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**Ouachita Council of Governments
Monroe, Louisiana**

**General-Purpose Financial Statements
and Independent Auditors' Reports
As of and For the Year Ended June 30, 1999
With Supplemental Information**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-2-00

**Ouachita Council of Governments
Monroe, Louisiana**

**General-Purpose Financial Statements
and Independent Auditors' Reports
As of and For the Year Ended June 30, 1999
With Supplemental Information**

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**Ouachita Council of Governments
Monroe, Louisiana**

**General-Purpose Financial Statements
and Independent Auditors' Reports
As of and For the Year Ended June 30, 1999
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INDEPENDENT AUDITORS' REPORT

Board Members
Ouachita Council of Governments
Monroe, Louisiana

We have audited the accompanying GENERAL-PURPOSE FINANCIAL STATEMENTS of the Ouachita Council of Governments, Monroe, Louisiana, as of and for the year ended June 30, 1999. These general-purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and 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 opinion.

In our opinion, the general-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Council, as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 30, 1999, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of the Council, taken as a whole. The accompanying supplemental information, as listed in the table of contents, is presented for the purpose of additional analysis and is not a required part of the general-purpose financial statements of the Council. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

Allen, Green & Company, LLP

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
December 30, 1999

OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana

Combined Balance Sheet - All Fund Types
June 30, 1999

Statement A

*****GOVERNMENTAL FUNDS*****

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
ASSETS			
Cash and cash equivalents	\$ 55,756	\$ 0	\$ 55,756
Receivables	0	17,248	17,248
Interfund receivable	<u>7,341</u>	<u>0</u>	<u>7,341</u>
TOTAL ASSETS	<u>\$ 63,097</u>	<u>\$ 17,248</u>	<u>\$ 80,345</u>
LIABILITIES AND EQUITY			
Liabilities:			
Accounts payable	\$ 17,832	\$ 9,907	\$ 27,739
Interfund payable	<u>0</u>	<u>7,341</u>	<u>7,341</u>
Total Liabilities	<u>\$ 17,832</u>	<u>\$ 17,248</u>	<u>\$ 35,080</u>
Fund Equity:			
Fund Balances:			
Unreserved - undesignated	<u>\$ 45,265</u>	<u>\$ 0</u>	<u>\$ 45,265</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 63,097</u>	<u>\$ 17,248</u>	<u>\$ 80,345</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana

Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - All Governmental Funds
For the Year Ended June 30, 1999

Statement B

	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES			
Intergovernmental revenues:			
Federal sources	\$ 0	\$ 136,177	\$ 136,177
Local sources	95,967	34,043	130,010
Interest earnings	1,966	0	1,966
Total Revenues	\$ 97,933	\$ 170,220	\$ 268,153
EXPENDITURES			
Current:			
General government - finance and administrative	\$ 4,255	\$ 0	\$ 4,255
Intergovernmental	105,971	170,220	276,191
Total Expenditures	\$ 110,226	\$ 170,220	\$ 280,446
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (12,293)	\$ 0	\$ (12,293)
FUND BALANCES AT BEGINNING OF YEAR	57,558	0	57,558
FUND BALANCES AT END OF YEAR	\$ 45,265	\$ 0	\$ 45,265

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended June 30, 1999

Statement C

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Intergovernmental revenues:			
Local sources	\$ 105,972	\$ 95,967	\$ (10,005)
Interest earnings	0	1,966	1,966
	\$ 105,972	\$ 97,933	\$ (8,039)
EXPENDITURES			
Current:			
General government - finance and administrative	\$ 0	\$ 4,255	\$ (4,255)
Intergovernmental	105,972	105,971	1
	\$ 105,972	\$ 110,226	\$ (4,254)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ (12,293)	\$ (12,293)
FUND BALANCES AT BEGINNING OF YEAR	0	57,558	57,558
FUND BALANCES AT END OF YEAR	\$ 0	\$ 45,265	\$ 45,265

(CONTINUED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual - Special Revenue Funds
For the Year Ended June 30, 1999**

Statement C

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Intergovernmental revenues:			
Federal sources	\$ 136,176	\$ 136,177	\$ 1
Local sources	34,044	34,043	(1)
Total Revenues	\$ 170,220	\$ 170,220	\$ 0
EXPENDITURES			
Current:			
Intergovernmental	170,220	170,220	0
Total Expenditures	\$ 170,220	\$ 170,220	\$ 0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	\$ 0

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

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**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Ouachita Council of Governments 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.

A. REPORTING ENTITY

The Ouachita Council of Governments was created by the Commission Council of the City of Monroe, the Mayor and Board of Aldermen of the City of West Monroe, the Ouachita Parish Police Jury, the Monroe City School Board, and the Ouachita Parish School Board on September 23, 1968, under the authority of Louisiana Revised Statutes 33:1321-1332. On February 26, 1973, the articles of the agreement were amended to provide for two classes of membership on the Council - regular members and associate members. The regular membership consists of: (1) two members from the City of Monroe Commission Council (one of whom may be the Mayor) appointed by the Commission Council; (2) two members from the membership of the Mayor and Board of Aldermen of the City of West Monroe (one of whom may be the Mayor) appointed by the Mayor and Board of Aldermen; and (3) two members from the Ouachita Parish Police Jury (one of whom may be the President) appointed by the Ouachita Parish Police Jury. Any other unit of government situated within Ouachita Parish, or having an operating office in Ouachita Parish, is eligible for associate membership. Regular and associate members serve without benefit of compensation.

In creating the Ouachita Council of Governments, the members included in the articles of the agreement the following functions and purposes of the Council:

1. To carry on a continuing comprehensive planning program that supplements and coordinates but does not duplicate the programs of the member units.
2. To study such area governmental problems common to two or more members of the Council as it deems appropriate, including but not limited to matters affecting health, safety, welfare, education, economic conditions and regional development.
3. To promote cooperative arrangements and coordinate action among its members.
4. To make recommendations for review and action to the members and other public agencies that perform functions within the region.
5. To serve as a clearinghouse, for the benefit of the member governments, of information concerning their common problems and concerning state and federal services available to assist in the solution of these problems.

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (Continued)

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Council members are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public service provided by the Council, the Council is a separate governmental reporting entity. The Council includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the Council. The Council has no *component* units, defined by GASB Statement 14 as other legally separate organizations for which the elected Council members are financially accountable. There are no other primary governments with which the Council has a significant relationship.

B. FUNDS AND ACCOUNT GROUPS

The accounts of the Council are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The funds of the Council are classified into the governmental category. In turn, this category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for the Council's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

General fund — the primary operating fund of the Council. It accounts for all financial resources of the Council, except those required to be accounted for in another fund.

Special revenue funds — account for revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "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 pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenues are recognized in the amounts earned, to the extent that they are both measurable and available.

Interest income is recorded when the time deposits have matured and the income is available.

Expenditures

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

D. BUDGETS

The Council follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year, prior to the beginning of the fiscal year, the executive director submits to the Council proposed annual budgets for the general fund and special revenue funds budgets. Public hearings are conducted, prior to the Council's approval, to obtain taxpayer comments. Grant funds are included in special revenue funds and their budgets are adopted after the grant applications are approved by the grantor. The operating budgets include proposed expenditures and the means of financing them.

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BUDGETS (Continued)

The Council adopted budgets for the general fund and all special revenue funds.

All appropriations (unexpended budget balances) lapse at year end.

Encumbrances are not recognized within the accounting records for budgetary control purposes.

All governmental funds budgets are prepared on the modified accrual basis of accounting, a basis consistent with Generally Accepted Accounting Principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Council. Legally, the Council must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Council to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The Council approves budgets at the function level and management can transfer amounts between line items within a function.

Formal budget integration (within the accounting records) is employed as a management control device. The budget is established and controlled by the Council at the functional level of expenditure and budget amendments are adopted by the Council as necessary.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Council 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.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

G. 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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. MEMORANDUM ONLY - TOTAL COLUMNS

The total columns on the general-purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in accordance with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - CASH

At June 30, 1999, the Council had cash (book balances) totaling \$55,756 in a demand deposit.

At year-end, the Council's carrying amount of deposits was \$55,756 and the bank balance was \$72,545. Of the bank balance, \$72,545 was covered by federal depository insurance.

NOTE 3 - RECEIVABLES

The receivables of \$17,248 at June 30, 1999, are as follows:

<u>Class of Receivable</u>	<u>Special Revenue Funds</u>
Intergovernmental Revenues:	
Federal sources	<u>\$17,248</u>

NOTE 4 - ACCOUNTS PAYABLE

The accounts payable of \$27,739 at June 30, 1999 are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Accounts	<u>\$17,832</u>	<u>\$9,907</u>	<u>\$27,739</u>

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 5 - INTERFUND ASSETS/LIABILITIES

Due from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue	
	Federal Transit Authority 80-X007	\$ 463
	Federal Highway Administration 736-37-0016	<u>6,878</u>
Total		<u>\$7,341</u>

NOTE 6 - INTERGOVERNMENTAL EXPENDITURES

The Ouachita Council of Governments receives contributions from its member agencies to pass through to other agencies in the region. Additionally, federal program funds are received from the Louisiana Department of Transportation and Development and transferred to other agencies. For the year ended June 30, 1999, the Council received and distributed \$276,191 as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Ouachita Multi-Purpose CAP	\$ 4,108	\$ -	\$ 4,108
Opportunities Industrialization Center	2,366	-	2,366
Senior Adult Academic Program	2,066	-	2,066
LA Department of Veterans Affairs	8,448	-	8,448
RSVP of Ouachita Parish	1,438	-	1,438
Northeast LA Health Education and Planning	4,312	-	4,312
Ouachita Council on Aging	9,655	-	9,655
Deaf Action Center	13	-	13
Association for Retarded Citizens/Ouachita	9,094	-	9,094
Monroe Sheltered Workshop	6,325	-	6,325
Triad	1,988	-	1,988
North Delta Regional Planning & Development District	<u>56,158</u>	<u>170,220</u>	<u>226,378</u>
Total	<u>\$105,971</u>	<u>\$170,220</u>	<u>\$276,191</u>

**Ouachita Council of Governments
Monroe, Louisiana**

**Notes to the General-Purpose Financial Statements
As of and for the Year Ended June 30, 1999**

NOTE 7 - DUAL ROLES OF STAFF

The Executive Secretary of the Council also serves as Executive Director of North Delta Regional Planning and Development District. The Council has contracted with North Delta to provide technical assistance in carrying out federal and local program activities. For the year ended June 30, 1999, the Council made payments to North Delta totaling \$226,378 which represents eighty-two percent of the Council's total intergovernmental expenditures for the year.

NOTE 8 - LITIGATION AND CLAIMS

Litigation

The Ouachita Council of Governments is not involved in any litigation at June 30, 1999, nor is it aware of any unasserted claims.

Grant Disallowances

The Council participates in a number of federal awards programs. The programs are not subject to compliance audits under the single audit approach. These programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Council expects such amounts, if any, to be immaterial.

NOTE 9 - ECONOMIC DEPENDENCY

The three regular members of the Council, the City of Monroe, the City of West Monroe and the Ouachita Parish Police Jury, fund the local activities of the Council and also fund the 20 percent match for federal grants. Each governmental unit's percentage is based on the federal census. For the year ended June 30, 1999, the three governmental units contributed forty-eight percent of the Council's total revenues.

**Ouachita Council of Governments
Monroe, Louisiana**

SUPPLEMENTAL INFORMATION

**Ouachita Council of Governments
Monroe, Louisiana**

SPECIAL REVENUE FUNDS

FEDERAL TRANSIT AUTHORITY

To assist in development of cost effective transportation improvement programs to include planning, engineering, and designing of federal transit projects and other technical studies in a program for a unified or officially coordinated federal transit system.

FEDERAL HIGHWAYS ADMINISTRATION

To assist in the development of an integrated, interconnected transportation system by constructing and rehabilitating the interstate highway system and the national highway system for transportation improvements to all public roads except those classified as local or rural minor collectors, to provide aid for the repair of federal-aid roads following disasters, to foster safe highway design, to replace or rehabilitate deficient or obsolete bridges, and to provide for other special purposes.

OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana

Combining Balance Sheet - Special Revenue Funds
June 30, 1999

Exhibit 1

	FEDERAL TRANSIT AUTHORITY 80X006	FEDERAL TRANSIT AUTHORITY 80X007	FEDERAL HIGHWAY ADMINISTRATION 736-37-0014	FEDERAL HIGHWAY ADMINISTRATION 736-37-0016	TOTAL
ASSETS					
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0	0
Receivables	0	1,504	0	15,744	17,248
Interfund receivable	0	0	0	0	0
TOTAL ASSETS	\$ 0	\$ 1,504	\$ 0	\$ 15,744	\$ 17,248
LIABILITIES AND EQUITY					
Liabilities:					
Accounts payable	\$ 0	\$ 1,041	\$ 0	\$ 8,866	\$ 9,907
Interfund payable	0	463	0	6,878	7,341
Total Liabilities	\$ 0	\$ 1,504	\$ 0	\$ 15,744	\$ 17,248
Fund Equity:					
Fund Balances:					
Unreserved - undesignated	\$ 0	\$ 0	\$ 0	\$ 0	0
TOTAL LIABILITIES AND EQUITY	\$ 0	\$ 1,504	\$ 0	\$ 15,744	\$ 17,248

OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - Special Revenue Funds**
For the Year Ended June 30, 1999

Exhibit 2

	FEDERAL TRANSIT AUTHORITY 80X006	FEDERAL TRANSIT AUTHORITY 80X007	FEDERAL HIGHWAY ADMINISTRATION 736-37-0014	FEDERAL HIGHWAY ADMINISTRATION 736-37-0016	TOTAL
REVENUES					
Intergovernmental revenues:					
Federal sources	\$ 8,438	\$ 20,000	\$ 0	\$ 107,739	\$ 136,177
Local sources	2,110	4,999	0	26,934	34,043
Total Revenues	\$ 10,548	\$ 24,999	\$ 0	\$ 134,673	\$ 170,220
EXPENDITURES					
Current:					
Intergovernmental	\$ 10,548	\$ 24,999	\$ 0	\$ 134,673	\$ 170,220
Total Expenditures	\$ 10,548	\$ 24,999	\$ 0	\$ 134,673	\$ 170,220
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0	\$ 0	0
FUND BALANCES AT BEGINNING OF YEAR	0	0	0	0	0
FUND BALANCES AT END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	0

OUACHITA COUNCIL OF GOVERNMENTS
Monroe, Louisiana

Combining Schedule of Cash Receipts, Disbursements
and Changes in Cash Balances - Special Revenue Funds
For the Year Ended June 30, 1999

Exhibit 3

	FEDERAL TRANSIT AUTHORITY 80X006	FEDERAL TRANSIT AUTHORITY 80X007	FEDERAL HIGHWAYS ADMINISTRATION 736-37-0014	FEDERAL HIGHWAYS ADMINISTRATION 736-37-0016	TOTAL
RECEIPTS					
Intergovernmental revenues:					
Federal funds	\$ 12,321	\$ 18,496	\$ 27,162	\$ 91,995	\$ 149,974
Local funds	2,110	5,462	0	33,812	41,384
Total Receipts	\$ 14,431	\$ 23,958	\$ 27,162	\$ 125,807	\$ 191,358
DISBURSEMENTS					
Payments to North Delta	\$ 14,431	\$ 23,958	\$ 27,162	\$ 125,807	\$ 191,358
Transfers to general fund	0	0	0	0	0
Total Disbursements	\$ 14,431	\$ 23,958	\$ 27,162	\$ 125,807	\$ 191,358
EXCESS (Deficiency) OF RECEIPTS OVER DISBURSEMENTS					
	\$ 0	\$ 0	\$ 0	\$ 0	0
CASH BALANCES AT BEGINNING OF YEAR					
	\$ 0	\$ 0	\$ 0	\$ 0	0
CASH BALANCES AT END OF YEAR					
	\$ 0	\$ 0	\$ 0	\$ 0	0

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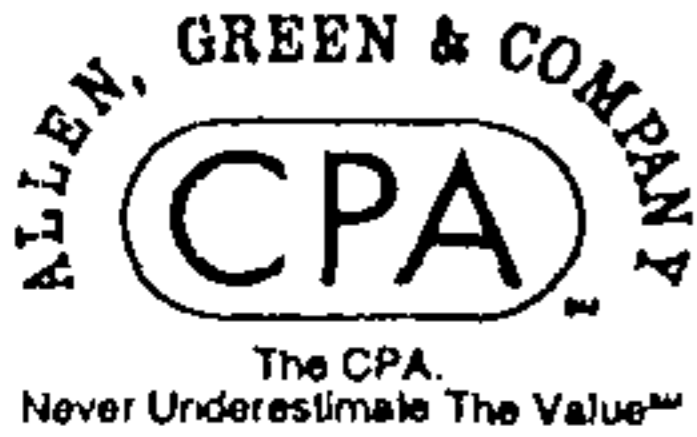
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Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board Members
Ouachita Council of Governments
Monroe, Louisiana

We have audited the financial statements of Ouachita Council of Governments, Monroe, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated December 30, 1999. We conducted our audit in accordance with generally accepted auditing standards 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 the Council'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 the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted one instance involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Council's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of reportable conditions as item #1.

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 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe the reportable condition described above is not a material weakness.

Board Members
Ouachita Council of Governments
Monroe, Louisiana

This report is intended for the information of the Council members, management, the Louisiana Department of Transportation and Development, the U. S. Department of Transportation and Development, and other applicable federal agencies, and is not intended to be and should not be used by anyone other than the specified parties.

Allen, Green + Company, LLP
ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana
December 30, 1999

**Ouachita Council of Governments
Monroe, Louisiana**

**Schedule of Reportable Conditions
As of and for the Year Ended June 30, 1999**

1. **Inadequate Segregation of Duties**
(Highway Planning and Construction CFDA #20.205)
(Federal Transit Technical Studies Grant CFDA #20.505)

CONDITION: All accounting functions for the Council, with the exception of signing checks, is performed by one individual. This individual makes deposits, post receipts and prepares, posts and mails disbursements.

CAUSE OF CONDITION: The Council has no employees. The accounting functions are performed by an employee of the City of Monroe.

EFFECT OF CONDITION: Inadequate segregation of duties.

RECOMMENDATION: Due to the size of the Council and its limited revenues, it is not economically feasible to correct this deficiency.

**Ouachita Council of Governments
Monroe, Louisiana**

**Status of Prior Audit Reportable Condition
For the Year Ended June 30, 1999**

REPORTABLE CONDITIONS

1. Inadequate Segregation of Duties

See current-year finding #1 in the schedule of reportable conditions.