

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

Financial Statements
As of and For the Year Ended June 30, 2007

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 3/26/08

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

**Financial Statements
As of and for the Year Ended June 30, 2007**

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
FINANCIAL SECTION		
Independent Auditors' Report		1
Required Supplemental Information (Part A) Management's Discussion and Analysis		4
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Assets	A	13
Statement of Activities	B	14
Fund Financial Statements:		
Balance Sheet – Governmental Funds	C	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	17
Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds	E	18
Reconciliation of the Statement of Revenues, Expenditures, And Changes in Fund Balances – Governmental Funds to the Statement of Activities	F	19
Statement of Net Assets – Proprietary Funds	G	20
Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds	H	21
Statement of Cash Flows – Proprietary Funds	I	22
Notes to the Financial Statements		23

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

**Financial Statements
As of and for the Year Ended June 30, 2007**

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Required Supplemental Information (Part B)		
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual:		
General Fund		46
Title IIIB Supportive Services Fund		47
Title IIIC-1 Congregate Meals Fund		48
Title IIIC-2 Home Delivered Meals Fund		49
Other Supplemental Information		
Non-Major Government Funds:		
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances		51
Comparative Schedule of Capital Assets and Changes in Capital Assets		56
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		58
Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance In Accordance With OMB Circular A-133		60
Schedule of Expenditures of Federal Awards		62
Notes to Schedule of Expenditures of Federal Awards		64
Schedule of Findings and Questioned Costs		65
Summary Status of Prior Year Findings		68

Luffey, Huffman, Ragsdale & Soignier

(A Professional Accounting Corporation)

CERTIFIED PUBLIC ACCOUNTANTS

1100 North 18th Street

Monroe, Louisiana 71201

(318) 387-2672 Fax (318) 322-8866

INDEPENDENT AUDITORS' REPORT

Board of Directors

North Delta Regional Planning

and Development District, Incorporated

Monroe, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of North Delta Regional Planning and Development District, Incorporated, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the accompanying Table of Contents. These financial statements are the responsibility of the District'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, the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide* issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. 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 that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2008 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. 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.

The Management's Discussion and Analysis and the budgetary information on pages 4 through 11 and pages 46 through 49 respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying information listed as Other Supplemental Information in the Table of Contents (including the Schedule of Expenditures of Federal Awards) is presented for purposes of additional analysis and is not a required part of the basic financial statements. This Other Supplemental Information is the responsibility of management of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Huffman Huffman Roydale & Squires

(A Professional Accounting Corporation)

February 27, 2008

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

As management of the North Delta Regional Planning and Development District, Incorporated, (hereinafter referred to in this Management's Discussion and Analysis as the District) we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2007. It is designed to assist the reader in focusing on significant financial issues, identify changes in the District's financial position, and identify material deviations and individual fund issues or concerns.

Financial Highlights

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year by \$254,525 (*net deficit*). Of this amount, \$273,881 (*unrestricted net deficit*) represents the portion of net deficit which is not invested in capital assets or otherwise restricted.
- The government's total net deficit decreased by \$84,277.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$318,761 an increase of \$52,174 for the year. Of this total amount, \$318,761 is available for spending at the government's discretion (*unreserved fund balance*).
- The District's total debt decreased by \$69,119 during the current fiscal year (net of additions).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

Both of the government-wide financial statements distinguish functions of the District that are principally supported by intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general government, elderly assistance, planning for highways and transportation and economic development. The business-type activities of the District include rural business relending.

The government-wide financial statements can be found on pages 13 and 14 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Title III-B Supportive Services, Title III C-1 Congregate Meals, and Title III C-2 Home Delivered Meals, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements have been provided on pages 46 through 49 for the general and the major special revenue funds to demonstrate compliance with this budget.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

The governmental fund financial statements can be found on pages 16 and 18 of this report.

Proprietary funds. The District maintains one type of proprietary fund. Enterprise funds in the fund financial statements are used to report the same data presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The major enterprise funds are the FmHA Revolving Loan, FmHA North Delta Admin, Loan Loss Reserve, and the Rural Business Enterprise Grant. There are no nonmajor enterprise funds.

The proprietary fund financial statements can be found on pages 20 through 22 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 23 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District compliance with budgets for its general fund and all major special revenue funds with a legally adopted annual budget. The combining statements for non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$254,525 for the year ended June 30, 2007.

By far the largest amount of the District's net assets reflects its investment in notes receivable of \$521,859 and \$632,227 (net of allowance for bad debts of \$479,541 and \$465,507) for the years ended June 30, 2007 and 2006 respectively. These loans were made to citizens for new businesses and economic development.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

North Delta Regional Planning and Development
District, Incorporated
Net Assets
For the Years Ended June 30, 2007 and 2006

	Governmental Activities		Business-type Activities		Total	
	June 30,		June 30,		June 30,	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 424,016	\$ 344,964	\$ 583,300	\$ 632,308	\$ 1,007,316	\$ 977,272
Capital assets	19,356	7,021	-	-	19,356	7,021
Total assets	443,372	351,985	583,300	632,308	1,026,672	984,293
Current and other liabilities	105,255	78,377	5,480	5,138	110,735	83,515
Long-term liabilities	32,071	28,526	1,138,391	1,211,055	1,170,462	1,239,581
Total liabilities	137,326	106,903	1,143,871	1,216,193	1,281,197	1,323,096
Net Assets:						
Invested in capital assets,						
net of related debt	19,356	7,021	-	-	19,356	7,021
Unrestricted	286,690	238,061	(560,571)	(583,885)	(273,881)	(345,824)
Total net assets (Deficit)	\$ 306,046	\$ 245,082	\$ (560,571)	\$ (583,885)	\$ (254,525)	\$ (338,803)

The balance of \$306,046 in net assets in the governmental activities represents the accumulated results of all past years' operations. Net assets of governmental activities increased by \$60,964 for the fiscal year. The changes in net assets are discussed later in this MD&A.

Governmental and Business-type activities. Key elements of the changes in the governmental and business-type activities net assets are as follows:

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

North Delta Regional Planning and Development
District, Incorporated
Changes in Net Assets
For the Years Ended June 30, 2007 and 2006

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenue:						
Program Revenues:						
Charges for services	\$ 23,609	\$ 26,356	\$ -	\$ -	\$ 23,609	\$ 26,356
Operating grants and contributions	2,009,475	1,908,698	-	-	2,009,475	1,908,698
Capital grants and contributions	16,053	-	-	-	16,053	-
General Revenues:						
Dues	17,580	19,043	-	-	17,580	19,043
Interest and investment earnings	73	71	62,027	40,735	62,100	40,806
Other general revenues	2,507	472	-	-	2,507	472
Total revenues	2,069,297	1,954,640	62,027	40,735	2,131,324	1,995,375
Expenses:						
General government	2,242	3,326	-	-	2,242	3,326
Health, welfare, & social services	1,529,662	1,551,327	-	-	1,529,662	1,551,327
Planning for highways and public transportation	252,212	224,459	-	-	252,212	224,459
Economic Development	224,217	200,774	-	-	224,217	200,774
Rural business lending	-	-	38,714	119,925	38,714	119,925
Total expenses	2,008,333	1,979,886	38,714	119,925	2,047,047	2,099,811
Increase (decrease) in net assets	\$ 60,964	\$ (25,246)	\$ 23,313	\$ (79,190)	\$ 84,277	\$ (104,436)

Governmental Activities

Expenses are classified by functions/programs. For the fiscal years ended June 30, 2007 and 2006 general government accounts for \$2,242 and \$3,326 respectively while elderly assistance accounts for \$1,529,662 and \$1,551,327 respectively and transportation and economic development account for \$476,429 and \$425,233 respectively.

The program revenues for fiscal years 2007 and 2006 directly related to these expenses totaled \$2,049,137 and \$1,935,054, which resulted in net program revenues of \$40,804 and expenses of \$44,832. The remaining balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from dues of approximately \$17,580 and \$19,043 for the years ended June 30, 2007 and 2006 respectively.

The District is a pass-through entity for the majority of federal and state revenues received from the Louisiana Governor's Office for Elderly Affairs. For the years ended June 30, 2007 and 2006 of the total revenue amount of \$1,526,271 and \$1,533,662, \$1,095,419 and \$1,091,805 was passed through to the various Councils on Aging in northeast Louisiana.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

Business-type Activities

Business-type activities increased the District's net assets by \$23,313 in 2007 and decreased net assets by \$79,190 in 2006. Key elements of these changes are as follows.

- For the years ended June 30, 2007 and 2006 bad debt expenses were \$14,034 and \$70,151 and other operating expenses were \$6,888 and \$9,839.

Financial Analysis of the Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$318,761 and \$266,587 for 2007 and 2006 respectively, an increase of \$52,174 for the year ended June 30, 2007. The ending fund balance constitutes unreserved fund balance, which is available for spending at the District's discretion.

General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA- R.S 39:1301 *et seq*), the District must adopt a budget for the General Fund and all Special Revenue funds prior to June 30. The original were adopted on June 26, 2006, and the final budget amendments were adopted on July 2, 2007.

Budgeted revenues for the Special Revenue Funds were decreased during FY 2007 to reflect the decreased revenues per the actual Schedule of Funding from the Louisiana Governor's Office of Elderly Affairs which was not received until after the original budgets had been adopted. The change was a decrease in revenues of \$13,199.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental and business type activities as of June 30, 2007 and 2006, amounts to \$19,356 and \$7,021 (net of accumulated depreciation). This investment in capital assets is as follows:

	<u>June 30,</u>	
	<u>2007</u>	<u>2006</u>
Office furniture and equipment	\$ 100,372	\$ 84,318
Less: accumulated depreciation	<u>(81,016)</u>	<u>(77,297)</u>
Total Capital Assets	<u>\$ 19,356</u>	<u>\$ 7,021</u>

More detailed information for capital assets is found in Note 7, Changes in Capital Assets, of the Notes to the Financial Statements.

Outstanding Debt

The District's outstanding debt for the years ended June 30, 2007 and 2006 is as follows:

	<u>June 30,</u>	
	<u>2007</u>	<u>2006</u>
Farmers Home Administration (FmHA)	\$ 1,138,391	\$ 1,208,565
Compensated Absences	<u>32,071</u>	<u>31,016</u>
Total debt	<u>\$ 1,170,462</u>	<u>\$ 1,239,581</u>

More detailed information for outstanding debt can be found in Note 13, Long-term Obligations, of the Notes to the Financial Statements.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
June 30, 2007

Economic Factors and Next Year's Budgets and Rates

Current factors considered in preparing the District's budget for the 2008 fiscal year indicates no significant change from the projected revenues and expenditures of the 2007 and 2006 fiscal years.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Dot Crain, Accountant, 913 Stubbs Avenue, Monroe, LA, 71201.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

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

**Statement of Net Assets
June 30, 2007**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 67,313	\$ 180,732	\$ 248,045
Receivables	211,990	24,228	236,218
Notes receivable - short-term	-	93,584	93,584
Notes receivable - long-term	-	907,816	907,816
Allowance for bad debts	-	(479,541)	(479,541)
Prepaid items	1,194	-	1,194
Interfund balances	143,519	(143,519)	-
Capital assets, net	19,356	-	19,356
Total Assets	<u>443,372</u>	<u>583,300</u>	<u>1,026,672</u>
Liabilities			
Accounts, salaries and other payables	105,255	985	106,240
Accrued interest payable	-	4,495	4,495
Long-term liabilities:			
Due within one year	-	70,876	70,876
Due in more than one year	32,071	1,067,515	1,099,586
Total liabilities	<u>137,326</u>	<u>1,143,871</u>	<u>1,281,197</u>
Net Assets			
Invested in capital assets, net of related debt	19,356	-	19,356
Unrestricted (Deficit)	286,690	(560,571)	(273,881)
Total net assets (Deficit)	<u>\$ 306,046</u>	<u>\$ (560,571)</u>	<u>\$ (254,525)</u>

The accompanying notes are an integral part of this financial statement.

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

Statement of Activities
June 30, 2007

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
Governmental activities:								
General	\$ 111,315	\$ (109,073)	\$ -	\$ -	\$ -	\$ (2,242)	\$ -	\$ (2,242)
Health, welfare & social services:								
Supportive services	271,065	-	-	270,586	-	(479)	-	(479)
Nutritious services	802,361	-	-	800,954	-	(1,407)	-	(1,407)
Preventive health & medication assistance	116,398	22,495	-	138,644	-	(249)	-	(249)
Family caregiver support	106,778	2,352	-	108,936	-	(194)	-	(194)
Ombudsmen	96,637	17,910	-	114,044	-	(503)	-	(503)
Area Agency on Aging administration	74,860	18,806	-	93,107	-	(559)	-	(559)
Planning for highways and public transportation	205,218	46,994	-	248,893	15,747	12,428	-	12,428
Economic development	224,217	-	23,609	234,311	306	34,009	-	34,009
Total governmental activities	<u>2,008,849</u>	<u>(316)</u>	<u>23,609</u>	<u>2,009,475</u>	<u>16,053</u>	<u>40,804</u>	<u>-</u>	<u>40,804</u>
Business-type activities:								
Rural business retarding	38,198	516	-	-	-	-	(38,714)	(38,714)
Total	<u>2,047,047</u>	<u>-</u>	<u>23,609</u>	<u>2,009,475</u>	<u>16,053</u>	<u>40,804</u>	<u>(38,714)</u>	<u>2,090</u>
General revenues:								
Dues						17,580	-	17,580
Interest and investment earnings						73	62,027	62,100
Miscellaneous						2,507	-	2,507
Total general revenues						<u>20,160</u>	<u>62,027</u>	<u>82,187</u>
Change in net assets						<u>60,964</u>	<u>23,313</u>	<u>84,277</u>
Net assets (deficit) at beginning of year						<u>245,082</u>	<u>(583,884)</u>	<u>(338,802)</u>
NET ASSETS (DEFICIT) AT END OF YEAR						<u>\$ 306,046</u>	<u>\$ (560,571)</u>	<u>\$ (254,525)</u>

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

Balance Sheet

Governmental Funds

June 30, 2007

	Major Funds					Total
	General Fund	Title III B Supportive Services	Title III C-1 Congregate Meals	Title III C-2 Home Delivered Meals	Other Governmental Funds	
Assets						
Cash and cash equivalents	\$ 64,054	\$ 3,259	\$ -	\$ -	\$ -	\$ 67,313
Receivables	6,608	-	-	-	205,382	211,990
Prepaid items	1,194	-	-	-	-	1,194
Due from other funds	145,084	-	-	-	-	145,084
TOTAL ASSETS	\$ 216,940	\$ 3,259	\$ -	\$ -	\$ 205,382	\$ 425,581
Liabilities						
Accounts, salaries and other payables	\$ 23,835	\$ 3,259	\$ -	\$ -	\$ 78,161	\$ 105,255
Due to other funds	-	-	-	-	1,565	1,565
Total liabilities	23,835	3,259	-	-	79,726	106,820
Fund equity						
Fund balance:						
Unrestricted	193,105	-	-	-	125,656	318,761
TOTAL LIABILITIES AND FUND EQUITY	\$ 216,940	\$ 3,259	\$ -	\$ -	\$ 205,382	\$ 425,581

The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2007**

Fund balances - total governmental funds	\$	318,761
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Governmental capital assets	\$	100,372
Less: accumulated depreciation		<u>(81,016)</u>
		19,356
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Compensated absences payable		(32,071)
Elimination of interfund assets and liabilities		
Interfund assets	1,565	
Interfund liabilities	(1,565)	<u>-</u>
Net assets of governmental activities	\$	<u>306,046</u>

The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
Governmental Funds
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2007

	Major Funds					Total
	General Fund	Title III B Supportive Services	Title III C-1 Congregate Meals	Title III C-2 Home Delivered Meals	Other Governmental Funds	
Revenues:						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ -	\$ 264,916	\$ 287,241	\$ 384,399	\$ 589,715	\$ 1,526,271
U.S. Department of Commerce	-	-	-	-	100,000	100,000
U.S. Department of Transportation	-	-	-	-	183,182	183,182
Ouschita Council of Governments	-	-	-	-	81,458	81,458
Other Federal grants	-	-	-	-	17,968	17,968
Louisiana Workforce Investment	-	-	-	-	69,200	69,200
Other operating grants	-	-	-	-	47,448	47,448
Service fees	-	-	-	-	23,609	23,609
Interest	73	-	-	-	-	73
Membership dues	-	-	-	-	17,580	17,580
Miscellaneous	2,507	-	-	-	-	2,507
Total Revenues	2,580	264,916	287,241	384,399	1,130,160	2,069,296
Expenditures:						
General	2,201	-	-	-	-	2,201
Health, welfare, & social services	-	264,916	287,241	384,399	589,715	1,526,271
Planning for highways and public transportation	-	-	-	-	264,640	264,640
Economic development	-	-	-	-	224,010	224,010
Total Expenditures	2,201	264,916	287,241	384,399	1,078,365	2,017,122
Excess of Revenues Over Expenditures	379	-	-	-	51,795	52,174
Other Financing Sources/(Uses):						
Transfers in	-	-	-	-	88,854	88,854
Transfers out	-	-	-	-	(88,854)	(88,854)
Total Other Financing Sources/(Uses)	-	-	-	-	-	-
Excess of Revenues and Other Sources Over Expenditures and Other Uses	379	-	-	-	51,795	52,174
Fund Balances at Beginning of Year	192,726	-	-	-	73,861	266,587
FUND BALANCES AT END OF YEAR	\$ 193,105	\$ -	\$ -	\$ -	\$ 125,656	\$ 318,761

The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2007**

Net change in fund balances - total governmental funds	\$	52,174
Amount reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital expenditures	\$ 16,053	
Depreciation expense	<u>(3,719)</u>	<u>12,334</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Increase in compensated absences payable		<u>(3,544)</u>
Change in net assets of governmental activities	\$	<u>60,964</u>

The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**

**Monroe, Louisiana
Statement of Net Assets
Proprietary Funds
June 30, 2007**

	Business-type Activities - Enterprise Funds				Total
	FmHA Revolving Loan	FmHA North Delta Admin	Loan Loss Reserve	Rural Business Enterprise Grant	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 74,612	\$ -	\$ 70,940	\$ 35,180	\$ 180,732
Receivables	24,228	-	-	-	24,228
Due from other funds	-	-	-	50,000	50,000
Notes receivable - short-term, net	93,584	-	-	-	93,584
Total current assets	192,424	-	70,940	85,180	348,544
Noncurrent assets:					
Notes receivable - long-term, net	407,476	-	-	20,799	428,275
Total noncurrent assets	407,476	-	-	20,799	428,275
Total assets	\$ 599,900	\$ -	\$ 70,940	\$ 105,979	\$ 776,819
LIABILITIES					
Current liabilities:					
Accounts, salaries and other payables	\$ -	\$ 985	\$ -	\$ -	\$ 985
Due to other funds	134,117	59,402	-	-	193,519
Accrued interest payable	4,495	-	-	-	4,495
Current portion of long-term debt	70,876	-	-	-	70,876
Total current liabilities	209,488	60,387	-	-	269,875
Noncurrent liabilities:					
Note payable	1,067,515	-	-	-	1,067,515
Total noncurrent liabilities	1,067,515	-	-	-	1,067,515
Total liabilities	1,277,003	60,387	-	-	1,337,390
NET ASSETS (DEFICIT)					
Unrestricted	\$ (677,103)	\$ (60,387)	\$ 70,940	\$ 105,979	\$ (560,571)

The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT**

Monroe, Louisiana

**Statement of Revenues, Expenses
and Changes in Net Assets
Proprietary Funds**

For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds				Total
	FmHA Revolving Loan	FmHA North Delta Admin	Loan Loss Reserve	Rural Business Enterprise Grant	
OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES					
Legal	-	6,041	-	-	6,041
Travel and meeting	-	236	-	-	236
Bad debt expense	9,854	-	-	4,180	14,034
Other operating expenses	5,198	516	674	500	6,888
Total operating expenses	<u>15,052</u>	<u>6,793</u>	<u>674</u>	<u>4,680</u>	<u>27,199</u>
Operating loss	(15,052)	(6,793)	(674)	(4,680)	(27,199)
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	55,917	-	3,068	3,042	62,027
Interest expense	(11,515)	-	-	-	(11,515)
Total nonoperating revenues (expenses)	<u>44,402</u>	<u>-</u>	<u>3,068</u>	<u>3,042</u>	<u>50,512</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		10,000	-	-	10,000
Transfers out	(10,000)	-	-	-	(10,000)
Total other financing sources (uses)	<u>(10,000)</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss)	19,350	3,207	2,394	(1,638)	23,313
Net assets (deficit) beginning of year	<u>(696,453)</u>	<u>(63,594)</u>	<u>68,546</u>	<u>107,617</u>	<u>(583,884)</u>
Net assets (deficit) end of year	<u>\$ (677,103)</u>	<u>\$ (60,387)</u>	<u>\$ 70,940</u>	<u>\$ 105,979</u>	<u>\$ (560,571)</u>

The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds				Total
	FmHA Revolving Loan	FmHA North Delta Admin	Loan Loss Reserve	Rural Business Enterprise Grant	
Cash flows from operating activities					
Cash payments to suppliers for goods and services	\$ (5,198)	\$ (10,000)	\$ (674)	\$ (500)	\$ (16,372)
Net cash used for operating activities	<u>(5,198)</u>	<u>(10,000)</u>	<u>(674)</u>	<u>(500)</u>	<u>(16,372)</u>
Cash flows from noncapital financing activities					
Interfund borrowings	(10,000)	10,000	-	(50,000)	(50,000)
Net cash provided (used) by noncapital financing activities	<u>(10,000)</u>	<u>10,000</u>	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Cash flows from capital and related financing activities					
Principal paid on debt	(70,174)	-	-	-	(70,174)
Interest paid on debt	(12,086)	-	-	-	(12,086)
Net cash used for financing activities	<u>(82,260)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,260)</u>
Cash flows from investing activities					
Interest received on investments	34,715	-	3,068	3,043	40,826
Principal collections on loans	96,333	-	-	-	96,333
Net cash provided by investing activities	<u>131,048</u>	<u>-</u>	<u>3,068</u>	<u>3,043</u>	<u>137,159</u>
Net increase (decrease) in cash and cash equivalents	33,590	-	2,394	(47,457)	(11,473)
Cash and cash equivalents, July 1, 2006	<u>41,022</u>	<u>-</u>	<u>68,546</u>	<u>82,637</u>	<u>192,205</u>
Cash and cash equivalents, June 30, 2007	<u>\$ 74,612</u>	<u>\$ -</u>	<u>\$ 70,940</u>	<u>\$ 35,180</u>	<u>\$ 180,732</u>
Reconciliation of operating income to net cash used for operating activities					
Operating loss	\$ (15,052)	\$ (6,793)	\$ (674)	\$ (4,680)	\$ (27,199)
Adjustments to reconcile operating loss to net cash provided by operating activities					
Bad debts	9,854	-	-	4,180	14,034
Change in assets and liabilities					
Accounts, salaries and other payables	-	913	-	-	913
Changes in interfund receivables/payables	-	(1,630)	-	-	(1,630)
Compensated absences payable	-	(2,490)	-	-	(2,490)
Net cash used for operating activities	<u>\$ (5,198)</u>	<u>\$ (10,000)</u>	<u>\$ (674)</u>	<u>\$ (500)</u>	<u>\$ (16,372)</u>

The accompanying notes are an integral part of this financial statement.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

Note 1 - Summary of Significant Accounting Policies

The accompanying financial statements of North Delta Regional Planning and Development District, Incorporated (the 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. *Financial Reporting Entity*

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.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 25 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, or set rates or charges. 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. *Basis of Presentation*

The District's basic financial statements consist of the government-wide statements on all of the activities of the government and the fund financial statements (individual major

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

funds and combined non-major funds). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The District has elected not to follow subsequent private-sector guidance.

Government-wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities for all activities of the government. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Governmental Activities represent programs which normally are supported by intergovernmental revenues.

Business-Type Activities are financed in whole or in part by fees charged to external parties for goods and services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The District uses funds, both major and non-major, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Emphasis of fund reporting is on the major

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

fund level in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the provision of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The District's current operations require the use of the governmental and proprietary categories. The fund types used by the District are described as follows:

Governmental activities presented as Governmental Funds in the fund financial statements:

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

Special Revenue Funds - These funds are used to account for financial resources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The following is a brief description of each Special Revenue Fund's purpose:

Major Special Revenue Funds

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 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 six parish Councils on

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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 six parish Councils on Aging. These funds are used to provide nutritional meals to home-bound elderly persons.

Non-Major 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.

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.

Title III D – Preventive Health Fund

The III D Fund is used to account for funds that are used to provide preventive health services to frail older individuals. They include preventive health 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) grandchildren 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 assist the caregivers in making decisions and

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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.

Louisiana SeniorRx

The Louisiana SeniorRx program is funded by the Louisiana Legislature and administered by the Governor's Office of Elderly Affairs. The program helps link eligible seniors with assistance for obtaining their prescription medication.

Nutrition Services Incentive Program (NSIP)

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

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.

North Delta Caregiver

The North Delta Caregiver Fund provides programs to educate the public of services available to assist the caregivers, and to provide contract services that would enable the caregiver to be temporarily relieved from their responsibilities of In-Home Respite and Sitter duties. North Delta also contracts services for counseling of eligible participants.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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.

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.

Louisiana Workforce Investment

The Louisiana Workforce Investment Fund is used to account for funds from Louisiana Workforce Investment Area 82 to provide technical and professional services in connection with certain undertakings financed by the Louisiana Department of Labor.

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 Development

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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.

Economic Development Disaster

The Economic Development Disaster grant is used to meet the economic recovery challenges as a result of Hurricanes Katrina and Rita with a plan designed to focus on disaster recovery and mitigation.

Delta Regional Authority

The Delta Regional Authority Fund account is used to identify, develop and implement programs and activities that will help educate local stakeholders about the potential uses of the Delta Regional Authority.

City of Monroe

The City of Monroe Fund is used to account for funds received from the City of Monroe pursuant to a Cooperative Endeavor Agreement to continue the City's program of helping businesses and local governments grow new jobs and diversify the Monroe economy.

Business-type activities presented as Enterprise Funds in the fund financial statements:

Enterprise Funds - These funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Enterprise funds are presented in the business-type activities column in government-wide financial statements and the major funds section of the basic financial statements.

In accordance with the provisions of GASB Statement 20, the District has elected not to apply FASB statements and interpretations issued after November 30, 1989, to proprietary activities unless they are adopted by the GASB.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

C. *Basis of Accounting and Measurement Focus*

Government-Wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Financial Statements:

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible with the current period or soon enough thereafter to be used to pay liabilities of the current period. Intergovernmental and other Grants have been treated as susceptible to accrual.

The District used the following practices in recognizing and reporting revenues and expenditures in the governmental fund types:

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.

Expenditures

Salaries are recorded as incurred.

Principal and interest on long-term obligations are recognized when due.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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.

D. Budgets

General Budget Policies

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

The District adopts budgets for the general fund and 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.

Encumbrances

Encumbrance accounting is not employed in governmental funds.

Budgetary Basis of Accounting

All governmental fund budgets are prepared on the modified accrual basis of accounting;

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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 Board of Directors.

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.

F. 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.

G. Prepaid Items

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

H. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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 judgment 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 judgment of information available to them at the time of their examination.

I. Capital Assets

Capital assets, which include machinery and equipment, furniture and fixtures are reported in the governmental activities column in the government-wide financial statements.

All purchased capital assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Donated fixed assets are valued at their fair market value on the date received. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on enterprise fund balance sheets. Depreciation on all capital assets has been provided over the estimated useful lives of the assets using the straight-line method.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

The estimated useful lives are as follows:

Furniture & Fixtures	5 years
Office Equipment	5-7 years

J. Deferred Revenues

The District may report deferred revenues on its 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 balance sheet and the revenue is recognized.

K. 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 is 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.

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

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Mouroe, Louisiana

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

- 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.

L. 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.

M. 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

The following funds have deficits in the fund balance/retained earnings at June 30, 2007:

<u>Fund</u>	<u>Deficit Amount</u>
Special Revenue Funds:	
Louisiana Workforce Investment	\$ 7,596
Enterprise Funds:	
FmHA Revolving Loan	\$ 677,103

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

Management believes these deficits will be eliminated by future earnings and government grants.

Note 3 - Cash and Cash Equivalents

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2007, the District has cash and cash equivalents (book balances) totaling \$248,045 as follows:

Demand deposit	\$ 54,671
Interest-bearing demand deposits	12,442
Petty cash	<u>200</u>
Subtotal	67,313
Plus investments reclassified as cash and cash equivalents	<u>180,732</u>
TOTAL	<u>\$ 248,045</u>

Custodial credit risk – deposits. 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. At year-end, the District's carrying amount of deposits was \$248,045 and the bank balance was \$291,230. Of the bank balance, \$98,057 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, \$193,173, was federated treasury obligations and did not need to be collateralized.

Credit risk. Under state law the District may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. The District's investments consists of money market funds, therefore the District is exposed to no credit risk.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

Concentration of credit risk. The District does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentrations.

Investment rate risk. The District manages its exposure to declines in fair values by limiting the maturity of its investments to no longer than one year.

Note 4 - Receivables

Receivables at June 30, 2007, 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	\$ -	\$ 204,441	\$ -	\$ 204,441
Other	<u>6,608</u>	<u>941</u>	<u>24,228</u>	<u>31,777</u>
TOTAL	\$ <u>6,608</u>	\$ <u>205,382</u>	\$ <u>24,228</u>	\$ <u>236,218</u>

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
N/A	General	N/A (Reapportionment income)	\$ 6,608
Area Agency Administration	Special Revenue	Louisiana GOEA	870
Council of Governments	Special Revenue	Ouachita COG	13,487
Federal Transit Authority	Special Revenue	Ouachita COG	19,393
Federal Highway Admin	Special Revenue	Ouachita COG	73,109
Tri-District	Special Revenue	N/A - Other receivable	941
NSIP	Special Revenue	Louisiana GOEA	20,812
LA Workforce Investment	Special Revenue	LA Workplace Investment Area	21,691
Delta Regional Authority	Special Revenue	Delta Regional Authority	17,968
Enterprise Zone - DED	Special Revenue	LA Planning and Dev. Dist.	30,000
City of Monroe	Special Revenue	City of Monroe	7,111
FmHA Revolving Loan Fund	Enterprise	N/A - Loan interest	<u>24,228</u>
Total Receivables			\$ <u>236,218</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

Note 5 - Interfund Assets/Liabilities

Balances due from/to other funds are listed by fund for the year ended June 30, 2007.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds		
General Fund	\$ 145,084	\$ -
Enterprise Funds:		
Rural Business Enterprise Grant	50,000	9,402
FmHA North Delta Admin	-	50,000
FmHA Revolving Loan	-	134,117
NonMajor Funds		
Special Revenue Funds:		
Council of Governments	-	1,565
	<u> </u>	<u> </u>
Total	\$ <u>195,084</u>	\$ <u>195,084</u>

These interfund balances are the result of cash transfers among funds to cover negative cash balances.

Note 6 - Notes Receivable

The District makes loans under Farmers Home administration (FmHA) Relending Program and Rural Business Enterprise Grant (see also Note 12) to assist with the economic development of certain rural areas in Northeast Louisiana. Interest rates charged on those notes range from 8.0 to 8.5 percent. As of June 30, 2007, these loans totaled \$1,001,400. Notes receivable of \$907,047 are considered impaired. The related allowance for bad debts on impaired loans is \$479,541 at June 30, 2007. Interest income on impaired loans is recorded on the cash basis and amounted to \$18,002 for the year ended June 30, 2007. The change in the allowance for bad debts for the year ended June 30, 2007 is as follows:

Balance July 1, 2006	\$ 465,507
Additions	20,253
Recoveries	(6,219)
Balance June 30, 2007	<u>\$ 479,541</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

Note 7 - Changes in Capital Assets

	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2007</u>
Governmental Activities:				
Depreciable assets:				
Office furniture and equipment	\$ 84,318	\$ 16,054	\$ -	\$ 100,372
Less: accumulated depreciation	<u>(77,297)</u>	<u>(3,719)</u>	<u>-</u>	<u>(81,016)</u>
Total governmental activities capital assets, net	<u>\$ 7,021</u>	<u>\$ 12,335</u>	<u>\$ -</u>	<u>\$ 19,356</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General	\$ 19
Health, welfare & social services	701
Planning for highways and public transportation	2,516
Economic development	483
Total depreciation expense - Government activities	<u>\$ 3,719</u>

Note 8 - Retirement Systems

Substantially all employees of the District are eligible to participate in the Deferred Compensation Plan for Public Employees. For 2007, participants may contribute up to one hundred percent of their gross salary, not exceeding \$15,000 or \$20,000 if the participant is at least 50 years of age. The District will match up to five percent of their salary on their behalf.

The District's total payroll during the fiscal year ending June 30, 2007 was \$463,209. Employee contributions totaled \$24,746 and employer contributions totaled \$21,707.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

Note 9 - Accounts, Salaries and Other Payables

Payables at June 30, 2007 consisted of the following:

	Governmental Funds	Enterprise Funds	Total
Salaries	\$ 10,915	\$ -	\$ 10,915
Accounts and other	94,340	985	95,325
Total	\$ 105,255	\$ 985	\$ 106,240

Note 10 - Compensated Absences

At June 30, 2007, employees of the District have accumulated and vested \$32,071 of employee leave benefits, which was computed in accordance with GASB Codification Section C60.

Note 11 - Leases

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

- Office space is under a five year lease beginning June 1, 2001. Monthly payments are \$3,200 and total fiscal year ended June 30, 2007 rent expense under this lease equaled \$38,400. The lease was renewed for ten years effective June 1, 2007 at the same monthly rental amount.

Future minimum lease payments under this agreement are:

Year Ended June 30,	
2008	\$ 38,400
2009	38,400
2010	38,400
2011	38,400
2012	38,400
2013 through 2016	153,600
Total	\$ 345,600

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

- 2007 Chevy Impala is under a two year lease beginning in October 2005. Monthly payments are \$643 and total lease payments for the year ended June 30, 2007 were \$7,716.

Future minimum lease payments under this agreement are:

Year Ended June 30,	
2008	\$ 1,929
Total	<u>\$ 1,929</u>

- In addition, the District has annual operating lease agreements for the following office equipment:
 - Kyocera Mita Copier. Monthly lease payments of \$331 for 36 months beginning in May 2007.
 - Pitney Bowes mailing machine and scales. Quarterly payments are \$786 for five years beginning in March 2005.

Future minimum lease payments under these agreements are:

Year Ended June 30,	
2008	\$ 7,116
2009	7,116
2010	<u>3,972</u>
Total	<u>\$ 18,204</u>

Note 12 - Interfund Transfers

Transfers in and out are listed by fund for the year ended June 30, 2007.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Transfers In</u>	<u>Transfers Out</u>
NonMajor Funds		
Special Revenue Funds:		
Title III E Caregiver	\$ -	\$ 88,854
North Delta Caregiver	88,854	-
Enterprise Funds:		
FmHA Revolving Loan		10,000
FmHA North Delta Admin	10,000	-
Total	\$ 98,854	\$ 98,854

Note 13 - Long-Term Obligations

The following is a summary of long-term obligation transactions for the year ended June 30, 2007:

	Enterprise Fund Notes Payable	Accrued Compensated Absences	<u>Total</u>
Balance, beginning of year	\$ 1,208,565	\$ 31,016	\$ 1,239,581
Additions	-	24,036	24,036
Deductions	-	(22,981)	(22,981)
Principal Payment	(70,174)	-	(70,174)
Balance, end of year	\$ 1,138,391	\$ 32,071	\$ 1,170,462

The enterprise notes payable shown above represents the District's drawdowns under a \$2 million intermediary relending program through the U. S. Rural Development (formerly Farmers Home Administration). Under this program, the district borrows funds from Rural Development at 1% for 30 years then reloans the funds to qualified borrowers at market rates of interest. At June 30, 2007, 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 Rural Development is fully paid. The first principal payment was made in January 1995. The amount due Rural Development is secured by the loans made to qualified borrowers and the related underlying security devices. Debt service to maturity is as follows:

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 70,876	\$ 11,384	\$ 82,260
2009	71,585	10,675	82,260
2010	72,301	9,959	82,260
2011	73,024	9,236	82,260
2012	73,754	8,506	82,260
2013-2017	379,981	31,319	411,300
2018-2021	396,870	11,146	408,016
Total	<u>\$ 1,138,391</u>	<u>\$ 92,225</u>	<u>\$ 1,230,616</u>

Note 14 - Litigation And Claims

Litigation – At June 30, 2007, 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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

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 United States Department of Agriculture Rural and Economic Community Development Program.

	FmHA Revolving Loan	FmHA North Delta Admin	Loan Loss Reserve	Rural Business Enterprise Grant	Total
Operating (Loss)	\$ (15,052)	\$ (6,793)	\$ (674)	\$ (4,680)	\$ (27,199)
Net Income (Loss)	19,350	3,207	2,394	(1,638)	23,313
Net Working Capital (Deficit)	(17,064)	(60,387)	70,940	85,180	78,669
Total Assets	599,900	-	70,940	105,979	776,819
Net Assets (Deficit)	(677,103)	(60,387)	70,940	105,979	(560,571)

Note 18 - Compensation of Board Members

The District's Board of Directors serve without compensation but are reimbursed transportation expenses at the rate of \$.40 per mile.

**REQUIRED SUPPLEMENTAL INFORMATION
(PART B)**

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

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

GENERAL FUND

For the Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Interest	\$ -	\$ -	\$ 73	\$ 73
Miscellaneous	-	-	2,507	2,507
Total Revenues	<u>-</u>	<u>-</u>	<u>2,580</u>	<u>2,580</u>
EXPENDITURES				
Current:				
Operating services	2,000	860	300	560
Operating supplies	1,050	945	1,630	(685)
Other costs	-	-	271	(271)
Total Expenditures	<u>3,050</u>	<u>1,805</u>	<u>2,201</u>	<u>(396)</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,050)	(1,805)	379	2,184
Fund Balances at Beginning of Year	<u>192,726</u>	<u>192,726</u>	<u>192,726</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 189,676</u>	<u>\$ 190,921</u>	<u>\$ 193,105</u>	<u>\$ 2,184</u>

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

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

TITLE III B SUPPORTIVE SERVICES FUND

For the Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Intergovernmental Revenues:				
Louisiana Governor's Office of Elderly Affairs	\$ 266,367	\$ 266,367	\$ 264,916	\$ (1,451)
Total Revenues	<u>266,367</u>	<u>266,367</u>	<u>264,916</u>	<u>(1,451)</u>
EXPENDITURES				
Grants to Subrecipients:				
East Carroll, COA	24,201	24,201	24,201	-
Franklin COA	58,069	58,069	58,069	-
Jackson COA	51,153	51,153	51,153	-
Richland COA	39,567	39,567	39,567	-
Tensas COA	29,647	29,647	29,647	-
Union COA	51,837	51,837	51,837	-
North Louisiana Legal Assistance	11,893	11,893	10,442	1,451
Total Expenditures	<u>266,367</u>	<u>266,367</u>	<u>264,916</u>	<u>1,451</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

TITLE III C-1 CONGREGATE MEALS FUND

For the Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Intergovernmental Revenues:				
U. S. Department of Commerce	\$ 287,241	\$ 287,241	\$ 287,241	\$ -
Total Revenues	<u>287,241</u>	<u>287,241</u>	<u>287,241</u>	<u>-</u>
EXPENDITURES				
Grants to Subrecipients:				
East Carroll, COA	55,109	55,109	55,109	-
Franklin COA	42,704	42,704	42,704	-
Jackson COA	61,311	61,311	61,311	-
Richland COA	42,519	42,519	42,519	-
Tensas COA	25,686	25,686	25,686	-
Union COA	59,912	59,912	59,912	-
Total Expenditures	<u>287,241</u>	<u>287,241</u>	<u>287,241</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

TITLE III C-2 HOME DELIVERED MEALS FUND

For the Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Intergovernmental Revenues:				
Louisiana Governor's Office of Elderly Affairs	\$ 384,399	\$ 384,399	\$ 384,399	\$ -
Total Revenues	<u>384,399</u>	<u>384,399</u>	<u>384,399</u>	<u>-</u>
EXPENDITURES				
Grants to Subrecipients:				
East Carroll, COA	50,018	50,018	50,018	-
Franklin COA	40,378	40,378	40,378	-
Jackson COA	49,364	49,364	49,364	-
Richland COA	101,523	101,523	101,523	-
Tensas COA	71,733	71,733	71,733	-
Union COA	71,383	71,383	71,383	-
Total Expenditures	<u>384,399</u>	<u>384,399</u>	<u>384,399</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER SUPPLEMENTAL INFORMATION

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES , EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2007

	<u>Area Agency on Aging</u>	<u>Audit Fund</u>	<u>Title III D Preventive Health</u>	<u>Title III E Caregiver</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 93,107	\$ 5,670	\$ 15,049	\$ 108,936
U.S. Department of Commerce	-	-	-	-
U.S. Department of Transportation	-	-	-	-
Ouachita Council of Governments	-	-	-	-
Other Federal grants	-	-	-	-
Louisiana Workforce Investment	-	-	-	-
Other Operating grants	-	-	-	-
Service fees	-	-	-	-
Membership dues	-	-	-	-
Total Revenues	<u>93,107</u>	<u>5,670</u>	<u>15,049</u>	<u>108,936</u>
EXPENDITURES				
Salaries	47,208	-	-	-
Fringe	15,278	-	-	-
Travel	7,678	-	-	-
Operating services	16,662	-	-	-
Operating supplies	2,385	-	-	-
Other costs	3,896	810	-	-
Grants to subrecipients	-	4,860	15,049	20,082
Total Expenditures	<u>93,107</u>	<u>5,670</u>	<u>15,049</u>	<u>20,082</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,854</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	(88,854)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(88,854)</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES , EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)

For the Year Ended June 30, 2007

	<u>Louisiana Senior Rx</u>	<u>NSIP Cash-In Lieu</u>	<u>Economic Develop- ment Association</u>	<u>North Delta Caregiver</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 123,595	\$ 129,314	\$ -	\$ -
U.S. Department of Commerce	-	-	50,000	-
U.S. Department of Transportation	-	-	-	-
Ouachita Council of Governments	-	-	-	-
Other Federal grants	-	-	-	-
Louisiana Workforce Investment	-	-	-	-
Other Operating grants	-	-	-	-
Service Fees	-	-	-	-
Membership dues	-	-	17,580	-
Total Revenues	<u>123,595</u>	<u>129,314</u>	<u>67,580</u>	<u>-</u>
EXPENDITURES				
Salaries	65,985	-	28,905	4,354
Fringe	26,666	-	7,853	1,361
Travel	2,736	-	2,677	97
Operating services	21,691	-	8,858	2,469
Operating supplies	3,517	-	1,012	175
Other costs	3,000	-	-	80,398
Grants to subrecipients	-	129,314	-	-
Total Expenditures	<u>123,595</u>	<u>129,314</u>	<u>49,305</u>	<u>88,854</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>18,275</u>	<u>(88,854)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	88,854
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,854</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>18,275</u>	<u>-</u>
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>-</u>	<u>11,707</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,982</u>	<u>\$ -</u>

(Continued)

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES , EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)

For the Year Ended June 30, 2007

	<u>Council of Governments</u>	<u>Federal Transit Authority</u>	<u>Federal Highways Administration</u>	<u>Louisiana Workforce Investment</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ -
U.S. Department of Commerce	-	-	-	-
U.S. Department of Transportation	-	33,654	149,528	-
Ouachita Council of Governments	35,662	8,414	37,382	-
Other Federal grants	-	-	-	-
Louisiana Workforce Investment	-	-	-	69,200
Other Operating grants	-	-	-	-
Service Fees	-	-	-	-
Membership dues	-	-	-	-
Total Revenues	<u>35,662</u>	<u>42,068</u>	<u>186,910</u>	<u>69,200</u>
EXPENDITURES				
Salaries	21,339	27,626	100,512	44,981
Fringe	6,045	7,880	28,996	13,646
Travel	245	183	1,435	2,512
Operating services	7,059	5,713	36,163	7,250
Operating supplies	974	516	4,207	811
Other costs	-	150	15,597	-
Grants to subrecipients	-	-	-	-
Total Expenditures	<u>35,662</u>	<u>42,068</u>	<u>186,910</u>	<u>69,200</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>-</u>	<u>223</u>	<u>(7,596)</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223</u>	<u>\$ (7,596)</u>

(Continued)

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES , EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)

For the Year Ended June 30, 2007

	<u>Ombudsman</u>	<u>Tri- District Develop- ment</u>	<u>Enterprise Zone (DED)</u>	<u>Economic Development Disaster</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 114,044	\$ -	\$ -	\$ -
U.S. Department of Commerce	-	-	-	50,000
U.S. Department of Transportation	-	-	-	-
Onachita Council of Governments	-	-	-	-
Other Federal grants	-	-	-	-
Louisiana Workforce Investment	-	-	-	-
Other Operating grants	-	-	30,000	-
Service Fees	-	23,609	-	-
Membership dues	-	-	-	-
Total Revenues	<u>114,044</u>	<u>23,609</u>	<u>30,000</u>	<u>50,000</u>
EXPENDITURES				
Salaries	54,520	9,798	16,116	24,041
Fringe	17,941	2,801	4,662	7,590
Travel	22,079	61	236	330
Operating services	17,342	3,567	2,951	4,253
Operating supplies	2,162	227	277	326
Other costs	-	147	-	-
Grants to subrecipients	-	-	-	-
Total Expenditures	<u>114,044</u>	<u>16,601</u>	<u>24,242</u>	<u>36,540</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>7,008</u>	<u>5,758</u>	<u>13,460</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>7,008</u>	<u>5,758</u>	<u>13,460</u>
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>53,669</u>	<u>174</u>	<u>(13,460)</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ 60,677</u>	<u>\$ 5,932</u>	<u>\$ -</u>

(Continued)

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES , EXPENDITURES
AND CHANGES IN FUND BALANCES (CONCLUDED)

For the Year Ended June 30, 2007

	Delta Regional Authority	City of Monroe	Total
REVENUES			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ 589,715
U.S. Department of Commerce	-	-	100,000
U.S. Department of Transportation	-	-	183,182
Ouachita Council of Governments	-	-	81,458
Other Federal grants	17,968	-	17,968
Louisiana Workforce Investment	-	-	69,200
Other Operating grants	-	17,448	47,448
Service Fees	-	-	23,609
Membership dues	-	-	17,580
Total Revenues	<u>17,968</u>	<u>17,448</u>	<u>1,130,160</u>
EXPENDITURES			
Salaries	5,583	12,241	463,209
Fringe	1,587	3,352	145,658
Travel	870	156	41,295
Operating services	2,268	1,269	137,515
Operating supplies	366	124	17,079
Other costs	-	306	104,304
Grants to subrecipients	-	-	169,305
Total Expenditures	<u>10,674</u>	<u>17,448</u>	<u>1,078,365</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>7,294</u>	<u>-</u>	<u>51,795</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	88,854
Transfers Out	-	-	(88,854)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>7,294</u>	<u>-</u>	<u>51,795</u>
Fund Balances (Deficit), Beginning of Year	<u>29,144</u>	<u>-</u>	<u>73,861</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 36,438</u>	<u>\$ -</u>	<u>\$ 125,656</u>

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

**COMPARATIVE SCHEDULE OF CAPITAL ASSETS
AND CHANGES IN CAPITAL ASSETS**

For the Year Ended June 30, 2007

	<u>Balance</u> <u>7/1/2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2007</u>
CAPITAL ASSETS				
Furniture and Equipment	\$ 84,319	\$ 16,053	\$ -	\$ 100,372
INVESTMENT IN CAPITAL ASSETS				
General Fund	\$ 25,100	\$ -	\$ -	\$ 25,100
Economic Development Association	491	-	-	491
Council of Governments	3,214	-	-	3,214
Federal Transit Authority	4,009	150	-	4,159
Federal Highways Administration	36,026	15,597	-	51,623
Louisiana Workforce Investment	188	-	-	188
Tri-District Development	126	-	-	126
Enterprise Zone (DED)	47	-	-	47
Area Agency on Aging	4,561	-	-	4,561
Ombudsman	10,427	-	-	10,427
North Delta Caregiver	17	-	-	17
Title III C-1 Congregate Meals	4	-	-	4
Title III C-2 Home Delivered Meals	3	-	-	3
FmHA North Delta Admin	106	-	-	106
City of Monroe	-	306	-	306
	<u>\$ 84,319</u>	<u>\$ 16,053</u>	<u>\$ -</u>	<u>\$ 100,372</u>

**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
AND OMB CIRCULAR A-133**

Luffey, Huffman, Ragsdale & Soignier
(A Professional Accounting Corporation)
CERTIFIED PUBLIC ACCOUNTANTS
1100 North 18th Street
Monroe, Louisiana 71201
(318) 387-2672 Fax (318) 322-8866

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS 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, (the District) as of and for the year ended June 30, 2007, and have issued our report thereon dated February 27, 2008. We conducted our audit 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 the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting

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

principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questions Costs listed as 07-01 and 07-02 to be significant deficiencies in the internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we do not consider either of the significant deficiencies described above to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 07-01.

We noted certain other matters that we reported to management of the District in a separate letter dated February 27, 2008.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's response and, accordingly, we express no opinion on them.

This report is intended for the information of management of the District, Federal and State awarding agencies and other entities granting funds to the District and the Legislative Auditor for the State of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Huffman, Reynolds & Squires
(A Professional Accounting Corporation)
February 27, 2008

Luffey, Huffman, Ragsdale & Soignier
(A Professional Accounting Corporation)
CERTIFIED PUBLIC ACCOUNTANTS
1100 North 18th Street
Monroe, Louisiana 71201
(318) 387-2672 Fax (318) 322-8866

**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, (the District) 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, 2007. The District'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 District's management. Our responsibility is to express an opinion on the District'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 District'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 District's compliance with those requirements.

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

In our opinion, the District, 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, 2007.

Internal Control Over Compliance

The management of the District, 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 District's internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected by the District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended for the information of management of the District, Federal and State awarding agencies and other entities granting funds to the District and the Legislative Auditor for the state of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kuffner, Huffman, Reynolds & Squires
(A Professional Accounting Corporation)

February 27, 2008

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2007

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME United States Department of Commerce Direct Program: Economic Development - Support for Public Planning Organizations	Federal CFDA Number	Pass - Through Grantor's I.D. Number	Grant Period	Award Amount	Expenditures
	11.302	N/A	1/1/2006 - 3/31/2007	50,000 \$	100,000
Total United States Department of Commerce					
United States Department of Health and Human Services - Administration on Aging/Passed Through the Louisiana Governor's Offices of Elderly Affairs: Special Programs for the Aging - Title III B - Grants for Supportive Services and Senior Centers:					
Title III B - Orabudisman Services	93.044	616595	7/1/2006 - 6/30/2007	96,937	96,937
Title III B - Supportive Services	93.044	616997	7/1/2006 - 6/30/2007	202,182	200,910
Total Title III - B - Grants for Supportive Services and Senior Centers					
Title III C - Nutrition Services:					
Title III C - Area Agency Administration	93.045	616997	7/1/2006 - 6/30/2007	69,830	69,830
Title III C-1 - Congregate Meals	93.045	616997	7/1/2006 - 6/30/2007	195,779	195,779
Title III C-2 - Home Delivered Meals	93.045	616997	7/1/2006 - 6/30/2007	133,759	133,759
Total Title III - C - Nutrition Services					

(Continued)

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Concluded)

For the Year Ended June 30, 2007

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass - Through Grantor's I.D. Number	Grant Period	Award Amount	Expenditures
Title III D - Disease Prevention and Health Promotion	93.043	616997	7/1/2006 - 6/30/2007	\$ 15,049	\$ 15,049
Title III E - National Family Caregiver Support	93.052	616997	7/1/2006 - 6/30/2007	81,702	81,702
Nutritional Services Incentive Program (NSIP) Food Distribution - Cash-in-Lieu of Commodities	93.053	618285	7/1/2006 - 6/30/2007	129,314	129,314
Total United States Department of Health and Human Services					<u>923,280</u>
United States Department of Transportation/ Passed-Through the Onuscha Council of Governments: Highway Planning and Construction: Federal Highway Administration	20.205	736-37-0042	7/1/2006 - 6/30/2007	223,977	149,528
Federal Transit Administration	20.507	741-37-0115	7/1/2006 - 6/30/2007	33,654	33,654
Total United States Department of Transportation					<u>183,182</u>
Delta Regional Authority	90.202	N/A	7/1/2006 - 6/30/2007	17,969	10,352
TOTAL FEDERAL AWARDS				\$	<u>1,216,814</u>

The District is indebted to the Department of Agriculture (Farmer's Home Administration) for a note of \$1,138,391 at year end.

See Notes to Schedule of Expenditures of Federal Awards

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

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2007

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.

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 financial statements.

RELATIONSHIP TO FINANCIAL STATEMENTS

Federal Awards revenues are reported in the District's financial statements as follows:

Governmental Funds:	
Major Funds	\$ 530,448
Other Governmental Funds	693,983
Less: Unexpended revenues	<u>(7,617)</u>
 Total Schedule of Expenditures of Federal Awards	 <u>\$1,216,814</u>

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

Title III - Supportive Services	\$ 192,121
Title III - Congregate Nutrition	195,779
Title III - Home Delivered Meals	133,759
N.S.I.P Cash-in-Lieu of Commodities	129,314
Title III - Preventive Health	15,049
Title III - Caregiver	<u>15,061</u>
 Total Pass Through Awards	 <u>\$ 681,083</u>

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2007

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

Significant deficiency(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

Significant deficiency(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, Part B, Grants for Supportive Services and Senior Centers
93.045	Title III, Part C, Nutrition Services
93.053	Nutrition Services Incentive Program

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2007

Section II – Financial Statement Findings and Questioned Costs:

07-01 Financial statements were not audited or submitted timely to the proper agencies

Finding:

Louisiana Revised Statute 24:513 requires that the District prepare and submit its audited financial statements to the Louisiana Legislative Auditor no later than six months after the end of its most recent fiscal year. Auditors are not considered independent if the District has not paid their professional fees at the commencement of the audit engagement. Management was unable to pay the professional fees to the independent auditors for the prior year services within a timely manner that would enable them to complete the current year audit within the prescribed period. Therefore, the audited financial statements were not prepared or submitted timely to the appropriate agencies.

Recommendation:

Management should institute accounting policies and procedures that provide for the timely payment of their auditors' professional fees.

Management's Corrective Action Plan:

The Executive Director will develop and plan for the timely payment of the auditors professional fees.

07-02 Preparation of financial statements

Finding:

Because of the size of the District's operations and the limited resources available, the District does not employ a staff with the qualifications and training to prepare financial statements, including the related notes, in accordance with generally accepted accounting principles.

Recommendation:

Management should study the cost versus benefit of employing someone with the needed expertise to prepare financial statements in accordance with generally accepted accounting principles or continue to outsource the financial statement preparation to its independent auditors.

Management's Corrective Action Plan:

North Delta Regional Planning and Development District, Incorporated has evaluated the cost vs. benefit of employing someone either in house or under contract to prepare financial statements in accordance with generally accepted accounting principles and determined that it is in the best interest of the District to outsource this function to the independent auditors. The financial

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2007

statements and related notes will be reviewed and fully understood by management of the District prior to accepting responsibility for their contents.

Section III – Federal Awards Findings and Questioned Costs:

None reported.

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED
SUMMARY STATUS OF PRIOR YEAR FINDINGS**

The following is a summary of the status of the prior year findings included in Luffey, Huffman & Monroe CPA's audit report dated January 26, 2007 covering the audit of the financial statements of North Delta Regional Planning and Development District, Incorporated as of and for the year ended June 30, 2006.

06-01 Financial statements were not audited or submitted timely to the proper agencies

Finding:

Louisiana Revised Statute 24:513 requires that the District prepare and submit its audited financial statements to the Louisiana Legislative Auditor no later than six months after the end of its most recent fiscal year. Auditors are not considered independent if the District has not paid their professional fees at the commencement of the audit engagement. Management was unable to pay the professional fees to the independent auditors for the prior year services within a timely manner that would enable them to complete the current year audit within the prescribed period. Therefore, the audited financial statements were not prepared or submitted timely to the appropriate agencies.

Status:

This finding has not been resolved. See current year finding 07-01.

Luffey, Huffman, Ragsdale & Soignier
(A Professional Accounting Corporation)
CERTIFIED PUBLIC ACCOUNTANTS
1100 North 18th Street
Monroe, Louisiana 71201
(318) 387-2672 Fax (318) 322-8866

MANAGEMENT LETTER

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

In planning and performing our audit of the general purpose financial statements of North Delta Regional Planning and Development District, Incorporated (the District) for the year ended June 30, 2007, we considered its internal control structure in order to determine our auditing procedures for purposes of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure or overall compliance with laws and regulations.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and the overall environment for compliance with laws and regulations. This letter will summarize our comments and suggestions regarding those matters. This letter does not affect our report dated February 27, 2008 on the basic financial statements of the District.

Documentation of Internal Control

Finding:

Management of the District is charged with establishing and maintaining internal control and to assess internal control for effectiveness in design and operation. Those components are outlined in the Committee of Sponsoring Organizations of the Treadway Commission Report (commonly referred to as the COSO Report, or COSO) and consist of the Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring. While certain elements of the components of internal control exist and certain aspects of the control activities have been documented, the District does not possess adequate written documentation of all components of internal control over District operations.

**Board of Directors
North Delta Regional Planning
and Development District, Incorporated
Monroe, Louisiana
Page 2 of 2**

For management and those charged with governance to properly discharge their responsibility to establish and maintain internal control, there must exist a level of documentation of internal control sufficient to allow them to assess operating effectiveness and design, not just at a point in time, but over a period of time. As circumstances change, controls should be re-evaluated for ongoing effectiveness.

Recommendation:

We recommend that management of the District document the internal control over financial reporting using the COSO framework in order that they may more easily discharge their responsibility to design and implement controls and monitor those controls for effectiveness over time. As part of this review and documentation, the District should utilize the *Checklist of Best Practices in Government* prepared by the Legislative Auditor's office.

Management's Corrective Action Plan:

The district has many existing procedures in place that provide for effective internal controls. The district will evaluate the internal control procedures and make sure that proper written documentation exists. The district will use all available resources, including the COSO framework and the Checklist of Best Practices in Government, to ensure proper internal controls.

Louisiana Local Government Budget Act

Finding:

Actual expenditures of the District's General Fund of \$2,201 exceeded budgeted expenditures of \$1,805 by \$396 or 22%. Although the General Fund's expenditures are clearly inconsequential to the total Governmental Funds' expenditures of approximately \$2,000,000, Louisiana Revised Statute 39:1310 that the District amend the budget when actual expenditures exceed budgeted expenditures by 5% or more.

Recommendation:

The District should adopt a budget amendment when the actual plus projected expenditures of the General Fund exceed budgeted amounts by 5% or more.

Management's Corrective Plan:

In the future, a budget amendment will be adopted if actual plus projected expenditures exceed budgeted expenditures by 5% or more.

Huffman Huffman Reynolds & Squires

(A Professional Accounting Corporation)
February 27, 2008