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***North Delta Regional Planning and
Development District, Incorporated***

Monroe, Louisiana

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION***

For the Year Ended June 30, 2002

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 2/12/03

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NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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Monroe, Louisiana

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
North Delta Regional Planning and Development District, Incorporated
Monroe, Louisiana

We have audited the accompanying general-purpose financial statements of the North Delta Regional Planning and Development District, Incorporated as of and for the year ended June 30, 2002, as listed in the preceding table of contents. These general-purpose financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe 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 North Delta Regional Planning and Development District, Incorporated as of June 30, 2002, and the results of its operations and the cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2002 on our consideration of organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the organization taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. In addition, accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis. This supplemental information is not a required part of the general-purpose financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.


SAUNDERS & ASSOCIATES
Certified Public Accountants

October 23, 2002

FINANCIAL STATEMENTS

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 2002

	<u>Governmental Funds</u>		<u>Proprietary</u>
	<u>General</u>	<u>Special</u>	<u>Funds -</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Enterprise</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
<u>ASSETS AND OTHER DEBITS</u>			
Assets:			
Cash and Cash Equivalents	\$ (671,084)	\$ 783,440	\$ 537,417
Receivables	15,860	119,601	117,802
Notes Receivable - Short-Term	0	0	323,242
Notes Receivable - Long-Term	0	0	773,210
Allowance for Bad Debts	0	0	(139,862)
Interfund Receivables	785,014	559	135,659
Prepaid Items	14	0	0
Land, Buildings and Equipment	0	0	0
Repossessed Properties	0	0	0
Other Debits:			
Amount to be Provided for Payment of General Long-Term Obligations	0	0	0
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 129,804</u>	<u>\$ 903,600</u>	<u>\$ 1,747,468</u>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>			
Liabilities:			
Accounts, Salaries and Other Payables	\$ 5,930	\$ 57,355	\$ 1,181
Interfund Payable	0	723,314	197,918
Notes Payable-Short Term	0	0	67,439
Notes Payable-Long Term	0	0	1,414,667
Deferred Revenue	0	25,000	0
Accrued Interest Payable	0	0	6,091
Refunds Due to Grantor	0	3,425	0
Compensated Absences Payable	0	0	0
Total Liabilities	<u>5,930</u>	<u>809,094</u>	<u>1,687,296</u>
Equity and Other Credits:			
Investment in Fixed Assets	0	0	0
Retained Earnings (Deficit)	0	0	60,172
Fund Balances:			
Unreserved and Undesignated	123,874	94,506	0
Total Equity and Other Credits	<u>123,874</u>	<u>94,506</u>	<u>60,172</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$ 129,804</u>	<u>\$ 903,600</u>	<u>\$ 1,747,468</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 2002

	Account Groups		Total (Memo Only)
	General Fixed Assets	General Long-Term Debt	
<u>ASSETS AND OTHER DEBITS</u>			
Assets:			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 649,773
Receivables	0	0	253,263
Notes Receivable - Short-Term	0	0	323,242
Notes Receivable - Long-Term	0	0	773,210
Allowance for Bad Debts	0	0	(139,862)
Interfund Receivables	0	0	921,232
Prepaid Items	0	0	14
Land, Buildings and Equipment	70,555	0	70,555
Repossessed Properties	0	0	0
Other Debits:			
Amount to be Provided for Payment of General Long-Term Obligations	0	25,274	0
	0	25,274	25,274
TOTAL ASSETS AND OTHER DEBITS	\$ 70,555	\$ 25,274	\$ 2,876,701
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>			
Liabilities:			
Accounts, Salaries and Other Payables	\$ 0	\$ 0	\$ 64,466
Interfund Payable	0	0	921,232
Notes Payable-Short Term	0	0	67,439
Notes Payable-Long Term	0	0	1,414,667
Deferred Revenue	0	0	25,000
Accrued Interest Payable	0	0	6,091
Refunds Due to Grantor	0	0	3,425
Compensated Absences Payable	0	25,274	25,274
	0	25,274	2,527,594
Total Liabilities	0	25,274	2,527,594
Equity and Other Credits:			
Investment in Fixed Assets	70,555	0	70,555
Retained Earnings (Deficit)	0	0	60,172
Fund Balances:			
Unreserved and Undesignated	0	0	218,380
	0	0	218,380
Total Equity and Other Credits	70,555	0	349,107
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 70,555	\$ 25,274	\$ 2,876,701

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUNDS

For the Year Ended June 30, 2002

	General Fund	Special Revenue	Total (Memo Only)
<u>REVENUES</u>			
Intergovernmental Revenues:			
Louisiana Governor's Office of Elderly Affairs	\$ 0	\$ 1,489,749	\$ 1,489,749
U. S. Department of Commerce	0	50,000	50,000
U. S. Department of Transportation	0	175,698	175,698
Ouachita Council of Governments	0	103,508	103,508
Louisiana Workforce Investment Area	0	19,200	19,200
Louisiana Association of Planning and Development Districts	0	9,250	9,250
Service Fees	10,000	26,796	36,796
Interest	315	152	467
Client Contributions	0	0	0
Membership Dues	0	27,990	27,990
Miscellaneous	7,858	0	7,858
Total Revenues	18,173	1,902,343	1,920,516
 <u>EXPENDITURES</u>			
Administration:			
Salaries	1,734	300,074	301,808
Fringe	0	82,178	82,178
Travel	980	25,698	26,678
Operating Services	0	123,418	123,418
Operating Supplies	188	13,093	13,281
Other Costs	0	31,449	31,449
Capital Outlay	0	3,071	3,071
Grants to Subrecipients	0	1,300,673	1,300,673
Total Expenditures	2,902	1,879,654	1,882,556
Excess (Deficiency) of Revenues Over Expenditures	15,271	22,689	37,960
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	7,788	33,634	41,422
Operating Transfers Out	(14,090)	(27,332)	(41,422)
Total Other Financing Sources (Uses)	(6,302)	6,302	0
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	8,969	28,991	37,960
Fund Balance, Beginning of Year	114,905	62,085	176,990
Prior Period Adjustment	0	3,430	3,430
FUND BALANCE, END OF YEAR	\$ 123,874	\$ 94,506	\$ 218,380

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Interest Income	\$ 0	\$ 315	\$ 315
Miscellaneous	0	17,858	17,858
Total Revenues	0	18,173	18,173
<u>EXPENDITURES</u>			
Current:			
Salaries	0	1,734	1,734
Fringe	0	0	0
Travel	0	980	980
Operating Services	0	0	0
Operating Supplies	0	188	188
Other Costs	0	0	0
Capital Outlay	0	0	0
Total Expenditures	0	2,902	2,902
Excess (Deficiency) of Revenues Over Expenditures	0	15,271	15,271
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	0	7,788	7,788
Operating Transfers Out	0	(14,090)	(14,090)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	8,969	\$ <u>8,969</u>
<u>FUND BALANCES</u>			
Beginning of Year	114,905	114,905	
END OF YEAR	\$ 114,905	\$ 123,874	

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
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, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Intergovernmental Revenues:			
Louisiana Governor's Office of Elderly Affairs	\$ 1,556,911	\$ 1,489,749	\$ (67,162)
U. S. Department of Commerce	50,000	50,000	0
U. S. Department of Transportation	175,698	175,698	0
Ouachita Council of Governments	103,508	103,508	0
Louisiana Workforce Investment Area	19,200	19,200	0
Louisiana Association of Planning and Development Districts	9,250	9,250	0
Service Fees	0	26,796	26,796
Interest	0	152	152
Client Contributions	0	0	0
Membership Dues	0	27,990	27,990
Total Revenues	<u>1,914,567</u>	<u>1,902,343</u>	<u>(12,224)</u>
<u>EXPENDITURES</u>			
Current:			
Salaries	326,740	300,074	26,666
Fringe	83,702	82,178	1,524
Travel	21,698	25,698	(4,000)
Operating Services	131,910	123,418	8,492
Operating Supplies	11,700	13,093	(1,393)
Other Costs	9,800	31,449	(21,649)
Capital Outlay	4,620	3,071	1,549
Grants to Subrecipients	1,300,673	1,300,673	0
Total Expenditures	<u>1,890,843</u>	<u>1,879,654</u>	<u>11,189</u>
Excess (Deficiency) of Revenues Over Expenditures	23,724	22,689	(1,035)
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	0	33,634	33,634
Operating Transfers Out	0	(27,332)	(27,332)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	23,724	28,991	\$ <u>5,267</u>
<u>FUND BALANCES</u>			
Beginning of Year	62,085	62,085	
Prior Period Adjustment	0	3,430	
END OF YEAR	<u>\$ 85,809</u>	<u>\$ 94,506</u>	

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS

PROPRIETARY FUND TYPE - ENTERPRISE FUND

For the Year Ended June 30, 2002

OPERATING REVENUES

Origination Fees	\$ 200
Interest From Loans	75,016
Rental Income	<u>5,850</u>
Total Operating Revenues	<u>81,066</u>

OPERATING EXPENSES

Interest Expense	14,441
Salaries, Wages and Benefits	25,451
Legal	1,474
Travel and Meeting	1,219
Other Administrative	4,041
Bad Debt Expense	<u>38,472</u>
Total Operating Expenses	<u>85,098</u>

Operating Income (Loss) (4,032)

NON-OPERATING REVENUE (EXPENSES)

Interest on Deposits	9,223
Service Fees	<u>(10,223)</u>
Total Non-Operating Revenue (Expenses)	<u>(1,000)</u>

Income (Loss) Before Operating Transfers (5,032)

OPERATING TRANSFERS IN (OUT)

Operating Transfers In	0
Operating Transfers Out	<u>0</u>

Net Income (Loss) (5,032)

Retained Earnings (Deficit), Beginning of Year 65,204

RETAINED EARNINGS (DEFICIT), END OF YEAR \$ 60,172

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINED STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPE - ENTERPRISE FUND

For the Year Ended June 30, 2002

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ (5,032)
Adjustments to Reconcile Operating Income to Net Cash	
Provided (Used) for Operating Activities:	
Increase (Decrease) in Provision for Loan Losses	0
(Increase) Decrease in Receivables	(28,593)
Increase (Decrease) in Accounts Payable	(173)
Increase (Decrease) in Other Liabilities	(417)
(Increase) Decrease in Interfund Receivables	0
Increase (Decrease) in Interfund Payables	<u>32,210</u>
Net Cash Provided (Used) by Operating Activities	<u>(2,005)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal Payments on Revolving Loan Fund	<u>(67,402)</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(67,402)</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

0

CASH FLOWS FROM INVESTING ACTIVITIES

New Loans Made	(10,000)
Principal Collection on Loans	59,062
Sale of Foreclosed Property	<u>126,866</u>
Net Cash Provided (Used) by Investing Activities	<u>175,928</u>

Net Increase (Decrease) in Cash and Cash Equivalents	106,521
Cash and Cash Equivalents, Beginning of Year	<u>430,896</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 537,417</u>

* The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of North Delta Regional Planning and Development District 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

North Delta Regional Planning and Development District, Incorporated (the District) was officially incorporated on February 24, 1969, as a nonprofit organization under the provision of Louisiana statutes of 1959, Title 12. The District functioned as a planning district by virtue of a 1973 Governor's Executive Order. In 1977, the District became one of eight regional planning and development districts created by the Louisiana legislature by Act No. 472, Section 1, (L.A.R.S. 33:140.61 and 140.62).

The District is comprised of the following parishes in Northeast Louisiana: Caldwell, East Carroll, Franklin, Jackson, Madison, Morehouse, Ouachita, Richland, Tensas, Union and West Carroll. The purpose of the District is to provide economic development assistance to the parishes in the District. The District accomplishes this objective by planning, coordinating and unifying various local, state and federal efforts to overcome the economic and social deficiencies in the eleven-parish area. The board of directors consisting of 29 members representing the parishes of the District is the governing body. Board members receive no compensation for their services.

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt. The District also has no *component units*, defined by GASB Statement 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the District has a significant relationship.

B. FUNDS AND ACCOUNT GROUPS

The accounts of the District 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.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. FUNDS AND ACCOUNT GROUPS, (Continued)

The funds of the District are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund and account group classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for the District's general government activities, including the collections 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 District. It accounts for all financial resources of the District, except those accounted for in another fund.

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

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. The proprietary fund includes the following:

Enterprise funds – accounts for those operations that are financed and operated in a manner similar to private business or where the District has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

FmHA Revolving Loan – accounts for the District's participation in a \$2 million intermediary relending program through the Farmers Home Administration. Under this program, the District borrows funds from FmHA at 1% for 30 years, then reloans the funds to qualified borrowers at market rates of interest.

FmHA North Delta Admin – accounts for the District's administration function over the FmHA Revolving Loan Fund, Loan Loss Reserve, and Rural Business Enterprise Grant.

Loan Loss Reserve – accounts for the District's loan loss reserve for the FmHA Revolving Loan Fund and the Rural Business Enterprise Grant Fund.

Rural Business Enterprise Grant – accounts for the District's participation in an \$80,000 intermediary relending program through the U.S. Department of Agriculture Rural and Economic Community Development Program. Under this program, the District receives a grant from USDA, then reloans the funds to qualified borrowers at market rates of interest.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (Continued)

B. FUNDS AND ACCOUNT GROUPS (Continued)

Account Groups

The *general fixed assets account group* is used to account for fixed assets not accounted for in proprietary funds.

The *general long-term debt account group* is used to account for general long-term debt and certain other liabilities that are not specific liabilities or proprietary funds.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Governmental Funds

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

Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Expenditures

Salaries are recorded as incurred.

Principal and interest on long-term obligation is recognized when due.

Compensated absences are recognized when benefits are earned by the employee.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The District has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

D. BUDGETS

General Budget Policies

The District follows these procedures in establishing the budgetary data reflected in the combined financial statements.

The District adopts budgets for all special revenue funds.

Each year prior to June 30, the Executive Director submits to the Board of Directors of the District proposed annual budgets for the special revenue funds' budgets that are not grant-oriented. Grant funds are included in special revenue funds and their budgets are adopted at the time the grant applications are approved by the grantor. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

D. BUDGETS, Continued

Encumbrances

Encumbrance accounting is not employed in governmental funds.

Budget Basis of Accounting

All governmental fund 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 District. Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the District. All budget revisions are approved by the District.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, 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 District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

F. INVESTMENTS

Investments are limited by R.S. 33:S2955, and the District's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following, which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The District has reported at amortized cost market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

NORTH DELTA REGIONAL PLANNING AND
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Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

F. INVESTMENTS, Continued

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

G. SHORT TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operation, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. INVENTORY AND PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

I. LOANS AND ALLOWANCE FOR LOAN LOSSES

Loans are stated at principal amounts outstanding. Interest on loans is primarily calculated by using the simple interest method on daily balances of the principal amount outstanding.

Collateral or other security is required to support financial instruments with credit risk. The amount of collateral obtained upon extension of credit is based on management's credit evaluation. Collateral held varies but may include unimproved and improved real estate, certificates of deposit or personal property.

The allowance for loan losses is established through a provision for loan losses charged to expense. Loans are charged against the allowance for loan losses when management believes that the collectibility of the principal is unlikely. The allowance represents an amount, which, in management's judgment, will be adequate to absorb probable losses on existing loans that may become uncollectible.

Management's judgement in determining the adequacy of the allowance is based on evaluations of collectibility of loans. These evaluations take into consideration such factors as changes in the nature and volume of the loan portfolio, current economic conditions that may affect the borrower's ability to pay, overall portfolio quality and review of specific problem loans.

Management believes that the allowance for loan losses is adequate. While management uses available information to recognize losses on loans, future additions to the allowance may be necessary based on changes in economic conditions. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the District's allowance for loan losses. Such agencies may require the District to recognize additions to the allowance based on their judgement of information available to them at the time of their examination.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (Continued)

J. FIXED ASSETS

Fixed assets used in governmental fund types of the District are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest during construction is not capitalized on general fixed assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not included in the general fixed assets account group.

K. DEFERRED REVENUES

The District reports deferred revenues on its combined balance sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

L. COMPENSATED ABSENCES

Full-time employees of the District earn up to 15 days of vacation leave each year, depending on length of service. Regular, part-time employees earn prorated vacation leave based on hours worked and length of continuous service. Vacation leave may accumulate up to 30 days with unused accumulated leave time being paid to employees upon termination of employment, at the employee's current rate of pay. Payments at separation, however, will not exceed the number of days accrued each year.

Sick leave for full-time employees is earned at the rate of eight hours per month. Unused sick leave may accumulate with no limit; however, no compensation will be paid upon termination of employment.

The District's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation are attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

L. COMPENSATED ABSENCES, (Continued)

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches.

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The District's liability for compensated absences is reported in the general long-term obligations account group.

M. LONG-TERM OBLIGATIONS

The District reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate fund.

N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. MEMORANDUM ONLY – TOTAL COLUMNS

Total columns on the general-purpose financial statements are captioned as "*memorandum only*" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in accordance with generally accepted accounting principles. Interfund elimination's have not been made in the aggregation of this data.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

P. USE OF ESTIMATES

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

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances/Retained Earnings

The following funds have deficits in the fund balance/retained earnings at June 30, 2002:

<u>Fund</u>	<u>Deficit Amount</u>
Special Revenue Funds	
Madison Parish E-911	\$ 21,103
Tensas C-1 Congregate Meals	180
Tensas C-2 Home Delivered Meals	327
Federal Transit Authority	418
Louisiana Workforce Investment	7,596
Enterprise Funds	
FmHA Revolving Loan	146,006

NOTE 3: CASH AND CASH EQUIVALENTS

At June 30, 2002, the District has cash and cash equivalents (book balances) totaling \$649,773 as follows:

Demand deposit	\$ 70,318
Interest-bearing demand deposits	9,596
Petty cash	<u>200</u>
Subtotal	80,114
Plus investments reclassified as cash and cash equivalents (See Note 4)	<u>569,659</u>
TOTAL	<u>\$ 649,773</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the 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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 3: CASH AND CASH EQUIVALENTS, Continued

At year-end, the District's carrying amount of deposits was \$649,573 and the bank balance was \$662,795. Of the bank balance, \$195,770 was covered by federal depository insurance or by collateral held by the District's agent in the District's name (GASB Category 1). The remaining balance, \$467,025, was a federated treasury obligation and did not need to be collateralized.

NOTE 4: INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the District's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the District's name.

At year-end, the District investment balances were as follows:

<u>Type of investment</u>	<u>Category</u>			<u>Carrying Amount</u>			<u>Total Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>	<u>Amortized Cost</u>	<u>Cost</u>	
U.S. Government Securities	\$569,659	\$ 0	\$ 0	\$ 569,659	\$ 0	\$ 0	\$ 569,659
Total	\$569,659	\$ 0	\$ 0				
Less: Investments reclassified as cash and cash equivalents (See Note 3)				(569,659)	0	0	(569,659)
Total Investments				\$ 0	\$ 0	\$ 0	\$ 0

Investments during the year were in U.S. Government Securities.

NOTE 5: RECEIVABLES

The receivables of \$253,263 at June 30, 2002, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Enterprise Funds</u>	<u>Total</u>
Intergovernmental	\$ 8,600	\$ 119,601	\$ 0	\$ 128,201
Other	7,260	0	117,802	125,062
Total	\$15,860	\$ 119,601	\$ 117,802	\$ 253,263

NORTH DELTA REGIONAL PLANNING AND
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Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 5: RECEIVABLES, Continued

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
N/A	General	N/A (loan to Tensas COA)	\$ 8,600
N/A	General	N/A (Reimbursement due from Insur, trng, etc.)	7,260
Area Agency Admin	Special Revenue	N/A (PR with-holdings for insur.)	887
Council of Governments	Special Revenue	Ouachita COG	21,031
		N/A(PR with-holdings for insur.)	10
Federal Transit Authority	Special Revenue	Ouachita OG	9,420
Federal Highway Admin	Special Revenue	Ouachita COG	45,011
Tri-District	Special Revenue	N/A – Loan Origination fees and interest receivable	4,815
Title III-D Preventive Health	Special Revenue	GOEA	10,940
Enterprise Zone	Special Revenue	LA Assoc. of Planning and Dev. Dist	4,625
FmHA Revolving Loan Fd	Enterprise	N/A – Loan interest	113,388
Rural Business Enterprise	Enterprise	N/A – Loan interest	4,414
USDA – Cash-in-Lieu	Special Revenue	GOEA	9,650
Title III E – Caregiver	Special Revenue	GOEA	10,620
LA Workforce Investment	Special Revenue	LA Workforce Investment Area 82	<u>2,592</u>
Total Receivables			<u>\$ 253,263</u>

NOTE 6: FIXED ASSETS

The changes in general fixed assets are as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Furniture and equipment	\$ <u>76,676</u>	\$ <u>3,090</u>	\$ <u>9,211</u>	\$ <u>70,555</u>

NORTH DELTA REGIONAL PLANNING AND
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Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 7: REPOSSESSED PROPERTIES

Properties consist of commercial and residential land, buildings, and equipment. These properties were repossessed from borrowers who defaulted on their loan agreements made as part of the Farmer's Home Administration and Intermediary Relending Program. The proceeds from the subsequent sale of these assets are used to make new loans. At June 30, 2002 all repossessed properties held by the District had been sold and proceeds from the sale returned to the lending pool.

NOTE 8: RETIREMENT SYSTEMS

Substantially all employees of the District are eligible to be members of the Deferred Compensation Plan for Public Employees. Under this plan, participants may contribute up to five percent of their gross salary and the District contributes up to an additional three percent on their behalf.

The District's total payroll during the fiscal year ending June 30, 2002 was \$315,472. The current year contribution was calculated based on covered payroll of \$313,280. Employee contributions totaled \$17,183 and employer contributions totaled \$15,664.

NOTE 9: ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$64,466 at June 30, 2002 consisted of the following:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Enterprise Funds</u>	<u>Total</u>
Salaries	\$ 9,452	\$ 0	\$ 0	\$ 9,452
Accounts	<u>(3,522)</u>	<u>57,355</u>	<u>1,181</u>	<u>55,014</u>
Total	<u>\$ 5,930</u>	<u>\$ 57,355</u>	<u>\$ 1,181</u>	<u>\$ 64,466</u>

NOTE 10: COMPENSATED ABSENCES

At June 30, 2002, employees of the District have accumulated and vested \$25,274 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$25,274 is recorded within the general long-term debt account group.

NORTH DELTA REGIONAL PLANNING AND
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Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 11: LEASES

Operating Leases – The District is a party to the following operating leases:

- Office space leased under a sixty month lease beginning June 1, 2001. Monthly payments are \$3,200 and total fiscal year ended June 30, 2002 rent expense under this lease equaled \$38,400.

Future minimum lease payments under this agreement are:

FYE

June 30, 2003	\$ 38,400
June 30, 2004	38,400
June 30, 2005	38,400
June 30, 2006	<u>35,200</u>
TOTAL	<u>\$ 150,400</u>

- 2000 Chevy Impala leased under a 24 month lease ended September 2001. Monthly payments are \$715 and total lease payments for fiscal year ended June 30, 2002 were \$2,144.
- 2002 Chevy Impala leased under a 24 – month lease beginning October 10, 2001. Monthly payments are \$781 and total lease payments for fiscal year ended June 30, 2002 were \$7,027.

Future minimum lease payments under this agreement are:

FYE

June 30, 2003	\$ 9,369
June 30, 2004	<u>2,342</u>
TOTAL	<u>\$ 11,711</u>

- In addition, the District has annual lease agreements for the following office equipment:
 - Ricoh 6645 Copier. Monthly payments are \$199 with annual rent expense of \$2,388.
 - Pitney Bowes mailing machine and scales. Monthly payments are \$200 with annual rent expense of \$2,400.

NORTH DELTA REGIONAL PLANNING AND
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Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 12: INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 2002.

Funds Transferred In

	General Fund	Texas Title III C-1 EDA	Texas Title III C-2 Congre. Nutrition	Home Del. Meals	FmHA Admin.	FmHA RLF	Title III - C-1	Title III - C-2	USDA	Title III -E Caregiver	North Delta Caregiver	TOTAL
General Fund	\$ 0	\$ 0	\$ 4,552	\$ 8,468	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,070	\$ 0	\$ 0	\$ 14,090
EDA	0	0	0	0	0	0	0	0	0	0	0	0
Texas Title III C-1	4,546	0	0	0	0	0	0	0	0	0	0	4,546
Texas Title III C-2	3,242	0	0	0	0	0	0	0	0	0	0	3,242
Texas USDA	0	0	0	0	0	0	0	0	0	0	0	0
FmHA Admin	0	0	0	0	0	0	0	0	0	0	0	0
FmHA RLF	0	0	0	0	0	0	0	0	0	0	0	0
Title III C-1	0	0	0	0	0	0	0	0	0	0	0	0
Title III C-2	0	0	0	0	0	0	0	0	0	0	0	0
USDA	0	0	0	0	0	0	0	0	0	0	0	0
Title III -E Caregiver	0	0	0	0	0	0	0	0	0	0	19,544	19,544
North Delta Caregiver	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$ 7,788	\$ 0	\$ 4,552	\$ 8,468	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,070	\$ 0	\$ 19,544	\$ 41,422

Funds Transferred Out

	General Fund	Texas Title III C-1 EDA	Texas Title III C-2 Congre. Nutrition	Home Del. Meals	FmHA Admin.	FmHA RLF	Title III - C-1	Title III - C-2	USDA	Title III -E Caregiver	North Delta Caregiver	TOTAL
General Fund	\$ 0	\$ 0	\$ 4,546	\$ 3,242	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,788
EDA	0	0	0	0	0	0	0	0	0	0	0	0
Texas Title III C-1	4,552	0	0	0	0	0	0	0	0	0	0	4,552
Texas Title III C-2	8,468	0	0	0	0	0	0	0	0	0	0	8,468
Texas USDA	0	0	0	0	0	0	0	0	0	0	0	0
FmHA Admin	0	0	0	0	0	0	0	0	0	0	0	0
FmHA RLF	0	0	0	0	0	0	0	0	0	0	0	0
Title III C-1	0	0	0	0	0	0	0	0	0	0	0	0
Title III C-2	0	0	0	0	0	0	0	0	0	0	0	0
USDA	1,070	0	0	0	0	0	0	0	0	0	0	1,070
Title III -E Caregiver	0	0	0	0	0	0	0	0	0	19,544	0	19,544
North Delta Caregiver	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$ 14,090	\$ 0	\$ 4,546	\$ 3,242	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,544	\$ 0	\$ 41,422

NOTE 13: GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended June 30, 2002:

	Special Revenue Notes Payable	Enterprise Fund Notes Payable	GLTDAG Compensated Absences
Balance, beginning of year	\$ 767	\$ 1,549,508	\$ 22,437
Additions	0	0	25,274
Deductions	0	0	(22,437)
Principal Payment	(767)	(67,402)	0
Balance, end of year	\$ 0	\$ 1,482,106	\$ 25,274

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 13: GENERAL LONG-TERM OBLIGATIONS, CONTINUED

The enterprise notes payable shown above represents the District's drawdowns under a \$2 million intermediary relending program through the Farmers Home Administration (FmHA). Under this program, the district borrows funds from FmHA at 1% for 30 years then reloans the funds to qualified borrowers at market rates of interest. At June 30, 2002, the District had drawn down all of the \$2 million and had loaned out all of that amount. The terms of the program call for the District to pay only interest for the first three years of the program and then annual payments of \$82,260, which covers principal and interest, until the amount due the FmHA is fully paid. The first principal payment was made in January 1995. The amount due FmHA is secured by the loans made to qualified borrowers and the related underlying security devices. Debt service to maturity is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 67,440	\$ 14,820	\$ 82,260
2004	68,115	14,145	82,260
2005	68,796	13,464	82,260
2006	69,484	12,776	82,260
2007 – 2011	357,983	53,317	411,300
2012 – 2016	376,244	35,056	411,300
2017 – 2019	<u>473,873</u>	<u>8,702</u>	<u>482,575</u>
Total	<u>\$1,481,935</u>	<u>\$ 152,280</u>	<u>\$1,634,215</u>

NOTE 14: LITIGATION AND CLAIMS

Litigation – At June 30, 2002, the District was not involved in any litigation, nor were there claims pending which might have a material impact on the financial statements.

Grant Disallowances – The District participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. District management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

NOTE 15: ECONOMIC DEPENDENCY

The District receives a significant portion of its revenue from funds provided through grants or programs administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the District receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any action that will adversely affect the amount of funds the District will receive in the next fiscal year.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

NOTE 16: INCOME TAX STATUS

The District, a nonprofit corporation, has been granted tax-exempt status under Section 501(c)(4) of the Internal Revenue Code.

NOTE 17: SEGMENT INFORMATION – ENTERPRISE FUNDS

The District maintains four enterprise funds. The FmHA Revolving Loan fund accounts for participation in an intermediary relending program through the Farmer's Home Administration. The FmHA North Delta Admin fund accounts for the District's administrative function over the FmHA Revolving Loan fund. The Loan Loss Reserve fund accounts for the District's loan loss reserve for both the FmHA Revolving Loan fund and the Rural Business Enterprise Grant fund. The Rural Business Enterprise Grant fund accounts for the District's participation in an intermediary relending program through the U. S. Department of Agriculture Rural and Economic Community Development Program. Detailed financial statements for each fund can be found on pages 48 and 49.

	<u>FmHA Revolving Loan</u>	<u>FmHA North Delta Admin</u>	<u>Loan Loss Reserve</u>	<u>Business Enterprise Loan</u>	<u>Total</u>
Operating Revenues	\$ 74,942	\$ 0	\$ 200	\$ 5,924	\$ 81,066
Operating Income (Loss)	22,029	(32,185)	200	5,924	(4,032)
Operating Grants	0	0	0	0	0
Operating Transfers:					
In	0	0	0	0	0
Out	0	0	0	0	0
Net Income	20,472	(32,185)	686	5,995	(5,032)
Net Working Capital	703,550	38,435	59,540	45,091	846,616
Total Assets	1,477,274	102,451	59,540	108,203	1,747,468
Total Equity	(146,006)	38,435	59,540	108,203	60,172

Saunders & Associates

Certified Public Accountants

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

Board of Directors
North Delta Regional Planning and Development District, Incorporated
Monroe, Louisiana

We have audited the financial statements of North Delta Regional Planning and Development District, Incorporated as of and for the year ended June 30, 2002, and have issued our report thereon dated October 23, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the organization'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*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of the organization in a separate letter dated October 23, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the organization'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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted certain other matters involving the internal control over financial reporting that we have reported to management of the organization in a separate letter dated October 23, 2002.

This report is intended solely for the information and use of management, 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.


SAUNDERS & ASSOCIATES
Certified Public Accountants

October 23, 2002

Saunders & Associates

Certified Public Accountants

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E-mail sndrsgp@yahoo.com

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

Board of Directors
North Delta Regional Planning and Development District, Incorporated
Monroe, Louisiana

Compliance

We have audited the compliance of North Delta Regional Planning and Development District, Incorporated with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the organization's management. Our responsibility is to express an opinion on the organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the organization'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 organization's compliance with those requirements.

In our opinion, the organization complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control Over Compliance

The management of the organization 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 organization'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 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 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 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.

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This report is intended solely for the information and use of management 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.

Saunders & Associates

SAUNDERS & ASSOCIATES
Certified Public Accountants

October 23, 2002

SUPPLEMENTAL INFORMATION

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2002

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass - Through Grantor's I.D. Number	Grant Period	Award Amount	Revenue Recognized	Expend- itures
United States Department of Commerce Direct Program: Economic Development - Grants for Public Works and Development	11.300	08-83-03544	01/01/02- 12/31/02	\$ 50,000	\$ 25,000	25,000
Economic Development - Grants for Public Works and Development	11.300	08-83-03354	01/01/01- 12/31/01	50,000	25,000	25,000
Total United States Department of Commerce				<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
United States Department of Health and Human Services/Passed Through the Louisiana Governor's Office of Elderly Affairs: Special Programs for the Aging - Title III B - Long-Term Care Ombudsman	93.042	563816	07/01/01- 06/30/02	34,470	34,470	34,470
Title III B - Grants for Supportive Services and Senior Centers: Title III B - Supportive Services	93.044	563445	07/01/01- 06/30/02	223,657	223,657	223,657
Title III C - Nutrition Services: Title III C - Area Agency Admin	93.045	563445	07/01/01- 06/30/02	73,776	73,776	73,776
Title III C-1 - Congregate Meals	93.045	563445	07/01/01- 06/30/02	213,497	213,497	213,497
Title III C-2 - Home Delivered Meal	93.045	563445	07/01/01- 06/30/02	138,827	138,827	138,827
Total Title III - C - Nutrition Services				<u>426,100</u>	<u>426,100</u>	<u>426,100</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2002

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</u>	<u>CFDA Number</u>	<u>Pass - Through Grantor's I.D. Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Title III D - Preventive Health	93.046	563445	07/01/01 - 06/30/02	16,408	16,408	16,408
Title III E - National Family Caregiver Support	93.052	563445	07/01/01 - 06/30/02	71,595	21,223	21,223
Total United States Department of Health and Human Services					721,858	721,858
United States Department of Agriculture/Passed Through the Louisiana Governor's Office of Elderly Affairs:						
Food Distribution - Cash-in-Lieu of Commodities	10.570	563863	07/01/01 - 06/30/02	205,680	116,930	116,930
Direct Programs:						
Farmer's Home Administration - Intermediary Relending Program **	10.767	N/A	---	0	0	0
Total U. S. Dept. of Agriculture					116,930	116,930
United States Department of Transportation/ Passed-Through the Ouachita Council of Governments:						
Highway Planning and Construction: Federal Highway Administration	20.205	736-37-0023	07/01/01 - 06/30/02	150,561	150,561	150,561
Federal Transit Administration	20.507	LA-80-X010	07/01/01 - 06/30/02	25,137	25,137	25,137
Total United States Department of Transportation					175,698	175,698
TOTAL FEDERAL AWARDS				\$ 1,064,486	\$ 1,064,486	\$ 1,064,486

** The District is indebted to the Department of Agriculture (Farmer's Home Administration) for a note of \$1,482,106 at year end.

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2002

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the North Delta Regional Planning and Development District, Incorporated, (the District) Monroe, Louisiana. The District's reporting entity is defined in Note 1 to the District's general-purpose financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the District's general-purpose financial statements.

NOTE 3: RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS

Federal awards revenues are reported in the District's general-purpose financial statements as follows:

	<u>Federal Sources</u>
Special Revenue Funds:	
Federal Highways Administration	\$ 150,561
Economic Development Administration	50,000
Area Agency Administration	73,776
Ombudsman	34,470
Federal Transit Authority	25,137

In addition, the following federal funds were passed through to subrecipients:

Title III – Supportive Services	223,657
Title III - Congregate Nutrition	213,497
Title III – Home Delivered Meals	138,827
USDA Cash-in-Lieu of Commodities	116,930
Title III – Preventive Health	16,408
Title III – Caregiver	<u>21,223</u>
 Total Federal Awards	 <u>\$1,064,486</u>

NOTE 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF PROGRAM REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GENERAL FUND

For the Year Ended June 30, 2002

	<u>Other Local</u>
<u>REVENUES:</u>	
Service Fees	\$ 10,000
Interest	315
Miscellaneous	<u>7,858</u>
Total Revenues	<u>18,173</u>
<u>EXPENDITURES</u>	
Salaries	1,734
Fringe	0
Travel	980
Operating Services	0
Operating Supplies	188
Other Costs	0
Capital Outlay	<u>0</u>
Total Expenditures	<u>2,902</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>15,271</u>
Other Financing Sources (Uses):	
Operating Transfers In	7,788
Operating Transfers Out	<u>(14,090)</u>
Total Other Financing Sources (Uses)	<u>(6,302)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	8,969
Fund Balance, Beginning of Year	<u>114,905</u>
FUND BALANCE, END OF YEAR	\$ <u>123,874</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SPECIAL REVENUE FUNDS

AREA AGENCY ON AGING

The Area Agency on Aging Fund is used to account for the administration of special programs for the elderly. Administrative funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which passes through the funds to the District. These funds are used to pay for administrative costs associated with programs for the elderly.

ECONOMIC DEVELOPMENT ADMINISTRATION

The Economic Development Administration Fund accounts for planning grants to promote economic development in the District. Seventy-five percent of the funds are provided by the United States Department of Commerce with the remaining twenty-five percent provided from local sources.

TENSAS TITLE III C-1 – CONGREGATE MEALS

The Tensas C-1 Congregate Meals Fund is used to account for congregate nutritional meal services provided to the elderly at the Tensas Council on Aging. These funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs.

TENSAS TITLE III C-2 – HOME DELIVERED MEALS

The Tensas C-2 Home Delivered Meals Fund is used to account for nutritional meal services provided to home-bound elderly persons. These funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs.

TENSAS MILES FOR MEALS

The Tensas Miles for Meals Fund is used to account for nutritional meal services provided to home-bound elderly persons. These funds are provided by donations received from recipients.

TENSAS U.S.D.A. CASH-IN-LIEU

The Tensas U.S.D.A. Cash-in-Lieu Fund is used to account for funds provided by the U. S. Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. These funds are used for the purchase of food and commodities to supplement the Title III C-1 and C-2 programs.

COUNCIL OF GOVERNMENTS

The Council of Governments Fund accounts for local funds provided by the Ouachita Council of Governments. Revenues are used to fund public transportation projects within the parish.

FEDERAL TRANSIT AUTHORITY

The Federal Transit Authority Fund accounts for federal funds provided through the Ouachita Council of Governments for the planning of public transportation in the Monroe urbanized area. The Ouachita Council of Governments entered into an agreement with the Louisiana Department of Transportation and Development to provide these planning services. The Ouachita Council of Governments contracted with the District to provide technical assistance in carrying out its contract with the Louisiana Department of Transportation and Development.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SPECIAL REVENUE FUNDS

FEDERAL HIGHWAYS ADMINISTRATION

The Federal Highways Administration Fund accounts for federal funds provided through the Ouachita Council of Governments for highway planning in the Monroe urbanized area. The Ouachita Council of Governments entered into an agreement with the Louisiana Department of Transportation and Development to provide these planning services. The Ouachita Council of Governments contracted with the District to provide technical assistance in carrying out its contract with the Louisiana Department of Transportation and Development.

OMBUDSMAN

The Ombudsman Fund is used to account for the administration of funds that provide assistance to residents in nursing homes. These funds are provided by the U. S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which passes through the funds to the District.

TRI-DISTRICT

The Tri-District Fund accounts for funds borrowed from the City of Natchitoches, Louisiana, and then loaned out to area businesses to enhance economic activity.

PROJECT CARE

The Project Care Fund provides resources to communities to demonstrate that community action on behalf of vulnerable older persons can be effectively achieved through a coalition of a broad spectrum of interests within the community. There was no activity in this fund during the current year.

AUDIT FUND

The Audit Fund is used to account for funds received from the Louisiana Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the financial statements of the Area Agency on Aging and six related parish Councils on Aging.

MEDICAID WAIVERS

The Medicaid Waivers program was established by Medicaid set aside funds to give to the various oversight bodies around the state, such as North Delta, funds to provide home health care to the elderly, and prevent them from having to be placed in a nursing home.

MADISON PARISH E-911

The Madison Parish E-911 Fund is used to account for funds received from the Madison Parish Police Jury. In return for these funds, North Delta is to provide certain technical services in conjunction with the implementation of the Emergency 911 Communication's System in Madison Parish

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SPECIAL REVENUE FUNDS

ENTERPRISE ZONE (DED)

The Enterprise Zone grant is used to provide updated enterprise zone maps for eleven parishes and forty-seven towns in the North Delta district. The District also updates records and maps for zone swaps.

TITLE III B – SUPPORTIVE SERVICES

Title III-B funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which passes through the funds to the District for further distribution to the six parish Councils on Aging. This program provides access services, in-home services, community services, legal services and transportation for the elderly.

TITLE III C-1 – CONGREGATE MEALS

Title III C-1 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which passes through the funds to the District for further distribution to the six parish Councils on Aging. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

TITLE III C-2 – HOME DELIVERED MEALS

Title III C-2 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which passes through the funds to the District for further distribution to the six parish Councils on Aging. These funds are used to provide nutritional meals to home-bound elderly persons.

TITLE III-D – IN-HOME SERVICE FUND

The III-D Fund is used to account for funds that are used to provide in-home services to frail older individuals. They include in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders, with neurological and organic brain dysfunction, and to the families of such victims.

TITLE III-E – CAREGIVERS

The Title III-E Fund is used to provide multifaceted systems of support services for (1) family caregivers; and (2) grandparents of older individuals who are relative caregivers. Services to be provided include: information to caregivers about available services; assistance to caregivers in gaining access to the services; individual counseling and caregiver training to caregivers to assist the caregivers in making decisions and solving problems relating to their caregiving roles, respite care to enable caregivers to be temporarily relieved from their caregiving responsibilities; and supplemental services, on a limited basis, to complement the care provided by caregivers.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SPECIAL REVENUE FUNDS

SENIOR CENTER

The Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana legislature to the Louisiana Governor's Office of Elderly Affairs, which passes through the funds to the District for further distribution to the six parish Councils on Aging. This program provides community service centers at which the elderly receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and within the community.

SUPPLEMENTAL SENIOR CENTER

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. The North Delta Regional Planning and Development District was a recipient of these supplemental funds.

USDA CASH-IN-LIEU

The USDA Cash-in-Lieu Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. This award passes through to the District for further distribution to the six parish Councils on Aging. The funds are distributed on a per-unit basis for each congregate and home-delivered meal service provider to each eligible participant so the United States food and commodities may be purchased to supplement these programs.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

June 30, 2002

	<u>Area Agency on Aging</u>	<u>Economic Develop- ment Admin- istration</u>	<u>Council of Govern- ments</u>	<u>Federal Transit Authority</u>
<u>ASSETS</u>				
Cash (Book Overdraft)	\$ 119,982	\$ 150,506	\$ 56,177	\$ 35,715
Receivables	887	0	21,041	9,420
Prepaid Expenses	0	0	0	0
Interfund Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 120,869</u>	<u>\$ 150,506</u>	<u>\$ 77,218</u>	<u>\$ 45,135</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts, Salaries and Other Payables	\$ 2,709	\$ 1,437	\$ 1,509	\$ 379
Interfund Payables	118,160	68,305	75,709	45,174
Notes Payable	0	0	0	0
Deferred Revenue	0	25,000	0	0
Refunds Due to Grantor	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>120,869</u>	<u>94,742</u>	<u>77,218</u>	<u>45,553</u>
Fund Balances:				
Unreserved	<u>0</u>	<u>55,764</u>	<u>0</u>	<u>(418)</u>
Total Fund Balances	<u>0</u>	<u>55,764</u>	<u>0</u>	<u>(418)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 120,869</u>	<u>\$ 150,506</u>	<u>\$ 77,218</u>	<u>\$ 45,135</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

June 30, 2002

	Federal Highway Admin- istration	Ombuds- man	Tri- District	Project Care
<u>ASSETS</u>				
Cash (Book Overdraft)	\$ 212,234	\$ 73,862	\$ 82,214	\$ 3,425
Receivables	45,011	0	4,815	0
Prepaid Expenses	0	0	0	0
Interfund Receivables	0	0	0	0
TOTAL ASSETS	\$ 257,245	\$ 73,862	\$ 87,029	\$ 3,425
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts, Salaries and Other Payables	\$ 3,360	\$ 7,220	\$ 218	\$ 0
Interfund Payables	253,642	66,642	30,672	0
Notes Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Refunds Due to Grantor	0	0	0	3,425
Total Liabilities	257,002	73,862	30,890	3,425
Fund Balances:				
Unreserved	243	0	56,139	0
Total Fund Balances	243	0	56,139	0
TOTAL LIABILITIES AND FUND BALANCES	\$ 257,245	\$ 73,862	\$ 87,029	\$ 3,425

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

June 30, 2002

	<u>Title III D Preventive Health</u>	<u>USDA Cash-In- Lieu</u>	<u>Title III E Caregiver</u>	<u>Medicaid Waivers</u>
ASSETS				
Cash (Book Overdraft)	\$ 0	\$ 9,649	\$ 0	\$ 5,489
Receivables	10,940	9,650	10,620	0
Prepaid Expenses	0	0	0	0
Interfund Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>270</u>
TOTAL ASSETS	<u>\$ 10,940</u>	<u>\$ 19,299</u>	<u>\$ 10,620</u>	<u>\$ 5,759</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, Salaries and Other Payables	\$ 10,940	\$ 19,299	\$ 5,218	\$ 0
Interfund Payables	0	0	5,402	0
Notes Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Refunds Due to Grantor	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>10,940</u>	<u>19,299</u>	<u>10,620</u>	<u>0</u>
Fund Balances:				
Unreserved	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,759</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,759</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,940</u>	<u>\$ 19,299</u>	<u>\$ 10,620</u>	<u>\$ 5,759</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

June 30, 2002

	Tensas C-1 Congre- gate Meals	Tensas C-2 Home Delivered Meals	LA Workforce Investment
<u>ASSETS</u>			
Cash (Book Overdraft)	\$ 7,310	\$ 19,501	\$ 14,582
Receivables	0	0	2,592
Prepaid Expenses	0	0	0
Interfund Receivables	0	0	0
TOTAL ASSETS	\$ 7,310	\$ 19,501	\$ 17,174
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts, Salaries and Other Payables	\$ 106	\$ 133	\$ 9
Interfund Payables	7,204	19,368	24,761
Notes Payable	0	0	0
Deferred Revenue	0	0	0
Refunds Due to Grantor	0	0	0
Total Liabilities	7,310	19,501	24,770
Fund Balances:			
Unreserved	0	0	(7,596)
Total Fund Balances	0	0	(7,596)
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,310	\$ 19,501	\$ 17,174

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

June 30, 2002

	<u>North Delta Caregiver</u>	<u>Madison Parish E-911</u>	<u>Enter- prise Zone (DED)</u>	<u>Total</u>
<u>ASSETS</u>				
Cash (Book Overdraft)	\$ 4,420	\$ (21,310)	\$ 9,684	\$ 783,440
Receivables	0	0	4,625	119,601
Prepaid Expenses	0	0	0	0
Interfund Receivables	47	242	0	559
TOTAL ASSETS	\$ 4,467	\$ (21,068)	\$ 14,309	\$ 903,600
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts, Salaries and Other Payables	\$ 4,467	\$ 35	\$ 316	\$ 57,355
Interfund Payables	0	0	8,275	723,314
Notes Payable	0	0	0	0
Deferred Revenue	0	0	0	25,000
Refunds Due to Grantor	0	0	0	3,425
Total Liabilities	4,467	35	8,591	809,094
Fund Balances:				
Unreserved	0	(21,103)	5,718	94,506
Total Fund Balances	0	(21,103)	5,718	94,506
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,467	\$ (21,068)	\$ 14,309	\$ 903,600

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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

For the Year Ended June 30, 2002

<u>REVENUES/RECEIPTS</u>	<u>Economic Develop- ment Association</u>	<u>Council of Govern- ments</u>	<u>Federal Transit Authority</u>	<u>Federal Highways Administration</u>
Intergovernmental:				
Louisiana Governor's Office of Elderly Affairs	\$ 0	\$ 0	\$ 0	\$ 0
U. S. Department of Commerce	50,000	0	0	0
U. S. Department of Transportation	0	0	25,137	150,561
Ouachita Council of Governments	0	59,584	6,284	37,640
Louisiana Workforce Investment Area	0	0	0	0
Louisiana Association of Planning and Development Districts	0	0	0	0
Service Fees	0	0	0	0
Interest	0	0	0	0
Client Contributions	0	0	0	0
Membership Dues	27,990	0	0	0
Total Revenues	<u>77,990</u>	<u>59,584</u>	<u>31,421</u>	<u>188,201</u>
 <u>EXPENDITURES/DISBURSEMENTS</u>				
Health and Welfare:				
Salaries	26,220	32,847	18,222	111,631
Fringe	8,340	10,042	4,843	28,442
Travel	1,586	596	762	1,998
Operating Services	2,602	14,463	7,090	39,703
Operating Supplies	1,969	1,356	291	5,493
Other Costs	10,590	0	0	0
Capital Outlay	374	280	213	934
Grants to Subrecipients:				
East Carroll COA	0	0	0	0
Franklin COA	0	0	0	0
Jackson COA	0	0	0	0
Richland COA	0	0	0	0
Union COA	0	0	0	0
Tensas COA	0	0	0	0
North Louisiana Legal Assistance	0	0	0	0
Total Expenditures/Disbursements	<u>51,681</u>	<u>59,584</u>	<u>31,421</u>	<u>188,201</u>
 Excess (Deficiency) of Revenues Over Expenditures/Disbursements	 <u>26,309</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	 26,309	 0	 0	 0
Fund Balance, Beginning of Year	29,455	0	(418)	243
Prior Period Adjustments	0	0	0	0
 FUND BALANCE, END OF YEAR	 <u>\$ 55,764</u>	 <u>\$ 0</u>	 <u>\$ (418)</u>	 <u>\$ 243</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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

For the Year Ended June 30, 2002

<u>REVENUES/RECEIPTS</u>	<u>Louisiana Workforce Investment</u>	<u>Medicaid Waivers</u>	<u>Tri- District Develop- ment</u>	<u>Madison Parish E 911</u>
Intergovernmental:				
Louisiana Governor's Office of Elderly Affairs	\$ 0	\$ 0	\$ 0	\$ 0
U. S. Department of Commerce	0	0	0	0
U. S. Department of Transportation	0	0	0	0
Ouachita Council of Governments	0	0	0	0
Louisiana Workforce Investment Area	19,200	0	0	0
Louisiana Association of Planning and Development Districts	0	0	0	0
Service Fees	0	0	26,796	0
Interest	0	0	152	0
Client Contributions	0	0	0	0
Membership Dues	0	0	0	0
Total Revenues	<u>19,200</u>	<u>0</u>	<u>26,948</u>	<u>0</u>
 <u>EXPENDITURES/DISBURSEMENTS</u>				
Health and Welfare:				
Salaries	10,818	0	12,140	0
Fringe	2,581	0	2,750	0
Travel	295	0	197	0
Operating Services	4,925	0	10,070	0
Operating Supplies	425	0	330	0
Other Costs	0	0	0	0
Capital Outlay	156	0	74	0
Grants to Subrecipients:				
East Carroll COA	0	0	0	0
Franklin COA	0	0	0	0
Jackson COA	0	0	0	0
Richland COA	0	0	0	0
Union COA	0	0	0	0
Tensas COA	0	0	0	0
North Louisiana Legal Assistance	0	0	0	0
Total Expenditures/Disbursements	<u>19,200</u>	<u>0</u>	<u>25,561</u>	<u>0</u>
 Excess (Deficiency) of Revenues Over Expenditures/Disbursements				
	<u>0</u>	<u>0</u>	<u>1,387</u>	<u>0</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses				
	0	0	1,387	0
Fund Balance, Beginning of Year	(7,596)	5,759	54,752	(21,103)
Prior Period Adjustments	0	0	0	0
 FUND BALANCE, END OF YEAR	 <u>\$ (7,596)</u>	 <u>\$ 5,759</u>	 <u>\$ 56,139</u>	 <u>\$ (21,103)</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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

For the Year Ended June 30, 2002

<u>REVENUES/RECEIPTS</u>	Enterprize Zone (DED)	Area Agency on Aging	Ombudsman	Audit Fund
Intergovernmental:				
Louisiana Governor's Office of Elderly Affairs	\$ 0	\$ 98,368	\$ 70,067	\$ 7,679
U. S. Department of Commerce	0	0	0	0
U. S. Department of Transportation	0	0	0	0
Ouachita Council of Governments	0	0	0	0
Louisiana Workforce Investment Area	0	0	0	0
Louisiana Association of Planning and Development Districts	9,250	0	0	0
Service Fees	0	0	0	0
Interest	0	0	0	0
Client Contributions	0	0	0	0
Membership Dues	0	0	0	0
Total Revenues	<u>9,250</u>	<u>98,368</u>	<u>70,067</u>	<u>7,679</u>
<u>EXPENDITURES/DISBURSEMENTS</u>				
Health and Welfare:				
Salaries	5,506	49,565	29,001	0
Fringe	1,354	11,339	6,024	0
Travel	717	5,355	13,859	0
Operating Services	1,273	25,692	12,800	1,097
Operating Supplies	144	1,414	1,516	0
Other Costs	0	4,380	6,481	0
Capital Outlay	31	623	386	0
Grants to Subrecipients:				
East Carroll COA	0	0	0	1,097
Franklin COA	0	0	0	1,097
Jackson COA	0	0	0	1,097
Richland COA	0	0	0	1,097
Union COA	0	0	0	1,097
Tensas COA	0	0	0	1,097
North Louisiana Legal Assistance	0	0	0	0
Total Expenditures/Disbursements	<u>9,025</u>	<u>98,368</u>	<u>70,067</u>	<u>7,679</u>
Excess (Deficiency) of Revenues Over Expenditures/Disbursements	<u>225</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	225	0	0	0
Fund Balance, Beginning of Year	5,493	0	0	0
Prior Period Adjustments	0	0	0	0
FUND BALANCE, END OF YEAR.	<u>\$ 5,718</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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

For the Year Ended June 30, 2002

	Tensas C-1 Congregate Meals	Tensas C-2 Home Delivered Meals	North Delta Caregiver	Title III B Supportive Services
<u>REVENUES/RECEIPTS</u>				
Intergovernmental:				
Louisiana Governor's Office of Elderly Affairs	\$ 0	\$ 0	\$ 0	\$ 291,632
U. S. Department of Commerce	0	0	0	0
U. S. Department of Transportation	0	0	0	0
Ouachita Council of Governments	0	0	0	0
Louisiana Workforce Investment Area	0	0	0	0
Louisiana Association of Planning and Development Districts	0	0	0	0
Service Fees	0	0	0	0
Interest	0	0	0	0
Client Contributions	0	0	0	0
Membership Dues	0	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>291,632</u>
<u>EXPENDITURES/DISBURSEMENTS</u>				
Health and Welfare:				
Salaries	6	13	4,105	0
Fringe	0	5,213	1,250	0
Travel	0	0	333	0
Operating Services	0	0	3,703	0
Operating Supplies	0	0	155	0
Other Costs	0	0	9,998	0
Capital Outlay	0	0	0	0
Grants to Subrecipients:				
East Carroll COA	0	0	0	30,301
Franklin COA	0	0	0	62,948
Jackson COA	0	0	0	54,986
Richland COA	0	0	0	44,029
Union COA	0	0	0	52,973
Tensas COA	0	0	0	33,238
North Louisiana Legal Assistance	0	0	0	13,157
Total Expenditures/Disbursements	<u>6</u>	<u>5,226</u>	<u>19,544</u>	<u>291,632</u>
Excess (Deficiency) of Revenues Over Expenditures/Disbursements	<u>(6)</u>	<u>(5,226)</u>	<u>(19,544)</u>	<u>0</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	4,552	8,468	19,544	0
Operating Transfers Out	<u>(4,546)</u>	<u>(3,242)</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>6</u>	<u>5,226</u>	<u>19,544</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	0	0	0
Fund Balance, Beginning of Year	0	0	0	0
Prior Period Adjustments	0	0	0	0
FUND BALANCE, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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

For the Year Ended June 30, 2002

	Title III C-1 Congregate Meals	Title III C-2 Home Delivered Meals	Senior Center	Supple- mental Senior Center
REVENUES/RECEIPTS				
Intergovernmental:				
Louisiana Governor's Office of Elderly Affairs	\$ 280,230	\$ 425,964	\$ 127,173	\$ 27,000
U. S. Department of Commerce	0	0	0	0
U. S. Department of Transportation	0	0	0	0
Ouachita Council of Governments	0	0	0	0
Louisiana Workforce Investment Area	0	0	0	0
Louisiana Association of Planning and Development Districts	0	0	0	0
Service Fees	0	0	0	0
Interest	0	0	0	0
Client Contributions	0	0	0	0
Membership Dues	0	0	0	0
Total Revenues	<u>280,230</u>	<u>425,964</u>	<u>127,173</u>	<u>27,000</u>
EXPENDITURES/DISBURSEMENTS				
Health and Welfare:				
Salaries	0	0	0	0
Fringe	0	0	0	0
Travel	0	0	0	0
Operating Services	0	0	0	0
Operating Supplies	0	0	0	0
Other Costs	0	0	0	0
Capital Outlay	0	0	0	0
Grants to Subrecipients:				
East Carroll COA	48,969	65,203	18,530	4,500
Franklin COA	48,275	41,830	24,081	4,500
Jackson COA	53,665	62,540	20,023	4,500
Richland COA	46,149	104,336	23,010	4,500
Union COA	54,552	78,053	22,999	4,500
Tensas COA	28,620	74,002	18,530	4,500
North Louisiana Legal Assistance	0	0	0	0
Total Expenditures/Disbursements	<u>280,230</u>	<u>425,964</u>	<u>127,173</u>	<u>27,000</u>
Excess (Deficiency) of Revenues Over Expenditures/Disbursements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	0	0	0
Fund Balance, Beginning of Year	0	0	0	0
Prior Period Adjustments	0	0	0	0
FUND BALANCE, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

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

For the Year Ended June 30, 2002

<u>REVENUES/RECEIPTS</u>	Title III D Preventive Health	USDA Cash-In- Lieu	Title III E Caregiver	Total
Intergovernmental:				
Louisiana Governor's Office of Elderly Affairs	\$ 16,408	\$ 116,930	\$ 28,298	\$ 1,489,749
U. S. Department of Commerce	0	0	0	50,000
U. S. Department of Transportation	0	0	0	175,698
Ouachita Council of Governments	0	0	0	103,508
Louisiana Workforce Investment Area	0	0	0	19,200
Louisiana Association of Planning and Development Districts	0	0	0	9,250
Service Fees	0	0	0	26,796
Interest	0	0	0	152
Client Contributions	0	0	0	0
Membership Dues	0	0	0	27,990
Total Revenues	<u>16,408</u>	<u>116,930</u>	<u>28,298</u>	<u>1,902,343</u>
 <u>EXPENDITURES/DISBURSEMENTS</u>				
Health and Welfare:				
Salaries	0	0	0	300,074
Fringe	0	0	0	82,178
Travel	0	0	0	25,698
Operating Services	0	0	0	123,418
Operating Supplies	0	0	0	13,093
Other Costs	0	0	0	31,449
Capital Outlay	0	0	0	3,071
Grants to Subrecipients:				
East Carroll COA	1,989	13,294	1,180	185,063
Franklin COA	3,328	19,298	1,937	207,294
Jackson COA	2,542	17,183	1,492	218,028
Richland COA	2,890	20,358	1,689	248,058
Union COA	3,477	26,496	1,228	245,375
Tensas COA	2,182	20,301	1,228	183,698
North Louisiana Legal Assistance	0	0	0	13,157
Total Expenditures/Disbursements	<u>16,408</u>	<u>116,930</u>	<u>8,754</u>	<u>1,879,654</u>
Excess (Deficiency) of Revenues Over Expenditures/Disbursements	<u>0</u>	<u>0</u>	<u>19,544</u>	<u>22,689</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	1,070	0	33,634
Operating Transfers Out	0	0	(19,544)	(27,332)
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,070</u>	<u>(19,544)</u>	<u>6,302</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	1,070	0	28,991
Fund Balance, Beginning of Year	0	(4,500)	0	62,085
Prior Period Adjustments	0	3,430	0	3,430
 FUND BALANCE, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 94,506</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

PROPRIETARY FUNDS

FmHA REVOLVING LOAN

Farmer's Home Administration Revolving Loan accounts for the District's participation in a \$2 million intermediary relending program through the Farmer's Home Administration. Under this program, the District borrows funds from FmHA at 1% for 30 years, then reloans the funds to qualified borrowers at market rates of interest.

FmHA NORTH DELTA ADMINISTRATION

Farmer's Home Administration North Delta Administration accounts for the District's administration function over the FmHA Revolving Loan Fund, Loan Loss Reserve, and Rural Business Enterprise Grant Fund.

LOAN LOSS RESERVE

Loan Loss Reserve accounts for the District's loan loss reserve for the FmHA Revolving Loan Fund and the Rural Business Enterprise Grant Fund.

RURAL BUSINESS ENTERPRISE GRANT

Rural Business Enterprise Grant accounts for the District's participation in an \$80,000 intermediary relending program through the U. S. Department of Agriculture Rural and Economic Community Development Program. Under this program, the District receives a grant from USDA, then reloans the funds to qualified borrowers at market rates of interest.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING BALANCE SHEET

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

June 30, 2002

	<u>FmHA</u>	<u>FmHA</u>	<u>Loan</u>	<u>Rural</u>	<u>Total</u>
	Revolving	North	Loss	Business	
	Loan	Delta	Reserve	Enterprise	
	Admin	Grant		Grant	
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 476,025	\$ (32,242)	\$ 59,540	\$ 34,094	\$ 537,417
Receivables	113,388	0	0	4,414	117,802
Notes Receivable - Short-Term	316,659	0	0	6,583	323,242
Notes Receivable - Long-Term	710,098	0	0	63,112	773,210
Allowance for Bad Debts	(139,862)	0	0	0	(139,862)
Interfund Receivables	966	134,693	0	0	135,659
TOTAL ASSETS	<u>\$ 1,477,274</u>	<u>\$ 102,451</u>	<u>\$ 59,540</u>	<u>\$ 108,203</u>	<u>\$ 1,747,468</u>
<u>LIABILITIES AND EQUITY</u>					
Liabilities:					
Accounts, Salaries and Other Payables	\$ 0	\$ 1,181	\$ 0	\$ 0	\$ 1,181
Interfund Payables	135,083	62,835	0	0	197,918
Notes Payable-Short Term	67,439	0	0	0	67,439
Notes Payable-Long Term	1,414,667	0	0	0	1,414,667
Accrued Interest Payable	6,091	0	0	0	6,091
Total Liabilities	<u>1,623,280</u>	<u>64,016</u>	<u>0</u>	<u>0</u>	<u>1,687,296</u>
Equity:					
Retained Earnings (Deficit)	(146,006)	38,435	59,540	108,203	60,172
Total Equity	<u>(146,006)</u>	<u>38,435</u>	<u>59,540</u>	<u>108,203</u>	<u>60,172</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 1,477,274</u>	<u>\$ 102,451</u>	<u>\$ 59,540</u>	<u>\$ 108,203</u>	<u>\$ 1,747,468</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

For the Year Ended June 30, 2002

	FmHA Revolving Loan	FmHA North Delta Admin	Loan Loss Reserve	Rural Business Enter- prise Grant	Total
<u>OPERATING REVENUES</u>					
Origination Fees	\$ 0	\$ 0	\$ 200	\$ 0	\$ 200
Interest on Loans	69,092	0	0	5,924	75,016
Rental Income	5,850	0	0	0	5,850
	<u>74,942</u>	<u>0</u>	<u>200</u>	<u>5,924</u>	<u>81,066</u>
<u>OPERATING EXPENSES</u>					
Interest Expense	14,441	0	0	0	14,441
Salaries, Wages and Benefits	0	25,451	0	0	25,451
Legal	0	1,474	0	0	1,474
Travel and Meeting	0	1,219	0	0	1,219
Other Administrative	0	4,041	0	0	4,041
Bad Debt Expenses	38,472	0	0	0	38,472
	<u>52,913</u>	<u>32,185</u>	<u>0</u>	<u>0</u>	<u>85,098</u>
Total Operating Income (Loss)	<u>22,029</u>	<u>(32,185)</u>	<u>200</u>	<u>5,924</u>	<u>(4,032)</u>
<u>NON-OPERATING REVENUE (EXPENSE)</u>					
Interest on Deposits	7,519	0	1,133	571	9,223
Service Fees	(9,076)	0	(647)	(500)	(10,223)
	<u>(1,557)</u>	<u>0</u>	<u>486</u>	<u>71</u>	<u>(1,000)</u>
Income (Loss) Before Operating Transfers	<u>20,472</u>	<u>(32,185)</u>	<u>686</u>	<u>5,995</u>	<u>(5,032)</u>
<u>OPERATING TRANSFERS IN (OUT)</u>					
Operating Transfers In	0	0	0	0	0
Operating Transfers Out	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income (Loss)	20,472	(32,185)	686	5,995	(5,032)
Retained Earnings (Deficit), Beginning of Year	(166,478)	70,620	58,854	102,208	65,204
RETAINED EARNINGS (DEFICIT), END OF YEAR	<u>\$ (146,006)</u>	<u>\$ 38,435</u>	<u>\$ 59,540</u>	<u>\$ 108,203</u>	<u>\$ 60,172</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMBINING STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

For the Year Ended June 30, 2002

	<u>FmHA Revolving Loan</u>	<u>FmHA North Delta Admin</u>	<u>Loan Loss Reserve</u>	<u>Rural Business Enter- prise Grant</u>	<u>Total</u>
<u>Cash Flows From Operating Activities</u>					
Net Income (Loss)	\$ 20,472	\$ (32,185)	\$ 686	\$ 5,995	\$ (5,032)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) for Operating Activities:					
Increase (Decrease) in Provision for Loan Losses	0	0	0	0	0
(Increase) Decrease in Receivables	(29,030)	0	0	437	(28,593)
Increase (Decrease) in Accounts Payable and Other Liabilities	0	(173)	0	0	(173)
Increase (Decrease) in Other Liabilities	(417)	0	0	0	(417)
(Increase) Decrease in Interfund Receivables	0	0	0	0	0
Increase (Decrease) in Interfund Payables	0	32,210	0	0	32,210
 Net Cash Provided (Used) By Operating Activities	 <u>(8,975)</u>	 <u>(148)</u>	 <u>686</u>	 <u>6,432</u>	 <u>(2,005)</u>
<u>Cash Flows From Financing Activities</u>					
Principal Payments on Revolving Loan Fund	(67,402)	0	0	0	(67,402)
Operating Transfers	0	0	0	0	0
 Net Cash Provided (Used) By Financing Activities	 <u>(67,402)</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>(67,402)</u>
<u>Cash Flows From Investing Activities</u>					
New Loans Made	(10,000)	0	0	0	(10,000)
Principal Collections on Loans	55,516	0	0	3,546	59,062
Sale of Foreclosed Property	126,866	0	0	0	126,866
 Net Cash Provided (Used) By Investing Activities	 <u>172,382</u>	 <u>0</u>	 <u>0</u>	 <u>3,546</u>	 <u>175,928</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 96,005	 (148)	 686	 9,978	 106,521
Cash and Cash Equivalents, Beginning of Year	<u>380,020</u>	<u>(32,094)</u>	<u>58,854</u>	<u>24,116</u>	<u>430,896</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$ 476,025</u>	 <u>\$ (32,242)</u>	 <u>\$ 59,540</u>	 <u>\$ 34,094</u>	 <u>\$ 537,417</u>

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NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
THE LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

For the Year Ended June 30, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>AREA AGENCY ON AGING</u>			
Administration:			
Salaries	\$ 51,134	\$ 49,565	\$ 1,569
Fringe	11,949	11,339	610
Travel	3,771	5,355	(1,584)
Operating Services	24,762	25,692	(930)
Operating Supplies	1,329	1,414	(85)
Other Costs	4,800	4,380	420
Capital Outlay	623	623	0
TOTAL AREA AGENCY ON AGING	<u>\$ 98,368</u>	<u>\$ 98,368</u>	<u>\$ 0</u>
<u>OMBUDSMAN</u>			
Administration:			
Salaries	\$ 30,988	\$ 29,001	\$ 1,987
Fringe	7,618	6,024	1,594
Travel	3,934	13,859	(9,925)
Operating Services	12,846	12,800	46
Operating Supplies	1,300	1,516	(216)
Other Costs	13,000	6,481	6,519
Capital Outlay	381	386	(5)
TOTAL OMBUDSMAN	<u>\$ 70,067</u>	<u>\$ 70,067</u>	<u>\$ 0</u>
<u>AUDIT FUND</u>			
Administration:			
Operating Services	\$ 1,097	\$ 1,097	\$ 0
Grants to Subrecipients:			
East Carroll COA	1,097	1,097	0
Franklin COA	1,097	1,097	0
Jackson COA	1,097	1,097	0
Richland COA	1,097	1,097	0
Union COA	1,097	1,097	0
Tensas COA	1,097	1,097	0
North Louisiana Legal Assistance	0	0	0
TOTAL AUDIT FUND	<u>\$ 7,679</u>	<u>\$ 7,679</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
THE LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

For the Year Ended June 30, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>TITLE III B - SUPPORTIVE SERVICES</u>			
Grants to Subrecipients:			
East Carroll COA	\$ 30,301	\$ 30,301	\$ 0
Franklin COA	62,948	62,948	0
Jackson COA	54,986	54,986	0
Richland COA	44,029	44,029	0
Union COA	52,973	52,973	0
Tensas COA	33,238	33,238	0
North Louisiana Legal Assistance	<u>13,157</u>	<u>13,157</u>	<u>0</u>
TOTAL TITLE III B - SUPPORTIVE SERVICES	<u>\$ 291,632</u>	<u>\$ 291,632</u>	<u>\$ 0</u>
 <u>TITLE III C-1 - CONGREGATE MEALS</u>			
Grants to Subrecipients:			
East Carroll COA	\$ 48,969	\$ 48,969	\$ 0
Franklin COA	48,275	48,275	0
Jackson COA	53,665	53,665	0
Richland COA	46,149	46,149	0
Union COA	54,552	54,552	0
Tensas COA	28,620	28,620	0
North Louisiana Legal Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL TITLE III C-1 - CONGREGATE MEALS	<u>\$ 280,230</u>	<u>\$ 280,230</u>	<u>\$ 0</u>
 <u>TITLE III C-2 - HOME DELIVERED MEALS</u>			
Grants to Subrecipients:			
East Carroll COA	\$ 65,203	\$ 65,203	\$ 0
Franklin COA	41,830	41,830	0
Jackson COA	62,540	62,540	0
Richland COA	104,336	104,336	0
Union COA	78,053	78,053	0
Tensas COA	74,002	74,002	0
North Louisiana Legal Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL TITLE III C-2 - HOME DELIVERED MEALS	<u>\$ 425,964</u>	<u>\$ 425,964</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
THE LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

For the Year Ended June 30, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>SENIOR CENTER</u>			
Grants to Subrecipients:			
East Carroll COA	\$ 18,530	\$ 18,530	\$ 0
Franklin COA	24,081	24,081	0
Jackson COA	20,023	20,023	0
Richland COA	23,010	23,010	0
Union COA	22,999	22,999	0
Tensas COA	18,530	18,530	0
North Louisiana Legal Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SENIOR CENTER	<u>\$ 127,173</u>	<u>\$ 127,173</u>	<u>\$ 0</u>
<u>SUPPLEMENTAL SENIOR CENTER</u>			
Grants to Subrecipients:			
East Carrol COA	\$ 4,500	\$ 4,500	\$ 0
Franklin COA	4,500	4,500	0
Jackson COA	4,500	4,500	0
Richland COA	4,500	4,500	0
Union COA	4,500	4,500	0
Tensas COA	<u>4,500</u>	<u>4,500</u>	<u>0</u>
<u>TOTAL SUPPLEMENTAL SENIOR CENTER</u>	<u>\$ 27,000</u>	<u>\$ 27,000</u>	<u>\$ 0</u>
<u>TITLE III D - PREVENTIVE HEALTH</u>			
Grants to Subrecipients:			
East Carrol COA	\$ 1,989	\$ 1,989	\$ 0
Franklin COA	3,328	3,328	0
Jackson COA	2,542	2,542	0
Richland COA	2,890	2,890	0
Union COA	3,477	3,477	0
Tensas COA	2,182	2,182	0
North Louisiana Legal Assistance	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL TITLE III D - PREVENTIVE HEALTH</u>	<u>\$ 16,408</u>	<u>\$ 16,408</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
THE LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS

For the Year Ended June 30, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>U.S.D.A. - CASH-IN-LIEU</u>			
Grants to Subrecipients:			
East Carroll COA	\$ 13,294	\$ 13,294	\$ 0
Franklin COA	19,298	19,298	0
Jackson COA	17,183	17,183	0
Richland COA	20,358	20,358	0
Union COA	26,496	26,496	0
Tensas COA	<u>20,301</u>	<u>20,301</u>	<u>0</u>
 TOTAL SENIOR CENTER	 <u>\$ 116,930</u>	 <u>\$ 116,930</u>	 <u>\$ 0</u>
 <u>TITLE III E - CAREGIVER</u>			
Grants to Subrecipients:			
East Carroll COA	\$ 1,180	\$ 1,180	\$ 0
Franklin COA	1,937	1,937	0
Jackson COA	1,492	1,492	0
Richland COA	1,689	1,689	0
Union COA	1,228	1,228	0
Tensas COA	1,228	1,228	0
North Delta Caregiver	<u>19,544</u>	<u>19,544</u>	<u>0</u>
 TOTAL TITLE III - DISEASE AND HEALTH	 <u>\$ 28,298</u>	 <u>\$ 28,298</u>	 <u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS

For the Year Ended June 30, 2002

	<u>Balance</u> <u>06/30/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/02</u>
<u>GENERAL FIXED ASSETS</u>				
Furniture and Equipment	\$ <u>76,676</u>	\$ <u>3,090</u>	\$ <u>9,211</u>	\$ <u>70,555</u>
 <u>INVESTMENT IN GENERAL FIXED ASSETS</u>				
Property Acquired Prior to July 1, 1985	\$ 0	\$ 0	\$ 0	\$ 0
Office of Elderly Affairs - Ombudsman	8,755	386	0	9,141
Office of Elderly Affairs - C-1	1,748	0	1,744	4
Office of Elderly Affairs - C-2	3	0	0	3
EZ-DED	0	8	0	8
OEA-AAA	3,348	623	1,000	2,971
Tri-District	0	416	2	414
FmHA	0	394	9	385
OGO Governments	0	376	0	376
Economic Development Administration	0	481	51	430
Madison 911	0	6	0	6
General Funds	30,223	31	5,123	25,131
Federal Transit - Admin	3,231	213	0	3,444
Federal Highways - Admin	28,521	0	435	28,086
Local Sources	847	0	847	0
LWIA	0	156	0	156
	<u>\$ 76,676</u>	<u>\$ 3,090</u>	<u>\$ 9,211</u>	<u>\$ 70,555</u>

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF PRIORITY SERVICES -
TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES

For the Year Ended June 30, 2002

		<u>% of GOEA Grant</u>
Access (30%): Assisted Transportation	\$ 29,702	
Transportation	180,236	
Information and Assistance	17,111	
Outreach	<u>15,488</u>	
Total Access Expenses	\$ 242,537	<u>92.18%</u>
In-Home (15%): Homemaker	128,518	
Chore	0	
Telephoning, Visiting, Home Repairs	13,330	
Adult/Daycare/Health	0	
Personal Care	<u>0</u>	
Total In-Home Expenses	141,848	<u>53.91%</u>
Legal (5%) Legal Assistance	13,157	<u>5.00%</u>
Non-Priority Services	<u>75,546</u>	
Total Title III B - Supportive Services Expenditures	473,088	
Less: Participant Contributions	(17,907)	
Other Public Support	(37,353)	
Transfers In	<u>(126,196)</u>	
Title III B - Supportive Services Grant	291,632	
Less: Transfers of Contract Allotments	0	
State Homemaker	(12,244)	
State Transportation	<u>(16,262)</u>	
Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments.	\$ <u>263,126</u>	

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

June 30, 2002

Section II – Financial Statement Findings and Questioned Costs:

None reported.

Section III – Federal Awards Findings and Questioned Costs:

01-1 MISSING FINANCIAL MONITORING REPORT

CFDA No. 93.044/45 etc.

Program: Area Agency on Aging

Condition: It is the responsibility of North Delta to perform fiscal monitoring on all its service providers at least once during the contract period. Out of a population of 6 service providers, it was noted that 1 of the 6 service providers tested did not have a fiscal monitoring during the audit period.

Current Status: This finding can be cleared.

01-2 PROCUREMENT – SOLICITATION OF BIDS

CFDA No. Various

Program: Agency Wide

Condition: During the course of the examination, we noted that North Delta purchased \$3,664.98 of office furniture and computer related equipment. The cost of this equipment was allocated to several funds including GOEA. North Delta did not solicit bids for the purchases of this furniture and equipment as required by GOEA. In accordance with GOEA's guidelines, North Delta is required to send out written invitations for bids to at least 8 bona fide qualified bidders if purchase exceeds \$2,000. For purchases exceeding \$100 North Delta must solicit written quotations whenever time permits and telephone or telegraph bids should time permit. North Delta must, however, set forth in writing why time did not permit written quotations.

Current Status: This finding can be cleared.

* The accompanying notes are an integral part of the financial statements.

NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2002

Section 1 – Summary of Auditor's Results

Financial Statements:

Type of Auditor's Report Issued: Unqualified

Internal Control Over Financial Reporting:

Material Weakness(es) identified? Yes No

Reportable Condition(s) identified not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards:

Internal Control Over Major Programs:

Material weakness(es) identified? Yes No

Reportable condition(s) identified not considered to be material weakness(es)? 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 Circular A-133, Section .510(a)? Yes No

Dollar threshold used to distinguish between Type A and Type B programs \$300,000

Auditee qualified as low-risk auditee? Yes No

Identification of Major Programs:

<u>CFDA #</u>	<u>PROGRAM TITLE</u>
93.044	Title III B – Special Programs for the Aging – Supportive Services
93.045	Title III C – Nutrition Services

Section II – Financial Statement Findings and Questioned Costs:

None reported.

Section III – Federal Awards Findings and Questioned Costs:

None reported.

* The accompanying notes are an integral part of the financial statements.

***Memorandum of Suggestions on Accounting
Procedures and System of Internal Controls***

***North Delta Regional Planning and
Development District, Incorporated***

Monroe, Louisiana

For the Year Ended June 30, 2002

Contact Person

G. B. SAUNDERS

October 23, 2002

SAUNDERS & ASSOCIATES

Certified Public Accountants

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E-mail sndrgrp@yahoo.com

Board of Directors
North Delta Regional Planning and Development District, Incorporated
Monroe, Louisiana

The accompanying Management Letter includes suggestions for improvement of accounting procedures and internal accounting controls that came to our attention as a result of our examination of the financial statements of the North Delta Regional Planning and Development District, Incorporated, Monroe, Louisiana, for the year ended June 30, 2002. The matters discussed herein were considered by us during our examination and do not modify the opinion expressed in our auditor's report dated October 23, 2002 on such financial statements.

In accordance with auditing standards generally accepted in the United States of America, we made a review of the North Delta Regional Planning and Development District, Incorporated's system of internal accounting controls for the purpose of providing a basis for reliance thereon, in determining the nature, timing and extent of substantive testing of the June 30, 2002 financial statements. While certain matters that came to our attention during the review are presented in the accompanying Management Letter for the consideration of the Board, our review did not encompass all control procedures and techniques and was not designed for the purpose of making detailed recommendations.

The accompanying Management Letter also includes comments and suggestions with respect to other financial and administrative matters that came to our attention during the course of our examination. These matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving accounting control and other financial and administrative practices and procedures.

This Management Letter is intended solely for the benefit of management and the board of directors, and is not to be used for any other purpose.

We wish to express our appreciation for the courtesies and cooperation extended to our representatives during the course of their work. We would be pleased to discuss these suggestions and comments in greater detail or otherwise assist in their implementation.

Sincerely,



SAUNDERS & ASSOCIATES
Certified Public Accountants

October 23, 2002

NORTH DELTA REGIONAL PLANNING AND DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

MANAGEMENT LETTER

June 30, 2002

1. BY-LAW REVISION – FISCAL YEAR

An organization is required to adhere to the stipulations set forth in the organization's By-Laws.

The By-Laws of North Delta Regional Planning and Development District (NDRPDD), Section IV, indicate that the fiscal year of the corporation shall be the calendar year. The actual fiscal year being adhered to by NDRPDD is July 1 to June 30 each year.

NDRPDD is not in compliance with the By-Laws of the organization.

SAUNDERS & ASSOCIATES recommends that the NDRPDD Board revise the By-Laws to accurately depict the fiscal year end as June 30th of each year.

2. BY-LAW COMPLIANCE – BOARD MEETINGS

An organization is required to adhere to the stipulations set forth in the organization's By-Laws.

The By-Laws of NDRPDD; Section III, No. 1; indicate that regular Board meetings shall be held each quarter. NDRPDD only had 2 of the required 4 meetings during the audit period.

NDRPDD is not in compliance with the By-Laws of the organization.

SAUNDERS & ASSOCIATES recommends that the NDRPDD Board comply with the By-Laws by ensuring that the Board have meetings at least on a quarterly basis.

3. EXECUTIVE COMMITTEE MEETING RATIFICATION

NDRPDD's Executive Committee meets between meetings of the Full Board, however, any action taken by the Committee should be ratified by the Full Board.

The Executive Committee of NDRPDD convenes between the meetings of the Full Board and takes action from time to time. However, the full Board of NDRPDD is not formally ratifying the actions of the Executive Committee in the minutes of the Full Board.

SAUNDERS & ASSOCIATES recommends that NDRPDD Board review and ratify or take the necessary steps to address the actions taken by the Executive Committee and do so formally in the minutes of the Full Board.

NORTH DELTA REGIONAL PLANNING AND DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

MANAGEMENT LETTER

June 30, 2002

4. ENHANCEMENT OF MONITORING PROGRAMS

As an administrative entity, it is the responsibility of NDRPDD to monitor the management of the programs by the service providers to ensure funds are expended for the purpose for which they were intended.

NDRPDD developed a master monitoring schedule for the last audit period, however, failed to update the schedule for the current audit period. Additionally, all the monitoring visits were scheduled but the actual date of the visit and/or date of the report were not set forth on the schedule to assist in ensuring that all the service providers are monitored and one is not inadvertently missed.

The master monitoring schedule was not updated, and therefore, the effectiveness and usefulness to management is completely compromised.

SAUNDERS & ASSOCIATES recommends that NDRPDD update its master monitoring schedule with tentative dates for all monitoring efforts intended for the year. The actual date of monitoring and the date of the monitoring report should be incorporated on the master schedule. We also highly recommend that a column be added for the receipt and review of each provider's audit. Such a schedule provides not only the monitor, but also management, an at-a-glance status of the organization/s monitoring efforts at any given time, as well as provides the status of the required receipt of each provider's audit.

5. ENHANCEMENT OF EXISTING PROCUREMENT PROCEDURES

It is your responsibility to safeguard assets of the agency. Sound internal controls are one of the methods to achieve this objective.

NDRPDD has procedures addressing procurements. However, the policy does not address thresholds for requiring when phone bids, written bids, or formal sealed bids are to be obtained or what constitutes an "emergency" or "sole source" situation.

Procurements could potentially be obtained that are not in accordance with desired procedures.

SAUNDERS & ASSOCIATES recommends that NDRPDD enhance existing procedures to establish threshold identifying when phone bids, written bids or formalized sealed bids are required and what constitutes an "emergency" or "sole source" situation. Such a policy not only articulates NDRPDD's procedures but also serves as a great training tool for cross training and/or new employees.

NORTH DELTA REGIONAL PLANNING AND DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

MANAGEMENT LETTER

June 30, 2002

6. FINANCIAL MANAGEMENT PROCEDURES MANUAL NEEDS TO BE UPDATED

It is in the Agency's best interest to develop an "Accounting Manual" that sets forth all the fiscal policies and procedures of the Agency in a formalized document approved by the Board.

NDRPDD has a Financial Management Procedures Manual that does not address all the necessary functions/tasks such as bank reconciliation, fiscal inventory, petty cash, etc. and therefore, is not reflective of the actual current procedures.

Without a current "Accounting Manual" there is a significantly higher likelihood of similar transactions being recorded inconsistently. Additionally, there is no resource document to use in determining the appropriate treatment when there is a question about a transaction.

SAUNDERS & ASSOCIATES recommends that the NDRPDD update their "Financial Management Procedures Manual" to reflect current procedures and have it approved by the Board. This not only readily articulates NDRPDD's accounting policies and procedures for the Board/Management and employees, but also serves as a valuable training tool for new employees or cross training of existing employees.

7. PETTY CASH INTERNAL CONTROL ENHANCEMENTS

It is the responsibility of NDRPDD to properly safeguard assets including cash.

NDRPDD uses Petty Cash accounts as one method to pay expenses in certain circumstances. NDRPDD has not set a maximum expenditure threshold nor has it established an allowable ceiling amount to be expended out of the account for the year. Additionally, there was no documentation of surprise "counts" being conducted during the audit period.

The effect is to prevent the use of Petty Cash for amounts that are over a predetermined threshold and prevent the Petty Cash fund from "turning over" more than a specified number of times for the year. Surprise "counts" confirm that the receipts and cash equal the amount of the Petty Cash fund and provides the necessary oversight of the custodian.

SAUNDERS & ASSOCIATES recommends that NDRPDD establish a maximum for which any one expenditure can be made out of the account. SAUNDERS & ASSOCIATES also recommends that NDRPDD establish a ceiling of Petty Cash expenditures that they are comfortable with for the entire year. Surprise "counts" should be performed on the Petty Cash fund periodically.

8. REVISION OF PERSONNEL POLICIES AND PROCEDURES MANUAL

It is the responsibility of NDRPDD to establish personnel policies and to formalize them in writing.

NDRPDD has a "Personnel Policies and Procedures Manual", however, the manual does not address "Nepotism" nor "Conflict of Interest".

Without a formalized policy on "Nepotism" or "Conflict of Interest", chances are increased that violations could occur and not be recognized.

NORTH DELTA REGIONAL PLANNING AND DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

MANAGEMENT LETTER

June 30, 2002

8. REVISION OF PERSONNEL POLICIES AND PROCEDURES MANUAL, CONTINUED

SAUNDERS & ASSOCIATES recommends that NDRPDD revise their "Personnel Policies and Procedures Manual" to address Nepotism and "Conflict of Interest" and present it to the Board for approval. The manual will then articulate NDRPDD's policies on these matters to the Board, management, employees, and Funding Agencies.

9. INTERFUND ACTIVITIES

It is the responsibility of the organization to ensure that the financial and accounting activities are accurate, meaningful and represent fairly the transactions that they are recording in the financial records of the entity.

During the course of the examination, we noted several instances where there were accounting transactions that were obviously incorrect; such as, "Due To's and Due From's" or "Interfund Receivables and Interfund Payables" not balancing to zero. It became clear that these transactions were not being reviewed at the time of the transaction nor on a monthly basis to ensure that they were accurate, meaningful and balanced to zero. There are also balances in some of these accounts that have been there for an extended period of time and have not been examined with the intention of clearing them in a timely manner.

Balances that remain in these types of accounts without being reviewed for accuracy could result in other accounts being misstated and not be detected in the normal course of business.

SAUNDERS & ASSOCIATES recommends that interfund type activities be reviewed at the time of the transaction, and certainly no later than on a monthly basis, to ensure accuracy and that the transactions balance to zero. Balances that remain for more than a monthly cycle should be reviewed, investigated and cleared as necessary in a timely manner but not later than on a quarterly basis.

10. REPORTS TO FUNDING AGENCY NOT SUPPORTED BY ACCOUNTING RECORDS

Federal award recipients are required to file periodic reports with USDA to report FDLF lending activity (Form USDA-RD, RE1951-4)

Review of these reports indicates that the information provided to USDA in these reports is not in agreement with the general ledger.

Monthly financial statements are not provided to NDRPDD personnel who are responsible for the preparation of these reports. The NDRPDD Loan Officer prepares the reports from information obtained from the Trustee bank statements, which have not been adjusted for all property disposals. As a result, loan receivable balances are overstated. Also, loans payable balances are overstated as they have not been adjusted for current year's principal payments.

The financial department does not currently furnish the Loan Officer with monthly financial statements. SAUNDERS & ASSOCIATES recommends that monthly financial information be provided to the Loan Officer for review. Any discrepancies between information received by the Loan Officer and the bank, and the information provided by the accounting department should be reconciled.

NORTH DELTA REGIONAL PLANNING AND DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

MANAGEMENT LETTER

June 30, 2002

11. AUDIT NOT FILED WITHIN SIX MONTH STATUORY ISSUE DATE AS REQUIRED BY GOEA

It is the responsibility of the organization to ensure that its annual audit is filed with GOEA within the prescribed six-month period.

The organization's audit for fiscal year ended June 30, 2002 has not been filed within the allotted time.

SAUNDERS & ASSOCIATES recommends that management take the necessary action to ensure that subsequent reports are filed in a timely manner.

NORTH DELTA REGIONAL PLANNING AND DEVELOPMENT DISTRICT, INCORPORATED
Monroe, Louisiana

CORRECTIVE ACTION PLAN FOR THE CURRENT-YEAR MANAGEMENT LETTER ISSUES

June 30, 2002

Management Letter issue # and title:

1. By-Law Revision – Fiscal Year

Condition: The By-Laws of NDRPDD, Section IV, indicate that the fiscal year of the corporation shall be the calendar year. The actual fiscal year being adhered to by NDRPDD is July 1 to June 30 each year.

Corrective action planned: The North Delta Regional Planning and Development District (hereinafter referred to as North Delta) recognize that the by-laws provide for a fiscal year which coincides with the calendar year. We are also aware that the by-laws provide for four (4) quarterly regular Board meetings per fiscal year. North Delta will revise the by-laws to reflect a fiscal year of July 1 – June 30 (as is required by state statute for all state agencies) and will comply with the by-laws regarding quarterly regular Board meeting.

2. By-Law Compliance – Board Meetings

Condition: The By-Laws of NDRPDD; Section III, No. 1; indicate that regular Board meetings shall be held each quarter. NDRPDD only had 2 of the required 4 meetings during the audit period.

Corrective action planned: The North Delta Regional Planning and Development District (hereinafter referred to as North Delta) recognize that the by-laws provide for a fiscal year which coincides with the calendar year. We are also aware that the by-laws provide for four (4) quarterly regular Board meetings per fiscal year. North Delta will revise the by-laws to reflect a fiscal year of July 1 – June 30 (as is required by state statute for all state agencies) and will comply with the by-laws regarding quarterly regular Board meeting.

3. Executive Committee Meeting Ratification

Condition: The Executive committee of NDRPDD convenes between the meetings of the Full Board and takes action from time to time. The Full Board of NDRPDD is not formally ratifying the actions of the Executive Committee in the minutes of the Full Board.

Corrective action planned: The minutes of Executive Committee meetings will be provided to all members of the Board at the first Full Board meeting following the committee meetings. Any actions which were approved by the Executive Committee will be ratified by the Full Board and included in the minutes of the Full Board.

4. Enhancement of Monitoring Programs

Condition: NDRPDD has procedures addressing procurements, however, the policy does not address thresholds for requiring when phone bids, written bids, or formal sealed bids are to be obtained or what constitutes an “emergency” or “sole source” situation.

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4. Enhancement of Monitoring Programs, Continued

Corrective action planned: Management of North Delta does monitor each service provider at least twice each fiscal year. The monitoring provided by North Delta concentrate on compliance and tests information required to be reported to the Governor's Office of Elderly Affairs (GOEA) on a monthly or quarterly basis. In addition, an independent firm performs monitoring services (known as field assessments) of each service provider twice a year. These field assessments are designed to cover seven major areas of financial reporting. These reports are submitted to North Delta and are dated. Each service provider is audited yearly by an independent auditing firm. Copies of the audits are sent to North Delta by the audit firm. Management will strive to update the monitoring schedule for the current year to include the information received from external sources and to include scheduled and actual dates of monitoring visits.

5. Enhancement of Existing Procurement Procedures

Condition: NDRPDD has a Financial Management Procedures Manual that does not address all the necessary functions/tasks such as bank reconciliation, fiscal inventory, petty cash, etc. and therefore, is not reflective of the actual current procedures.

Corrective action planned: North Delta must comply with the same rules and regulations which apply to the service providers. Methods of purchasing are outlined in the policy manual developed by the GOEA. These rules specifically outline the method for purchases and can be found beginning on page D28 of the manual. They state that "purchased over \$500 but less than or equal to \$2,000 shall be made by soliciting three (3) price quotations except in cases of emergency. (Emergencies shall be documented.) The quotations may be solicited by telephone, facsimile, or other means..." "Purchases over \$2,000 but less than or equal to \$10,000 shall not be made except by soliciting price quotations either written or by facsimile from at least five (5) bona fide qualified bidders..." "No purchase where the estimated cost is over \$10,000 shall be made except by advertising...and sending out written invitations for bids to at least eight bona fide qualified bidders." The rules are very specific and include directives for the sealed bid process. This information begins on page D30 of the policy manual. Directives for sole source procurement are found on page D32 under the listing of Specifications. Guidelines for emergency procurement are found on page D34, Section J, Emergency Procurement.

6. Financial Management Procedures Manual Needs to be Updated

Condition: NDRPDD has a "Personnel Policies and Procedures Manual", however, the manual does not address "Nepotism" nor "Conflict of Interest".

Corrective action planned: Although the development of an accounting manual could be helpful, it would entail a number of man-hours to accomplish this goal. North Delta has only one accountant who can access most of the information she needs from the Financial Management Procedures Manual. This manual was developed by the GOEA for use by flow-through agencies. Procedures for bank reconciliation, petty cash, and other minor areas are developed in-house and are known by the accountant. The development of an accounting manual does not seem cost-effective.

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7. Petty Cash Internal Control Enhancements

Condition: NDRPDD uses Petty Cash accounts as one method to pay expenses in certain circumstances. NDRPDD has not set a maximum expenditure threshold nor has it established an allowable ceiling amount to be expended out of the account for the year. Additionally, there was no documentation of surprise "counts" being conducted during the audit period.

Corrective action planned: The petty cash is an imprest account and is not used to pay regular, recurring expenses. The total petty cash is \$200 and the account is usually replenished 3-4 times each year (a total of \$800 per year). The custodian is Louise Collins and the accountant reconciles the petty cash at the time of reimbursement. She also periodically checks the petty cash to ensure that the cash and receipts total \$100. The larger turnover of petty cash during FYE June 30, 2002 is due to the payment of trucks leased and students hired to move into the new location. This was a non-recurring event which was approved by the Director; however, a limit will be placed on the number of times that the petty cash can be turned over.

8. Revision of Personnel Policies and Procedures Manual

Condition: NDRPDD has a "Personnel Policies and Procedures Manual", however, the manual does not address "Nepotism" nor "Conflict of Interest".

Corrective action planned: The Personnel Policies and Procedures Manual does not address nepotism or conflict of interest because these areas are regulated by state regulatory agencies. Any questions which may arise regarding nepotism or conflict of interest would be covered by the Code of Governmental Ethics (R.S. 42:1111-1121) and would be addressed to the Board of Ethics, and 11-member Board. The Board rules on each case as they are presented to them. The Personnel Policy will be amended to cover these concerns.

9. Interfund Activities

Condition: During the course of the examination, we noted several instances where there were accounting transactions that were obviously incorrect; such as, "Due To's and Due From's" or "Interfund Receivables and Interfund Payables" not balancing to zero. It became clear that these transactions were not being reviewed at the time of the transaction nor on a monthly basis to ensure that they were accurate, meaningful and balanced to zero. There are also balances in some of these accounts that have been there for an extended period of time and have not been examined with the intention of clearing them in a timely manner.

Corrective action planned: Management agrees that greater attention should be given to the accounting transactions related to interfund transfers. The accountant will review these classes of transactions to ensure that the "due to/due from" and "interfund receivables/payables" accounts are balanced at least quarterly and will research any discrepancies.

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10. Reports to Funding Agency Not Supported by Accounting Records

Condition: Review of these reports indicates that the information provided to USDA in these reports is not in agreement with the general ledger.

Corrective action planned: Management is aware that there should be better communication between the bank, loan officer, and fiscal department. The accountant will try to work more closely with the loan officer and supply him/her with the monthly financial statements. Any discrepancies between the trustee bank records and the monthly financial statements will be researched by the loan officer and reported and reported to accounting for adjustments.

11. Late Filing of Annual Audit for Fiscal Year Ended June 30, 2002

Condition: The organization's annual audit for fiscal year ended June 30, 2002 was not filed within the six-month time period required by statute.

Corrective action planned: Fieldwork was completed and a draft of the June 30, 2002 was in the process of being reviewed in order to issue the report prior to December 31, 2002. Just as we were preparing to issue the finalized report, we were notified by GOEA that they wanted certain revisions made to the report issued for fiscal year ended June 30, 2001. The requested changes required booking several interfund transfers to close out funds that were no longer in use. Since these adjustments resulted in significant changes in ending fund balances for several funds, our auditors delayed issuing the 2002 report until revisions had been made to the 2001 report to avoid having to recall the 2002 report to incorporate the prior year adjustments. We do not anticipate that this issue will arise again in the future, and will make every effort to ensure that future reports are filed in a timely manner.

Person responsible for corrective action:

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