adopted by the Board of Directors of the Authority by unanimous vote. We also traced all budget amendments to the minutes.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

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

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

All six were properly coded to the correct fund and general ledger account.

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

Inspection of documentation supporting two of the six disbursements indicated approval of the Executive Director, and four of the six indicated approval of the Board of Directors.

Meetings

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

The Authority is only required to post a notice of each meeting and the accompanying agenda on the door of the office building. Although management has asserted that such documents were properly posted, we could not verify this other than by the written notes on the minutes noting posted dates. The agendas for the meetings were recorded in the minutes.

Debt

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

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

Advances and Bonuses

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

A reading of the minutes of the Authority for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

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

This report is intended solely for the use of management of the St. Martin Economic Development Authority and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 26, 2004

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Schedule of Prior and Current Findings and
Management's Corrective Action Plan
Year Ended June 30, 2004

I. Prior Year Findings:

Compliance

There were no findings that were required to be reported at June 30, 2003.

Internal Control Over Financial Reporting

There were no findings that were required to be reported at June 30, 2003.

Management Letter Items

03-1 Budget

Finding: The St. Martin Economic Development Authority should formally adopt a budget each fiscal year prior to the beginning of the year. Also, the amendment to the final fiscal year budget should be made prior to the end of the year.

Status: Partially resolved. See item 04-1.

(continued)

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Schedule of Prior and Current Findings and
Management's Corrective Action Plan (continued)
Year Ended June 30, 2004

II. Current Year Findings and Management's Corrective Action Plan:

Compliance

There are no findings that are required to be reported at June 30, 2004.

Internal Control Over Financial Reporting

There are no findings that are required to be reported at June 30, 2004.

Management Letter Items

04-1 Budget

Finding: The Authority should amend its final fiscal year budget prior to the end of the fiscal year.

Management's Corrective Action Plan: In the future, Ms. Beth Roberts, Executive Director, will have the Board approve the final amendment to the budget prior to year-end.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
09/20/2004 (Date Transmitted)

Kolder, Champagne, Slaven, & Company, LLC
113 East Bridge Street
P.O. Box 250
Breaux Bridge, LA 70517 (Auditors)

In connection with your compilation of our financial statements as of 06/30/04 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 09/20/2004:

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..
Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

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

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.
Yes [] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.
Yes [] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.
Yes [] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.
Yes [] No []

Debt

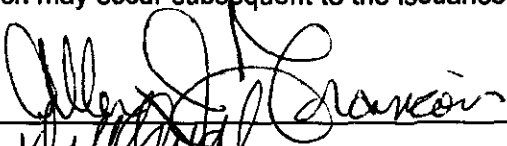
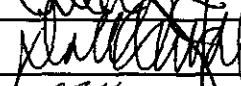

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.
Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.
Yes [] No []

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

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

	Secretary	9/20/04	Date
	Treasurer	9/20/04	Date
	President	9/21/04	Date

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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MANAGEMENT LETTER

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Ms. Beth Roberts, Executive Director
and Members of the Board of Directors
St. Martin Economic Development Authority
St. Martinville, Louisiana

We have compiled the general-purpose financial statements of the St. Martin Economic Development Authority (the Authority) as of and for the year ended June 30, 2004 and submitted our report to you dated October 26, 2004.

While our report reported on certain financial statements and the notes thereto, we have noted certain matters which should be brought to your attention in order that the administration of the Authority's records may be kept in a more professional manner and be in compliance with all of the requirements of a local government. These items are as follows:

1. The Authority should amend its final fiscal year budget prior to the end of the fiscal year.

If we can be of any further assistance, we are available for consultation.

Kolder, Champagne, Slaven, & Company, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 26, 2004

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