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Financial Report
South Central Planning &
Development Commission, Inc.
Thibodaux, Louisiana
June 30, 1999

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 06240199

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South Central Planning & Development Commission, Inc.

June 30, 1999

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PRINCIPAL OFFICIALS

South Central Planning & Development Commission, Inc.

June 30, 1999

Officers

Dale J. Hynsd, Jr.

Chairman

St. James Parish

Perry Bailey

Vice Chairman

St. John the Baptist Parish

J.B. Townsend, Jr.

Secretary/Treasurer

Town of Lockport

Commissioners

Martin Triche

Assumption Parish

Ronald Arnes

Assumption Parish

Alvin Sylvester

Assumption Parish

Charles Callhoun

City of Thibodaux

Aaron Callhoun

Lafourche Parish

Perry Jones

Lafourche Parish

Donald Holinger

Lafourche Parish

Chris Trepp

St. Charles Parish

Ellis A. Alexander

St. Charles Parish

Elton Aubert

St. James Parish

Harbert Jackson

St. James Parish

Arnold J. Labat

St. John the Baptist Parish

Lenny Labat

St. John the Baptist Parish

Harry Berovillain

Terrebonne Parish

Philip Fongry

Terrebonne Parish

Wayne S. Jiggins

Terrebonne Parish

Leonard Miller

Town of Golden Meadow

Ronald St. Pierre

Town of Gramercy

Trent Pasché

Town of Lusher

Daniel C. Jupiter

Village of Napoleonville

Chief Executive Officer

Kevin P. Belanger

FINANCIAL SECTION



Bourgeois Benness

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
South Central Planning & Development Commission, Inc.,
Thibodaux, Louisiana.

We have audited the accompanying general-purpose financial statements of South Central Planning & Development Commission, Inc. (the Commission) as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Commission'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 the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These 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 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 above present fairly, in all material respects, the financial position of South Central Planning & Development Commission, Inc. as of June 30, 1998, 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 our report dated August 10, 1999 on our consideration of South Central Planning & Development Commission, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of South Central Planning & Development Commission, Inc. taken as a whole. The accompanying combining and individual fund financial statements and schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of South Central Planning & Development Commission, Inc. 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.

Bourgeois Bennett, LLC.

Certified Public Accountants

Houma, La.,
August 18, 1999.

**COMBINED BALANCE SHEET
GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS**

South Central Planning & Development Commission, Inc.

June 30, 1999

	Governmental Fund Types		Account Groups		Total (Minimums Only)
	General	Special Revenue	General	Special	
			Fund Assets	Long-Term Liabilities	
ASSETS AND OTHER DEBITS					
Assets					
Cash	\$ 70,333	\$ 294,088	\$ -	\$ -	\$ 364,421
Investments	388,917	-	-	-	388,917
Receivables:					
Miscellaneous	4,360	-	-	-	4,360
Interagency loans	-	399,000	-	-	399,000
Due from other governmental units	62,800	-	-	-	62,800
Due from other funds	5,016	-	-	-	5,016
Prepaid expenditures	1,007	-	-	-	1,007
Deposits	471	-	-	-	471
Fixed assets	-	-	87,281	-	87,281
Other Debits					
Amounts to be provided for retirement of general long-term obligations	-	-	-	6,800	6,800
Total assets and other debits	<u>\$ 478,314</u>	<u>\$ 694,138</u>	<u>\$ 87,281</u>	<u>\$ 6,800</u>	<u>\$ 1,265,533</u>
LIABILITIES, EQUITY AND OTHER CREDITS					
Liabilities					
Accounts payable and accrued expenditures	\$ 19,077	\$ -	\$ -	\$ -	\$ 19,077
Due to other funds	-	3,046	-	-	3,046
Unfilled orders	146,478	399,000	-	-	545,478
Compensated absences payable	-	-	-	6,800	6,800
Total liabilities	<u>165,555</u>	<u>402,046</u>		<u>6,800</u>	<u>574,401</u>
Equity and Other Credits					
Investment in general fund assets	-	-	87,281	-	87,281
Fund balances:					
Reserved for prepaid items	1,007	-	-	-	1,007
Unreserved:					
Designated for revolving loans					
Fund administration	109,120	-	-	-	109,120
Undesignated	576,509	588,830	-	-	1,165,339
Total fund balances	<u>711,156</u>	<u>588,830</u>			<u>1,300,026</u>
Total equity and other credits	<u>711,156</u>	<u>588,830</u>	<u>87,281</u>		<u>1,387,267</u>
Total liabilities, equity and other credits	<u>\$ 478,314</u>	<u>\$ 694,138</u>	<u>\$ 87,281</u>	<u>\$ 6,800</u>	<u>\$ 1,265,533</u>

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUND TYPES**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Total (Minimumum Only)</u>
Revenues			
Intergovernmental	\$ 339,962	\$ 97,481	\$ 437,443
Charges for services	5,615	-	5,615
Interest earned	12,899	38,111	52,010
Miscellaneous	<u>14,240</u>	<u>296,067</u>	<u>311,207</u>
Total revenues	372,716	433,559	806,275
Expenditures			
Current			
Economic development and assistance	<u>265,875</u>	<u>156,353</u>	<u>422,428</u>
Excess of revenues over expenditures	<u>106,841</u>	<u>277,405</u>	<u>383,847</u>
Other Financing Sources (Uses)			
Operating transfers in	18,288	46,513	65,801
Operating transfers out	<u>(46,513)</u>	<u>(19,285)</u>	<u>(65,801)</u>
Total other financing sources (uses)	(27,225)	27,225	-
Excess of Revenues and Other Sources Over Expenditures and Other Uses	79,616	304,231	383,847
Fund Balances			
Beginning of year	<u>232,943</u>	<u>85,839</u>	<u>318,782</u>
End of year	<u>\$ 312,559</u>	<u>\$ 390,070</u>	<u>\$ 702,229</u>

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUND
TYPES - GENERAL AND SPECIAL REVENUE FUNDS**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 136,762	\$ 339,962	\$ 2,200
Charges for services	5,000	5,615	615
Interest earned	12,300	12,899	599
Miscellaneous	12,900	14,240	1,340
	367,462	372,716	5,254
Expenditures			
Current:			
Economic development and assistance	265,323	265,875	(552)
	101,799	106,841	5,042
Other Financing Sources (Uses)			
Operating transfers in	19,150	19,288	138
Operating transfers out	(57,990)	(46,512)	10,477
	(38,840)	(27,225)	10,615
Excess of Revenues and Other Sources Over Expenditures and Other Uses	\$ 63,699	79,616	\$ 15,917
Fund Balances			
Beginning of year		222,543	
End of year		\$ 312,159	

See notes to financial statements.

Special Revenue Funds

Budget	Actual	Variance Favorable (Unfavorable)
\$ 90,488	\$ 97,481	\$ 7,083
-	-	-
38,820	39,111	491
<u>297,418</u>	<u>296,967</u>	<u>(451)</u>
426,438	433,559	7,121
<u>138,835</u>	<u>156,353</u>	<u>1,782</u>
<u>368,503</u>	<u>277,886</u>	<u>19,503</u>
57,880	66,513	(8,637)
<u>(19,850)</u>	<u>(19,288)</u>	<u>(138)</u>
<u>38,040</u>	<u>27,225</u>	<u>(10,815)</u>
<u>\$ 304,543</u>	<u>304,231</u>	<u>\$ (312)</u>
	<u>85,839</u>	
	<u>\$ 390,070</u>	

NOTES TO FINANCIAL STATEMENTS**South Central Planning & Development Commission, Inc.**

June 30, 1999

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the South Central Planning & Development Commission, Inc. (the Commission) conform to generally accepted accounting principles (GAAP) applied to special districts as prescribed by the Governmental Accounting Standards Board (GASB), the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The Commission was created under enabling legislation of the State of Louisiana and incorporated under the provisions of Louisiana Revised Statutes 12:201 et. seq., as amended in 1968; provided, however, that its activities shall be consistent with the powers, duties, rights and liabilities as may be deemed necessary or proper to accomplish the purposes of a regional planning or an economic development district and are for charitable, educational and scientific research purposes.

The Commission although governed by a Board of Commissioners who are directly appointed by the governing bodies of the municipalities and parishes of which it serves, is considered a separate governmental entity because it is substantially autonomous. The Commission has no component units and the general-purpose financial statements include all the fund types and account groups of the entity.

b) Fund Accounting

The Commission uses funds and account groups 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B) Fund Accounting (Continued)

Governmental Funds

Governmental Funds are those through which the governmental functions of the Commission are financed. The acquisition, use and balances of the Commission's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Governmental Funds of the Commission:

General Fund - The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes.

Account Groups

Account groups are used to establish accounting control and accountability. The Commission's Account Groups are as follows:

General Fixed Assets Account Group - This account group is used to account for fixed assets not accounted for in proprietary or trust funds.

General Long-Term Obligations Account Group - This account group is used to account for general long-term obligations and certain other liabilities that are not specific liabilities of proprietary or trust funds.

C) Basis of Accounting

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Basis of Accounting (Continued)

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Member assessments are recognized as revenues in the period for which they are assessed. Grant and contract revenues are recognized when earned since they are measurable and available. Interest earned and other miscellaneous revenues are recorded as revenues when received in cash by the Commission because they are generally not measurable until actually received.

Liabilities are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is vacation and sick leave which is recorded in the period in which paid.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

e) Budgets and Budgetary Accounting

The Commission, under the terms of its charter, adopts an annual budget. This budget is for the General Fund and Special Revenue Funds. Special Revenue Funds, which at June 30, 1999 consisted of various government and government agency projects, are budgeted on a project by project basis as funding becomes available. The General Fund and Special Revenue Funds budgets were amended during the year to reflect changes in budgeted revenues, expenditures and operating transfers as dictated by the circumstances.

Budgets for carryover grants and projects, which are to be performed over more than one accounting period, are reflected only to the extent they affect the current period being reported on. Budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

Comparison of the budgeted and actual amounts as shown in Exhibit C in the accompanying financial report includes the General Fund and all Special Revenue Funds. The budgets are adopted on a basis materially consistent with generally accepted accounting principles.

Note 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Accounts Receivable

The financial statements of the Commission contain no allowance for uncollectible accounts. Uncollectible amounts due for member assessments, contract revenues and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Investments

Investments consist of certificates of deposit which are stated at cost and approximated market value.

h) Deferred Revenue

Member dues and restricted contributions for future periods received during the current year are reported as deferred revenues within the General Fund. Member dues and restricted contributions are considered revenues of the period for which assessed or designated by the members. In January, members are assessed dues for the next fiscal year based on a per capita rate, \$38 for the fiscal year 2008. Also, in January, members are voluntarily assessed the cost to administer the revolving loan program for the calendar year.

The Commission accounts for its revolving loan program in the operating accounts of special revenue funds. The receipts of its grants and subsequent loan collections are recognized as revenue and loans made to beneficiaries of the program are accounted for as expenditures. An asset "economic loan receivable" is often on the Balance Sheet by "deferred revenue."

i) Fixed Assets

Fixed assets used in governmental fund type operations (fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Fixed Assets (Continued)

It is not involved with the measurement of results of operations. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, streets and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized along with other fixed assets. No depreciation has been provided on fixed assets.

All fixed assets are valued at historical cost.

j) Long-Term Obligations

For long-term obligations, only that portion expected to be financed from unexpended available financial resources is reported as a fund liability of a Governmental Fund. The remaining portion of such obligations is reported in the General Long-Term Obligations Account Group.

k) Vacation and Sick Leave

Accumulated vacation and sick leave is recorded as an expenditure of the period in which paid.

All full-time, permanent employees of the Commission receive two weeks of vacation which accrues at a rate of 3.04 hours per pay period beginning with the first day of full-time, permanent employment. Full-time employees as of June 22, 1995 will receive an additional day of vacation per year of service after five years of continuous employment. Full-time employees hired after June 22, 1995 will receive an additional day of vacation per year of service after ten years of continuous employment. Vacation cannot be used for the first three months of full-time, permanent employment. Employees may carry over a maximum of five working days of vacation from one fiscal year to another. Any time in excess of five days must be approved by the Chief Executive Officer before the end of the fiscal year or will be lost without compensation. Vacation is reimbursed when an employee terminates service with the Commission.

All full-time, permanent employees of the Commission earn sick leave at the rate of one day per month or 3.04 hours per pay period. No limits on this accrual privilege have been established. Sick leave can be accumulated but does not vest and, therefore, a provision has not been made for sick leave.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Vacation and Sick Leave (Continued)

The amount of accumulated unpaid vacation at June 30, 1999 is reported in the General Long-Term Obligations Account Group.

l) Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

m) Indirect Cost Plan

The Commission maintains an indirect cost plan for the allocation of costs that are incurred for a common or joint purpose, benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited through June 30, 1999. These indirect costs are allocated based on direct salaries incurred by each fund benefiting from the indirect costs.

n) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Commission.

o) Memorandum Only - Total Columns

The total columns on the general-purpose financial statements are captioned "Memorandum Only" because they do not represent certified financial information and are prepared only to facilitate financial analysis. The columns do not present information that reflects financial position or results of operations in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - DEPOSITS

State statutes authorize the Commission to invest excess funds in obligations of the United States, certificates of deposit of state banks organized under laws of Louisiana and National Banks having their principal office in Louisiana or any other federally insured investment.

State Law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivisions. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Commission or its agent in the Commission's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Commission's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agents but not in the Commission's name and deposits which are uninsured or noncollateralized.

The year end bank balances of deposits and the carrying amounts as shown on the combined balance sheet are as follows:

	Bank Balances			Bank Balances
	Category			
	1	2	3	
Cash	\$100,000	\$-	\$190,199	\$450,524
Investments:				
Certificates of deposit	100,000	---	208,913	208,913
Totals	<u>\$200,000</u>	<u>\$-</u>	<u>\$399,116</u>	<u>\$759,291</u>

Note 3 - DEPOSITS (Continued)

At June 30, 1999, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the Commission. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1223 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

A reconciliation of deposits as shown on the Combined Balance Sheet is as follows:

Cash on hand	\$ 85
Carrying amount of deposits	<u>799,241</u>
Total	<u>\$799,326</u>
Cash	\$490,409
Investments	<u>308,917</u>
Total	<u>\$799,326</u>

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at June 30, 1999 consisted of the following:

Agencies	Amount
U.S. Department of Commerce	\$ 7,946
Louisiana Department of Culture, Recreation and Tourism	7,115
Louisiana Department of Economic Development	3,313
Louisiana Department of Environmental Quality	3,116
Assumption Parish Sheriff's Office	750
Lafourche Parish Council	8,730
Lafourche Parish Sheriff's Office	1,900
St. Charles Parish Sheriff's Office	750
St. James Parish	6,282
St. James Parish Sheriff's Office	1,590

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS (Continued)

<i>Agencies</i>	<i>Amount</i>
St. John the Baptist Parish Council	3,428
St. John the Baptist Parish Sheriff's Office	750
Tomboulaie Parish Consolidated Government	5,000
Tomboulaie Parish Sheriff's Office	750
Town of Lockport	2,250
Town of Golden Meadow	3,748
Town of Gramercy	<u>8,372</u>
Total	<u>\$62,300</u>

Amounts earned under various governmental projects included in due from other governmental units include \$28,427 of unbilled services at June 30, 1999.

Note 4 - PREPAID EXPENDITURES

The Commission advanced funds for future office rent of \$1,600 and \$327 of various other items. Since these are to be allocated to expenditures in future periods, they have been classified as prepaid at June 30, 1999.

Note 5 - CHANGES IN FIXED ASSETS

A summary of changes in fixed assets is as follows:

	<i>Balance July 1, 1998</i>	<i>Additions</i>	<i>Deletion</i>	<i>Balance June 30, 1999</i>
Furniture, fixtures and equipment	\$66,870	\$36,493	\$4,832	\$98,531
Construction in progress	<u>1,748</u>	—	—	<u>8,782</u>
Totals	<u>\$73,628</u>	<u>\$36,493</u>	<u>\$4,832</u>	<u>\$87,281</u>

Note 6 - LONG-TERM OBLIGATIONS

Long-term obligations at June 30, 1999 consisted of accumulated annual leave (vacation pay) amounts vested with employees.

The following is a summary of changes in the long-term obligations of the Commission:

Long-term obligations, July 1, 1998	\$3,661
Net increase in accumulated unpaid annual leave	<u>2,441</u>
Long term obligations, June 30, 1999	<u>\$6,102</u>

Funding of accumulated annual leave is to be provided from revenues of various Funds at the time paid.

Note 7 - DEFERRED REVENUES

Deferred revenues are reported in the general fund and special revenue funds at June 30, 1999. For the year ended June 30, 1999, the General Fund's deferred revenue activity consisted of the following:

	Member Dues	Loan Administration	Total
Balance July 1, 1998	\$ 123,033	\$ 30,000	\$ 153,033
Billings	124,178	45,000	169,178
Revenues - Intergovernmental	(123,133)	(52,500)	(175,633)
Balance June 30, 1999	<u>\$ 124,078</u>	<u>\$ 22,500</u>	<u>\$ 146,578</u>

Deferred revenue within the special revenue funds relate to the Commission's revolving loan program and activity for the year ended June 30, 1999 consisted for the following:

	Revolving Loan Program
Balance July 1, 1998	\$ 883,994
Loan collections	<u>(284,242)</u>
Balance June 30, 1999	<u>\$ 599,752</u>

Note 8 - LEASE COMMITMENTS

The Commission has entered into two three-year operating leases for vehicles. One lease expired in July 1998. The other lease expires in May 2001 and provides for monthly payments of \$439. Future minimum lease payments under the outstanding lease at June 30, 1999 are as follows:

Year ended <u>June 30,</u>	Facility Vehicle
2000	\$5,271
2001	<u>4,392</u>
Lease totals	<u>\$9,663</u>

As of June 30, 1999, office facilities were being leased on a month-to-month basis at \$1,600 per month.

Rental expenses under the above leases incurred for the year ended June 30, 1999 were \$24,868.

Note 9 - ECONOMIC DEPENDENCY

The Commission received a majority of its revenue from funds provided by federal/state government grants, local government utilities, contracts and member (local governments) dues. Certain grants, contracts and member dues are required to be appropriated each year by the various levels of government. If significant budget cuts are made at the federal/state and/or local government level, the amount of funds received by the Commission could be reduced significantly and have an adverse impact on its operations.

Note 10 - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to workers' compensation, torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Commission carries commercial insurance. No settlements were made during the year that exceeded the Commission's insurance coverage.

Note 11 - COMPENSATION OF COMMISSIONERS

Commissioners for South Central Planning & Development Commission, Inc. received no compensation during the year ended June 30, 1999.

SUPPLEMENTARY INFORMATION SECTION

SPECIAL REVENUE FUNDS

Economic Development Administration Revolving Loan Fund - To account for receipts and uses of grant funds from the United States Department of Commerce (Economic Development Administration) to operate a revolving loan program.

Economic Development Administration Grant Fund - To account for receipts and uses of grant funds received from the United States Department of Commerce (Economic Development Administration) which are restricted to uses as specified in the grants documents.

Louisiana Department of Culture, Recreation and Tourism Grant Fund - To account for receipts and uses of grant funds received from the Louisiana Department of Culture, Recreation and Tourism which are restricted to uses as specified in the grant document.

Nonpoint Source Pollution Implementation Fund - To account for receipts and uses of EPA funds provided by the Department of Environmental Quality, State of Louisiana for "Extension of Urban Subcommittee to Localized Nonpoint Source Conditions: Sanitation and Verminous Debris" which are restricted to those uses as specified in the contract documents.

**BALANCE SHEET - SPECIAL REVENUE FUND -
ECONOMIC DEVELOPMENT ADMINISTRATION
REVOLVING LOAN FUND**

South Central Planning & Development Commission, Inc.

June 30, 1999

Assets	
Cash	\$ 395,086
Receivable - economic loans	<u>509,052</u>
Total assets	<u>\$ 904,138</u>
Liabilities	
Due to other funds	\$ 5,016
Deferred revenues	<u>599,852</u>
Total liabilities	604,868
Fund Balance	
Undesignated	<u>299,270</u>
Total liabilities and fund balance	<u>\$ 904,138</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	Economic Development Administration Revolving Loan Fund	Economic Development Administration Grant Fund	Leisure Department of Culture, Recreation, and Tourism Grant Fund	Hospital Source Folio Implementation Fund	Total
Revenues					
Intergovernmental					
Interest earned	\$ -	\$ 18,946	\$ 11,000	\$ 26,118	\$ 54,964
Miscellaneous	38,577	534	-	-	39,111
Miscellaneous	189,941	-	11,000	-	200,941
Total revenues	<u>328,518</u>	<u>19,480</u>	<u>11,000</u>	<u>26,118</u>	<u>485,116</u>
Expenditures					
Current					
Economic development and activities	-	<u>12,119</u>	<u>14,898</u>	<u>49,791</u>	<u>76,808</u>
Excess (deficiency) of revenues over expenditures	<u>328,518</u>	<u>7,361</u>	<u>-</u>	<u>(23,673)</u>	<u>312,206</u>
Other Financing Sources (Uses)					
Operating transfers in	-	21,178	-	11,234	32,312
Operating transfers out	<u>(19,288)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,288)</u>
Total other financing sources (uses)	<u>(19,288)</u>	<u>21,178</u>	<u>-</u>	<u>11,234</u>	<u>13,124</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>309,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>309,230</u>
Fund Balances					
Beginning of year	<u>15,829</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,829</u>
End of year	<u>\$ 325,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 325,059</u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - ECONOMIC
DEVELOPMENT ADMINISTRATION REVOLVING LOAN FUND**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest earned	\$ 38,300	\$ 38,577	\$ 277
Miscellaneous - principal repayments	<u>285,383</u>	<u>284,942</u>	<u>(441)</u>
Total revenues	323,683	323,519	(164)
Other Financing Uses			
Operating transfers out:			
General Fund	<u>(19,150)</u>	<u>(19,288)</u>	<u>(138)</u>
Excess of Revenues Over Other Uses	<u>\$ 304,533</u>	<u>304,231</u>	<u>\$ (302)</u>
Fund Balance			
Beginning of year		<u>85,839</u>	
End of year		<u>\$ 390,070</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - ECONOMIC
DEVELOPMENT ADMINISTRATION GRANT FUND**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$ 51,000	\$ 58,946	\$ 7,946
Interest earned	320	534	214
Total revenues	<u>51,320</u>	<u>59,480</u>	<u>8,160</u>
Expenditures			
Current			
Economic development and assistance:			
Personal services	63,700	62,836	864
Other services and charges	21,015	19,943	1,072
Total expenditures	<u>84,715</u>	<u>82,779</u>	<u>1,936</u>
Deficiency of revenues over expenditures	<u>(33,395)</u>	<u>(23,299)</u>	<u>10,116</u>
Other Financing Sources			
Operating transfers in General Fund	<u>30,395</u>	<u>23,279</u>	<u>(10,116)</u>
Excess of Revenues and Other Sources Over Expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance			
Beginning of year		-	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - LOUISIANA DEPART-
MENT OF CULTURE, RECREATION AND TOURISM GRANT FUND**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 12,025	\$ 12,025	
Miscellaneous	<u>12,025</u>	<u>12,025</u>	
Total revenues	<u>24,050</u>	<u>24,050</u>	
Expenditures			
Current:			
Economic development and assistance:			
Contract services	16,586	18,142	\$ (1,557)
Materials and supplies	3,411	2,870	341
Other services and charges	<u>1,653</u>	<u>1,237</u>	416
Total expenditures	<u>24,050</u>	<u>24,050</u>	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
NONPOINT SOURCE POLLUTION IMPLEMENTATION FUND**

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 27,375	\$ 28,510	\$ (865)
Expenditures			
Current:			
Economic development and assistance:			
Personal services	24,028	23,689	731
Materials and supplies	1,503	1,435	68
Other services and charges	9,347	9,155	392
Capital expenditures	15,500	15,465	35
Total expenditures	<u>51,170</u>	<u>49,744</u>	<u>1,426</u>
Deficiency of revenues over expenditures	<u>(23,795)</u>	<u>(21,234)</u>	<u>561</u>
Other Financing Sources			
Operating transfers in:			
General Fund	<u>23,795</u>	<u>23,234</u>	<u>(561)</u>
Excess of Revenues and Other Sources Over Expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL-
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners,
South Central Planning & Development Commission, Inc.,
Thibodaux, Louisiana.

We have audited the general-purpose financial statements of the South Central Planning & Development Commission, Inc. (the Commission), as of and for the year ended June 30, 1999, and have issued our report thereon dated August 10, 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 Commission's general-purpose financial statements are free of material misstatements, 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 Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose 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 a material weakness. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Board of Commissioners, management, the Legislative Auditor for the State of Louisiana and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Bourgeois Bennett, LLC

Certified Public Accountants

Monroe, La.,
August 08, 1999.



Bourgeois Bennett

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

To the Board of Commissioners,
South Central Planning & Development Commission, Inc.,
Thibodaux, Louisiana.

Compliance

We have audited the compliance of the South Central Planning & Development Commission, Inc., (the Commission), 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 its major federal program for the year ended June 30, 1999. The Commission's major federal program is 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 its major federal program is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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. These 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 the Commission'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 on the Commission's compliance with those requirements.

In our opinion, the Commission complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1999.

Internal Control Over Compliance

The management of the Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Commission'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 Board of Commissioners, management, Legislative Auditor for the State of Louisiana and 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.



Certified Public Accountants

Bossier, La.,
August 10, 1999.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

<u>Federal Grantor/Pass- Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Award/ Pass-Through Entry Identifying Number</u>	<u>Federal Expenditures</u>
Department of Commerce -			
Economic Development			
Administration			
Support for Planning Organization	11.382	08-05-11078-98/99	\$ 58,046
Sudden and Severe Economic Dislocation Adjustment Revolving Loan Fund	11.387	08-99-02912.00	<u>901,282</u>
Total Department of Commerce			960,228
Department of the Interior -			
National Park Service			
Pass-Through Payments:			
Excavation and Erection, State of Louisiana, Office of Cultural Development	15.984	22-98-13121	12,025
Historic Preservation			<u>12,025</u>
Total			<u>\$ 974,253</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

South Central Planning & Development Commission, Inc.

June 30, 1999

Note 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the South Central Planning & Development Commission, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

Note 2 - VALUE OF LOANS OUTSTANDING

The value of loans outstanding at June 30, 1999 for the Sudden and Severe Economic Distraction Adjustment Revolving Loan Fund was \$599,052.

Note 3 - FINDINGS OF NONCOMPLIANCE

No federal award findings or questioned costs were reported during the audit for the year ended June 30, 1999.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Reportable condition(s) identified that are not considered to be material weaknesses? yes none reported
- Noncompliance material to financial statements noted? yes no

b) Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Reportable condition(s) identified that are not considered to be material weaknesses? yes none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes no

c) Identification of Major Programs:

CFDA Number

11.340

Name of Federal Program (or Cluster)

Southern and Sevens Economic Dislocation Adjustment Revolving Loan Fund

Dollar threshold used to distinguish between type A and Type B programs:

\$300,000

Auditor qualified as low-risk auditor?

yes no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

Section II Financial Statement Findings

No financial statement findings were noted during the audit of the general-purpose financial statements for the year ended June 30, 1999.

Section III Federal Award Findings and Questioned Costs

No federal award findings or questioned costs were reported during the audit for the year ended June 30, 1999.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

Section I Internal Control and Compliance Material to the General-Purpose Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended June 30, 1998.

No reportable conditions were reported during the audit for the year ended June 30, 1998.

Compliance

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1998.

Section II Internal Control and Compliance Material to Federal Awards

No findings or questioned costs were noted during the audit for the year ended June 30, 1998.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 1998.

MANAGEMENT'S CORRECTIVE ACTION PLAN

South Central Planning & Development Commission, Inc.

For the year ended June 30, 1999

Section I Internal Control and Compliance Material to the General-Purpose Financial Statements

Internal Control

No material weaknesses were noted during the audit for the year ended June 30, 1999.

No reportable conditions were reported during the audit for the year ended June 30, 1999.

Compliance

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1999.

Section II Internal Control and Compliance Material to Federal Awards

No findings or questioned costs were reported during the audit for year ended June 30, 1999.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 1999.