DONALDSONVILLE audit favorable

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DONALDSONVILLE — The city’s revenues have increased and its debt has dropped significantly during the past two years, auditors told the Commission Council Tuesday night.

Mike LeBlanc of the Postlethwaite & Netterville accounting firm, the city’s auditors, presented an 84-page audit report of the city’s operating accounts that shows steady improvement in Donaldsonville’s financial strength since 1984.

According to the report, the city had $503,592 in cash on hand when the last fiscal year ended June 30. On June 30, 1984, Donaldsonville’s total cash amounted to $206,107, the report shows.

Debt dropped during the same period, from more than $1.42 million June 30, 1984, to $919,874 at the end of the past fiscal year.

Donaldsonville showed a surplus of $356,175 in fund balances and retained earnings from the gas and sewerage funds at the end of the year, the audit report shows.

In 1984, Donaldsonville had a total operating deficit of $179,091 including a $385,645 deficit in the general fund.

“While we may have painted a little rosier picture than has been painted in the past, . . . we caution you,” LeBlanc said. In the coming months the city will lose some revenues from state and federal sources that it has counted on in past years.

The lost revenues total $220,166 and include federal revenue sharing funds, possible loss of state tobacco tax revenues and the loss of a state highway maintenance agreement.

The city saved $73,080 last year by hiring a private contractor, Browning-

Ferris Industries Inc., to perform sanitation services instead of operating its own tax-supported sanitation service, according to the audit report.

The city also saved $68,715 in law enforcement costs by abolishing its police department and contracting with Ascension Parish Sheriff Harold Tridico for law enforcement services. Savings in the current fiscal year should exceed $80,000, LeBlanc said.

Sales and use tax revenues showed a 1.6 percent decrease during the fiscal year, from $757,450 in 1985 to $744,983, according to the audit report.

Operating income in both natural gas and sewerage funds increased, however. Gas income increased $119,060 and sewerage income grew by $30,268.

In spite of the city’s healthy financial position, the audit report still shows a deficit in the general fund of $110,179. The deficit is the result of cash transfers in past years from the general fund to other funds that have not been repaid, officials said.

Mayor Claude L. “Toby” Bourg said the deficit is misleading and the Commission Council wants to eliminate it from the books.

LeBlanc said the deficit can be eliminated by transferring surplus revenues from the natural gas account or with unneeded capital improvement revenues.

The audit was critical of the city’s practice of allowing travel advances to various groups from recreation funds without obtaining supporting documentation when the travel was completed.

Bourg said the recreation funds are raised by concessions at city-sponsored ball games and are used to pay the travel expenses of city teams when they attend out-of-town tournaments.

The city is custodian of the funds, but the money is spent without council approval, he said.

“None of the money was misspent,” the mayor said.

“I think it should have council approval,” LeBlanc said.

City Attorney Sydney A. Marchand III said the city has the right to approve or disapprove of any travel expense from the city recreation funds.