

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

**Financial Statements
As of and For the Year Ended June 30, 2016**

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

**Financial Statements
As of and for the Year Ended June 30, 2016**

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 (unaudited)		5
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Position	A	14
Statement of Activities	B	15
Fund Financial Statements		
Balance Sheet – Governmental Funds	C	17
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	D	18
Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds	E	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	F	20
Statement of Net Position – Proprietary Funds	G	21
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	H	22
Statement of Cash Flows – Proprietary Funds	I	23
Notes to the Financial Statements		24

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

**Financial Statements
As of and for the Year Ended June 30, 2016**

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 (unaudited)		49
Kilpatrick Building EDA (unaudited)		50
Title III B Supportive Services Fund (unaudited)		51
Title III C-1 Congregate Meals Fund (unaudited)		52
Title III C-2 Home Delivered Meals Fund (unaudited)		53
Federal Highway Authority (unaudited)		54
Strategic Highway Safety Plan (unaudited)		55
Other Supplemental Information		56
Non-Major Special Revenue Funds		
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances		57-60
Comparative Schedule of Capital Assets and Changes in Capital Assets		61
Schedule of Compensation, Benefits, and Other Payments to Chief Executive Officer		62
Reports Required by <i>Government Auditing Standards</i> and the Uniform Guidance		63
Independent Auditors' 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>		64-65
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance		66-67
Schedule of Expenditures of Federal Awards		68
Notes to Schedule of Expenditures of Federal Awards		69-71
Schedule of Findings and Questioned Costs		72-74
Summary Status of Prior Year Findings		75-76

HUFFMAN & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 5 through 12 and 49 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining schedule of revenues, expenditures, and changes in fund balances, the comparative schedule of capital assets and changes in capital assets, and the schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative*

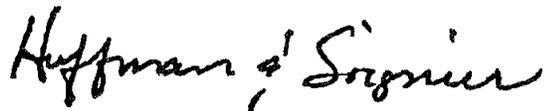
**Board of Directors
North Delta Regional Planning and
Development District, Incorporated
Monroe, Louisiana**

Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and is also not a required part of the basic financial statements.

The combining schedule of revenues, expenditures, and changes in fund balances, comparative schedule of capital assets and changes in capital assets, schedule of compensation, benefits, and other payments to agency head or chief executive officer, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedule of revenues, expenditures, and changes in fund balances, comparative schedule of capital assets and changes in capital assets, schedule of compensation, benefits, and other payments to agency head or chief executive officer, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2016, 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 grant agreements 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Delta Regional Planning and Development District's internal control over financial reporting and compliance.



(A Professional Accounting Corporation)
December 22, 2016

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

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, 2016. 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 assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$1,414,641 (*net position*). Of this amount, \$14,414 (*unrestricted net position*) represents the portion of net position which is not invested in capital assets or otherwise restricted.
- The government's total net position increased by \$429,126.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$233,924, an increase of \$144,410 for the year. The combined ending fund balance includes \$39,627 in funds available for spending at the government's discretion (*unassigned fund equity*).
- The District's total debt decreased by \$551,743 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 position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

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.

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 reletting. The government-wide financial statements can be found on pages 14 and 15 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, Kilpatrick Building/EDA, Title III B Supportive Services, Title III C-1 Congregate Meals, Title III C-2 Home Delivered Meals, Federal Highway Authority, and Strategic Highway Safety Plan, 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.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

The District adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements have been provided on pages 49 through 53 for the general and the major special revenue funds to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 17 through 19 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 USDA Rural Development Revolving Loan, 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 21 through 23 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 24 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 supplemental information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$1,414,641 for the year ended June 30, 2016.

The largest amount of the District's net position reflects its investment in capital assets of \$1,153,567 and \$1,183,998 (net of accumulated depreciation of \$114,275 and \$83,844) for the years ended June 30, 2016 and 2015, respectively.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

North Delta Regional Planning and Development
District, Incorporated
Net Position
June 30, 2016 and 2015

	Governmental Activities		Business-type Activities		Total	
	June 30,		June 30,		June 30,	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 473,287	\$ 461,494	\$ 56,560	\$ 291,424	\$ 529,847	\$ 752,918
Capital assets	1,153,567	1,183,998	-	-	1,153,567	1,183,998
Total assets	<u>1,626,854</u>	<u>1,645,492</u>	<u>56,560</u>	<u>291,424</u>	<u>1,683,414</u>	<u>1,936,916</u>
Current and other liabilities	241,884	374,211	4,197	82,119	246,081	456,330
Long-term liabilities	22,692	20,071	-	475,000	22,692	495,071
Total liabilities	<u>264,576</u>	<u>394,282</u>	<u>4,197</u>	<u>557,119</u>	<u>268,773</u>	<u>951,401</u>
Net Position:						
Net investment in capital assets	1,153,567	1,183,998	-	-	1,153,567	1,183,998
Restricted for:						
Health, welfare, & social services	52,477	19,603	-	-	52,477	19,603
Economic development	141,820	226,786	-	-	141,820	226,786
Revolving loans	-	-	52,363	129,167	52,363	129,167
Unrestricted	14,414	(179,177)	-	(394,862)	14,414	(574,039)
Total net position	<u>\$ 1,362,278</u>	<u>\$ 1,251,210</u>	<u>\$ 52,363</u>	<u>\$ (265,695)</u>	<u>\$ 1,414,641</u>	<u>\$ 985,515</u>

The balance of \$1,362,278 in net position in the governmental activities and \$52,363 in the business-type activities represents the accumulated results of all past years' operations. Net position of governmental activities increased by \$111,068 and net position of business-type activities increased by \$318,058 for the fiscal year. The changes in net position 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 position are as follows:

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

North Delta Regional Planning and Development
District, Incorporated
Changes in Net Position
For the Years Ended June 30, 2016 and 2015

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenue						
Program Revenues:						
Charges for services	\$ 121,561	\$ 37,396	\$ -	\$ -	\$ 121,561	\$ 37,396
Operating grants and contributions	2,230,853	2,369,027	-	-	2,230,853	2,369,027
Capital grants and contributions	-	948,000	-	-	-	948,000
General Revenues:						
Dues	73,101	20,258	-	-	73,101	20,258
Interest and investment earnings	-	-	-	55	-	55
Bad debt recoveries	-	-	-	2,363	-	2,363
Other general revenues	113,027	(19,158)	322,866	84,152	435,893	64,994
Total revenues	2,538,542	3,355,523	322,866	86,570	2,861,408	3,442,093
Expenses						
General government	145,144	77,682	-	-	145,144	77,682
Health, welfare, & social services	1,668,671	1,809,696	-	-	1,668,671	1,809,696
Planning for highways and public transportation	408,440	355,206	-	-	408,440	355,206
Public safety	4,400	7,150	-	-	4,400	7,150
Economic Development	200,819	262,621	-	-	200,819	262,621
Rural business lending	-	-	4,808	11,992	4,808	11,992
Total expenses	2,427,474	2,512,355	4,808	11,992	2,432,282	2,524,347
Change in net position	\$ 111,068	\$ 843,168	\$ 318,058	\$ 74,578	\$ 429,126	\$ 917,746

Governmental Activities

Expenses are classified by functions/programs. For the fiscal years ended June 30, 2016 and 2015, general government accounts for \$145,144 and \$77,682, respectively, while elderly assistance accounts for \$1,668,671 and \$1,809,696, respectively, transportation and economic development account for \$609,259 and \$617,827, respectively, and public safety accounts for \$4,400 and \$7,150, respectively.

The program revenues for fiscal years 2016 and 2015 directly related to these expenses totaled \$2,538,542 and \$3,355,523, which resulted in net program loss of \$75,060 for the year ended June 30, 2016 and net program income of \$842,068 for the year ended June 30, 2015. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from dues of \$73,101 for the years ended June 30, 2016.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

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, 2016, and 2015 of the total revenue amount of \$1,701,544 and \$1,809,174; of which \$1,153,790 and \$877,479 was passed through to the various Councils on Aging in northeast Louisiana, respectively.

Business-type Activities

Business-type activities increased the District's net position by \$318,058 in 2016 and increased net position by \$74,578 in 2015. Key elements of these changes are as follows:

- For the years ended June 30, 2016 and 2015 other operating expenses were \$4,808 and \$6,940.
- For the year ended June 30, 2016, the District transferred a significant portion of its relending program to Louisiana Delta Reinvestment Corporation.

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 \$233,924 and \$89,513 for 2016 and 2015 respectively, an increase of \$144,410 for the year ended June 30, 2016. Of the ending fund balance, \$141,820 represents amounts restricted for economic development and \$52,477 represents amounts restricted for health, welfare, and social services. The remaining balance of \$39,624 represents unassigned funds available for spending at the District's discretion.

General Fund Budgetary Highlights

In accordance with grant agreements, the District must adopt a budget for the General Fund and all Special Revenue funds prior to June 30. The original budget was adopted on July 17, 2015. There were no budget amendments to the original budget adopted during the year ended June 30, 2016.

North Delta Regional Planning and Development District, Incorporated
Management's Discussion and Analysis (MD&A)
(unaudited)
June 30, 2016

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, 2016 and 2015 amounts to \$1,153,567 and \$1,183,998 (net of accumulated depreciation). This investment in capital assets is as follows:

Capital Assets

	June 30,	
	2016	2015
Land	\$ 310,421	\$ 310,421
Buildings	883,507	883,507
Office furniture and equipment	73,914	73,914
Less: accumulated depreciation	(114,275)	(83,844)
Total Capital Assets	\$ 1,153,567	\$ 1,183,998

The District, with the assistance of a Department of Commerce grant, purchased the Kilpatrick Building which will be called the North Delta Innovation and Technology Disaster Recovery Center. 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, 2016 and 2015 is as follows:

Outstanding Debt

	June 30,	
	2016	2015
USDA Rural Development	\$ -	\$ 551,743
Compensated Absences	25,213	22,301
Total debt	\$ 25,213	\$ 574,044

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)
(unaudited)
June 30, 2016

Economic Factors and Next Year's Budgets and Rates

Current factors considered in preparing the District's budget for the 2017 fiscal year indicates no significant change from the projected revenues and expenditures of the 2016 and 2015 fiscal years other than a projected decrease in revenues and expenditures due to the District not anticipating another building purchase such as the purchase of the Kilpatrick Building in the 2015 fiscal year.

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 Debra Martin, Fiscal Officer, 3000 Kilpatrick Blvd, Monroe, LA, 71201.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

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

**Statement of Net Position
June 30, 2016**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 95,263	\$ 4,197	\$ 99,460
Receivables	430,000	-	430,000
Interfund balances	(52,363)	52,363	-
Prepaid Items	387	-	387
Capital assets, net	1,153,567	-	1,153,567
Total Assets	<u>1,626,854</u>	<u>56,560</u>	<u>1,683,414</u>
Liabilities			
Accounts, salaries and other payables	166,605	4,197	170,802
Due to grantor	11,871	-	11,871
Deferred revenues	60,887	-	60,887
Long-term liabilities			
Due within one year	2,521	-	2,521
Due in more than one year	22,692	-	22,692
Total liabilities	<u>264,576</u>	<u>4,197</u>	<u>268,773</u>
Net Position			
Net investment in capital assets	1,153,567	-	1,153,567
Restricted for:			
Health, welfare, & social services	52,477	-	52,477
Economic development	141,820	-	141,820
Revolving loan programs	-	52,363	52,363
Unrestricted	14,414	-	14,414
Total net position	<u>\$ 1,362,278</u>	<u>\$ 52,363</u>	<u>\$ 1,414,641</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
For the Year Ended June 30, 2016**

Functions/Programs	Direct Expenses	Indirect Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities							
General	\$ 285,391	\$ (140,247)	\$ 118,841	\$ 15,175	\$ (11,128)	\$ -	\$ (11,128)
Health, welfare & social services							
Supportive services	322,308	-	-	322,308	-	-	-
Nutrition services	967,922	-	-	1,000,795	32,873	-	32,873
Preventive health & medication assistance	51,779	9,072	-	60,851	-	-	-
Family caregiver support	75,752	-	-	75,752	-	-	-
Ombudsman	113,140	14,679	-	127,819	-	-	-
Area Agency on Aging administration	97,705	16,314	-	114,019	-	-	-
Planning for highways and public transportation	359,457	48,983	-	407,459	(981)	-	(981)
Public safety	3,032	1,368	-	-	(4,400)	-	(4,400)
Economic development	150,988	49,831	2,720	106,675	(91,424)	-	(91,424)
Total governmental activities	<u>2,427,474</u>	<u>-</u>	<u>121,561</u>	<u>2,230,853</u>	<u>(75,060)</u>	<u>-</u>	<u>(75,060)</u>
Business-type activities							
Rural business relending	4,808	-	-	-	-	(4,808)	(4,808)
Total	<u>\$ 2,432,282</u>	<u>\$ -</u>	<u>\$ 121,561</u>	<u>\$ 2,230,853</u>	<u>(75,060)</u>	<u>(4,808)</u>	<u>(79,868)</u>
General revenues							
Dues					73,101	-	73,101
Interest and investment earnings					-	1	1
Miscellaneous					13,418	-	13,418
Rental Income					123,063	-	123,063
Gain on disposal of re-lending activities					-	299,411	299,411
Transfers					(23,454)	23,454	-
Total general revenues					<u>186,128</u>	<u>322,866</u>	<u>508,994</u>
Change in net position					111,068	318,058	429,126
Net position at beginning of year					<u>1,251,210</u>	<u>(265,695)</u>	<u>985,515</u>
NET POSITION AT END OF YEAR					<u>\$ 1,362,278</u>	<u>\$ 52,363</u>	<u>\$ 1,414,641</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, 2016

	Major Funds								Total
	Special Revenue Funds							Other Governmental Funds	
	General Fund	Kilpatrick Building/EDA	Title III B Supportive Services	Title III C-1 Congregate Meals	Title III C-2 Home Delivered Meals	Federal Highway Authority	Strategic Highway Safety Plan		
Assets									
Cash and cash equivalents	\$ -	\$ 3,600	\$ 43,893	\$ 25,216	\$ -	\$ -	\$ -	\$ 22,554	\$ 95,263
Receivables	88,878	450	173	16,879	14,585	129,138	80,943	98,954	430,000
Prepaid Items	387	-	-	-	-	-	-	-	387
Due from other funds	25,185	138,165	494	1,178	52,415	-	-	66,187	283,624
TOTAL ASSETS	<u>\$ 114,450</u>	<u>\$ 142,215</u>	<u>\$ 44,560</u>	<u>\$ 43,273</u>	<u>\$ 67,000</u>	<u>\$ 129,138</u>	<u>\$ 80,943</u>	<u>\$ 187,695</u>	<u>\$ 809,274</u>
Liabilities									
Accounts, salaries and other payables	\$ 29,754	\$ 395	\$ 35,134	\$ 40,313	\$ 52,092	\$ 708	\$ 105	\$ 8,104	\$ 166,605
Due to other funds	45,069	-	-	-	-	128,430	80,838	81,650	335,987
Due to grantor	-	-	4,813	-	-	-	-	7,058	11,871
Deferred revenues	-	-	4,613	2,960	14,908	-	-	38,406	60,887
Total liabilities	<u>74,823</u>	<u>395</u>	<u>44,560</u>	<u>43,273</u>	<u>67,000</u>	<u>129,138</u>	<u>80,943</u>	<u>135,218</u>	<u>575,350</u>
Fund equity									
Fund balance									
Restricted for health, welfare, & social services	-	-	-	-	-	-	-	52,477	52,477
Restricted for economic development	-	141,820	-	-	-	-	-	-	141,820
Unassigned	39,627	-	-	-	-	-	-	-	39,627
Total fund equity	<u>39,627</u>	<u>141,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,477</u>	<u>233,924</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 114,450</u>	<u>\$ 142,215</u>	<u>\$ 44,560</u>	<u>\$ 43,273</u>	<u>\$ 67,000</u>	<u>\$ 129,138</u>	<u>\$ 80,943</u>	<u>\$ 187,695</u>	<u>\$ 809,274</u>

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

**NORTH DELTA REGIONAL PLANNING AND
DEVELOPMENT DISTRICT, INCORPORATED**
Monroe, Louisiana
**Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position**
June 30, 2016

Fund balances - total governmental funds	\$	233,924
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Governmental capital assets	\$	1,267,842
Less: accumulated depreciation		<u>(114,275)</u>
		1,153,567
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Compensated absences payable		(25,213)
Elimination of interfund assets and liabilities		
Interfund assets		(283,624)
Interfund liabilities		<u>283,624</u>
		<u>-</u>
Net position of governmental activities	\$	<u><u>1,362,278</u></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, 2016

	Major Funds								Total
	Special Revenue Funds							Other Governmental Funds	
	General Fund	Kilpatrick Building/EDA	Title III B Supportive Services	Title III C-1 Congregate Meals	Title III C-2 Home Delivered Meals	Federal Highway Authority	Strategic Highway Safety Plan		
Revenues									
Intergovernmental									
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ 322,308	\$ 398,017	\$ 433,649	\$ -	\$ -	\$ 547,570	\$ 1,701,544
U.S. Department of Commerce	-	-	-	-	-	-	-	60,000	60,000
U.S. Department of Transportation	-	-	-	-	-	156,978	116,723	51,273	324,974
Ouachita Council of Governments	-	-	-	-	-	39,784	-	42,701	82,485
Other Federal grants	1,200	-	-	-	-	-	-	42,273	43,473
Other State Grants	13,975	-	-	-	-	-	-	4,400	18,375
Service fees	118,841	-	-	-	-	-	-	2,720	121,561
Membership dues	-	-	-	-	-	-	-	73,101	73,101
Miscellaneous	13,418	-	-	-	-	-	-	-	13,418
Rental Income	-	123,063	-	-	-	-	-	-	123,063
Total Revenues	<u>147,434</u>	<u>123,063</u>	<u>322,308</u>	<u>398,017</u>	<u>433,649</u>	<u>196,762</u>	<u>116,723</u>	<u>824,038</u>	<u>2,561,994</u>
Expenditures									
General	142,230	-	-	-	-	-	-	-	142,230
Health, welfare, & social services	-	-	322,308	398,017	433,649	-	-	514,697	1,668,671
Planning for highways and public transportation	-	-	-	-	-	196,762	116,723	93,974	407,459
Economic development	-	34,782	-	-	-	-	-	136,588	171,370
Public safety	-	-	-	-	-	-	-	4,400	4,400
Total Expenditures	<u>142,230</u>	<u>34,782</u>	<u>322,308</u>	<u>398,017</u>	<u>433,649</u>	<u>196,762</u>	<u>116,723</u>	<u>749,659</u>	<u>2,394,130</u>
Excess (Deficiency) of Revenues Over Expenditures	5,204	88,281	-	-	-	-	-	74,379	167,864
Other Financing Sources / (Uses)									
Transfers in	214,753	-	-	-	-	-	-	-	214,753
Transfers out	(23,454)	-	-	-	-	-	-	(214,753)	(238,207)
Total Other Financing Sources/(Uses)	<u>191,299</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(214,753)</u>	<u>(23,454)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	196,503	88,281	-	-	-	-	-	(140,374)	144,410
Fund Balances at Beginning of Year	(156,876)	53,539	-	-	-	-	-	192,851	89,514
FUND BALANCES AT END OF YEAR	<u>\$ 39,627</u>	<u>\$ 141,820</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,477</u>	<u>\$ 233,924</u>

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, 2016**

Net change in fund balances - total governmental funds	\$	144,410
Amount reported for governmental activities in the statement of activities are different because:		
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.		
Depreciation expense		(30,431)
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.		
Increase in compensated absences payable		(2,912)
Elimination of transfers in and out		
Transfers in	(214,753)	
Transfers out	214,753	-
Change in net position of governmental activities	\$	<u>111,067</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 Position
Proprietary Funds
June 30, 2016**

	Major Funds		
	Business-type Activities - Enterprise Funds		
	USDA Rural Development Revolving Loan	Rural Business Enterprise Grant	Total
ASSETS			
Current assets			
Cash and cash equivalents, restricted	\$ 4,197	\$ -	\$ 4,197
Due from other funds	-	52,363	52,363
Total current assets	4,197	52,363	56,560
Total assets	\$ 4,197	\$ 52,363	\$ 56,560
LIABILITIES			
Current liabilities			
Accounts payable	\$ 4,197	\$ -	\$ 4,197
Total current liabilities	4,197	-	4,197
Total liabilities	4,197	-	4,197
NET POSITION			
Restricted	-	52,363	52,363
Total net position	\$ -	\$ 52,363	\$ 52,363

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 Position
Proprietary Funds
For the Year Ended June 30, 2016**

	<u>Major Funds</u>		<u>Total</u>
	<u>Business-type Activities - Enterprise Funds</u>		
	<u>USDA Rural Development Revolving Loan</u>	<u>Rural Business Enterprise Grant</u>	
OPERATING REVENUES	\$ -	\$ -	\$ -
OPERATING EXPENSES			
Other operating expenses	4,683	125	4,808
Total operating expenses	<u>4,683</u>	<u>125</u>	<u>4,808</u>
Operating Income (Loss)	(4,683)	(125)	(4,808)
NONOPERATING REVENUES (EXPENSES)			
Investment earnings (losses)	-	1	1
Total nonoperating revenues (expenses)	<u>-</u>	<u>1</u>	<u>1</u>
Transfers			
Transfers in	23,454	-	23,454
Gain/(loss) on disposal of re-lending activities	376,091	(76,680)	299,411
Total transfers	<u>399,545</u>	<u>(76,680)</u>	<u>322,865</u>
Change in net position	394,862	(76,804)	318,058
Net position beginning of year	<u>(394,862)</u>	<u>129,167</u>	<u>(265,695)</u>
Net position end of year	<u>\$ -</u>	<u>\$ 52,363</u>	<u>\$ 52,363</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, 2016

	<u>Major Funds</u>		
	<u>Business-type Activities - Enterprise F</u>		
	<u>USDA Rural Development Revolving Loan</u>	<u>Rural Business Enterprise Grant</u>	<u>Total</u>
Cash flows from operating activities			
Cash payments to suppliers for goods and services	\$ (486)	\$ (449)	\$ (935)
Net cash used for operating activities	<u>(486)</u>	<u>(449)</u>	<u>(935)</u>
Cash flows from noncapital financing activities			
Receipts from interfund borrowing	8,466	47,049	55,515
Disbursements for interfund borrowing	-	(52,363)	(52,363)
Net cash provided (used) by noncapital financing activities	<u>8,466</u>	<u>(5,314)</u>	<u>3,152</u>
Cash flows from investing activities			
Interest received on investments	11	1	12
Issuance of loans	(31,360)	-	(31,360)
Principal collection on loans	5,376	-	5,376
Transfer to Louisiana Delta Reinvestment Corporation	(60,715)	(76,680)	(137,395)
Net cash provided by investing activities	<u>(86,688)</u>	<u>(76,679)</u>	<u>(163,367)</u>
Net increase (decrease) in cash and cash equivalents	(78,708)	(82,442)	(161,150)
Cash and cash equivalents, July 1, 2015	<u>82,905</u>	<u>82,442</u>	<u>165,347</u>
Cash and cash equivalents, June 30, 2016	\$ <u>4,197</u>	\$ <u>-</u>	\$ <u>4,197</u>
Reconciliation of operating income to net cash used for operating activities			
Operating loss	\$ (4,683)	\$ (125)	\$ (4,808)
Change in accounts payable	4,197	(324)	3,873
Net cash used for operating activities	<u>\$ (486)</u>	<u>\$ (449)</u>	<u>\$ (935)</u>
Noncash noncapital financing activities			
Non-cash interfund transfers	\$ <u>14,988</u>	\$ <u>-</u>	\$ <u>14,988</u>
Noncash investing activities			
Writeoff of net notes receivable included in loss on disposal	\$ (121,904)	-	\$ (121,904)
Writeoff of net interest receivable included in loss on disposal	(1,867)	-	(1,867)
Forgiveness of interfund loans payable	18,770	-	18,770
Forgiveness of notes payable	551,743	-	551,743
Forgiveness of accrued interest payable	5,052	-	5,052
Gain (loss) on disposal of re-lending activities	(376,091)	-	(376,091)

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
JUNE 30, 2016**

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 21 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.

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

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 funds and combined non-major funds). The financial statements have been prepared on an accrual basis and in conformity with Generally Accepted Accounting Principles (GAAP). The financial statements of the Association are presented as recommended by the Financial Accounting Standards Board in ASC 958-205, *Not For Profit Entities-Presentation of Financial Statements*.

Government-wide Financial Statements

The government-wide financial statements include the statement of net position 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
JUNE 30, 2016**

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. The General Fund is always a major 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

Kilpatrick Building/EDA

The Kilpatrick Building Fund is used to account for the administration of funds provided by the United States Department of Commerce's Economic Development Administration. These funds were used to support the purchase of the North Delta Innovation and Technology Disaster Recovery Center. These funds help support and address the needs of distressed communities experiencing adverse economic changes that may occur suddenly or over time, and generally result from industrial or corporate restructuring, new Federal laws or requirements, reduction in defense expenditures, depletion of natural resources, or natural disaster.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Title III B – Supportive Services

Title III B – Supportive Services funds are provided by the United States Department of Health and Human Services through the GOEA, 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 Governor’s Office of Elderly Affairs (GOEA), which passes through the funds to the District for further distribution to six parish Councils on Aging. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 – Home Delivered Meals

Title III C-2 funds are provided by the United States Department of Health and Human Services through the GOEA, 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.

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 (LDOT) 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.

Strategic Highway Safety Plan

The Federal Highways Administration Fund accounts for federal funds provided through the Ouachita Council of Governments for highway safety planning in the Monroe urbanized area. The Ouachita Council of Governments entered into an agreement with the LDOT 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 LDOT.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

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 GOEA, which passes through the funds to the District. These funds are used to pay for administrative costs associated with programs for the elderly.

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 – Caregiver

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 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 GOEA. The program helps link eligible seniors with assistance for obtaining their prescription medication.

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

Nutrition Services Incentive Program (NSIP) Cash-in-Lieu of Commodities

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 GOEA. 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.

Council of Governments

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

Federal Transit Authority

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

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Regional Human Service Contract

This fund accounts for federal funds provided through the Louisiana Department of Transportation and Development via Ouachita Council of Governments. The Human Service Transit Plan Committee addresses transit efficiency level planning and recommends policies to the Technical Advisory Committee and Transportation Policy Committee regarding the implementation of transit solutions.

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 GOEA 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.

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.

Rural Business and Enterprise Grant

The Rural Business and Enterprise Grant is used to facilitate the development of small and emerging private business, industry, and related employment for improving the economy in rural communities. This fund accounts for federal funds used to create, expand or operate rural distance learning networks or programs that provide educational or job training instruction related to potential employment or job advancement to adult students; develop, construct or acquisition land, buildings, plants, equipment, access streets and roads, parking areas, utility extensions, necessary water supply and waste disposal facilities; to facilitate refinancing and payment of services and fees; and to establish a revolving loan fund.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Region 8 Office of Homeland Security and Emergency Preparedness (OHSEP)

This fund is used to account for funds from the Region 8 OHSEP Board. These funds are provided by the Governor's Office of Homeland Security and Emergency Preparedness and are pass-through funds used for purchases deemed necessary by the Board to support the Homeland Security needs of the Region. The Region 8 OHSEP Board has contracted with the District to provide purchasing assistance.

North Delta Caregiver

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 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.

This fund did not have any activity in fiscal year 2016.

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.

Both of the District's enterprise funds are considered to be major funds and are as follows:

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

USDA Rural Development Revolving Loan

During the year, North Delta had an extensive deficit balance in the USDA Rural Development Loan. During the prior year, North Delta met with the Director of the state office of USDA Rural Development and began negotiations for a process by which the balance owed by North Delta to the USDA Rural Development could be forgiven or changed to a grant. As a result of this action, during the current fiscal year, this fund reported a \$376,091 gain on the disposal of the relending activities and coupled with a \$23,454 transfer from the General Fund, substantially closed out this fund with final close-out expected to occur in the following fiscal year of 2017.

Rural Business Enterprise Grant

The District makes loans under the Rural Business Enterprise Grant to assist with the economic development of certain rural areas in Northeast Louisiana.

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. The District considers funds to be available if they are

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

collected within 60 days of the fiscal year end. Intergovernmental and other Grants have been treated as susceptible to accrual.

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

Revenues

Entitlements and shared revenues are recorded as unrestricted at the time of receipt or earlier if the accrual criteria is 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. 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 based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the District's proprietary funds primarily consist of administrative charges related to the USDA Rural Development Relending

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

Program and the Rural Business Enterprise Grant. All revenues and expenses not meeting the previously mentioned definitions are reported as nonoperating revenues and expenses.

D. 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. The District considers funds to be available if they are collected within 60 days of the fiscal year end. Intergovernmental and other Grants have been treated as susceptible to accrual.

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

Revenues

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

Expenditures

Salaries are recorded as incurred. Principal and interest on long-term obligations are recognized when due. Compensated absences are recognized when benefits are earned by the employee.

Other Financing Sources (Uses)

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

Proprietary Funds

Proprietary funds are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the District's proprietary funds primarily consist of administrative charges related to the USDA Rural Development Relending Program and the Rural Business Enterprise Grant. All revenues and expenses not meeting the previously mentioned definitions are reported as nonoperating revenues and expenses.

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

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

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; 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. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

G. Prepaid Items

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

H. Capital Assets

Capital assets, which include machinery and equipment and furniture and fixtures, are reported in the governmental activities column in the government-wide financial statements. The capitalization threshold for all movable capital assets is \$1,000 per unit. All purchased capital assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Donated capital 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 on all capital assets has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are 30 years for buildings, 5 years for furniture and fixtures and 5 to 7 years for office equipment.

I. 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.

J. 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 are as in accordance with GASB Statement No. 16.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

K. Net Position and Fund Equity

In the government-wide Statement of Net Position under ASC 958-205, equity is classified as net position and is displayed in three primary components:

Net investment in capital assets – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of an bonds, mortgages, notes, or other borrowings related to the acquisition, construction, or improvement of those assets.

Restricted – consists of net resources with constraints placed on their use by either external groups (such as creditors, grantors, contributors, or other governments) or laws through constitutional provisions or enabling legislation.

Unrestricted – consists of all other net resources that are not otherwise defined as net investment in capital assets or restricted.

When an expense is incurred for which both restricted and unrestricted net position may be applied, it is the District's informal policy to first apply restricted net position.

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Restricted fund balance has limitations imposed by creditors, grantors, contributors, or by enabling legislation or constitutional provisions. Unassigned fund balance is the net resources in excess of what can be properly classified in one of the above four categories. The District did not recognize any fund balances as nonspendable, committed, or assigned as of June 30, 2016. Proprietary fund equity is classified the same as in the government-wide statements.

The District has not established a formal policy regarding order of spending fund balances that are restricted, committed, or assigned. The District's informal policy for spending prioritization of fund balances is that restricted would receive top priority, followed by committed. Assigned would receive the least priority and would be authorized to be spent only if adequate funds were available. If expenditures incurred exceed the amounts that have been restricted, committed, or assigned to a specific purpose, amounts unassigned would be reduced to eliminate the deficit.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

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.

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

Note 2 - 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, 2016, the District has cash and cash equivalents (book balances) totaling \$99,460 as follows:

Demand deposits	\$ 87,507
Cash equivalents	11,753
Petty cash	<u>200</u>
TOTAL	<u><u>\$ 99,460</u></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 bank balance on the District's deposits was \$256,539. Of the bank balance, \$256,539 was covered by federal depository insurance or by collateral held by the District's agent in the District's name (GASB Category 1).

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.

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 3 - Restricted Assets

Under the terms of agreements with the United States Department of Agriculture, assets maintained in the Loan Loss Reserve and Rural Business Enterprise Grant Funds are restricted. At June 30, 2016, the District had \$4,197 of restricted cash in the USDA Rural Development Revolving Loan Fund and \$0 of restricted cash in the Rural Business Enterprise Grant Fund for a total of \$4,197 in restricted cash, combined.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

A 20 year, \$1,000,000 mortgage is being held by the United States Department of Commerce Economic Development Administration on the building purchased in part with grant funds recorded in the Kilpatrick Building/EDA Fund.

Note 4 - Receivables

Receivables at June 30, 2016, are as follows:

<u>Program</u>	<u>Funding Agency</u>	<u>Amount</u>
General Fund		
Workforce Development	Workforce Development Board	\$ 87,136
Miscellaneous	Miscellaneous	1,742
Total General Fund		<u>88,878</u>
Special Revenue Funds		
Kilpatrick Building/EDA	Insurance payment for rent	450
Title IIIB Supportive Services	LA Governor's Office of Elderly Affairs	173
Title III C-1 Congregate Meals	LA Governor's Office of Elderly Affairs	16,879
Title III-C-2 Home Delivered Meals	LA Governor's Office of Elderly Affairs	14,585
Federal Highway Admin	Ouachita Council of Governments	129,138
Strategic Highway Safety Plan	Ouachita Council of Governments	80,943
Area Agency Administration	LA Governor's Office of E/A	19,497
Title III-E Caregiver	Various Councils on Aging	10,517
Economic Development Admin.	Various local governments	6,439
Council of Governments	Ouachita Council of Governments	8,936
Federal Transit Authority	Ouachita Council of Governments	33,211
Regional Human Service Contract	Ouachita Council of Governments	7,147
Tri-District Development	Bank interest payment	57
Delta Regional Authority	Delta Regional Authority	11,850
Region 8 OHSEP	Office of Homeland Security	1,300
Total Special Revenue Funds		<u>341,122</u>
Total - All Funds		<u>\$ 430,000</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 5 - Interfund Assets/Liabilities

Balances due from/to other funds are listed by fund for the year ended June 30, 2016:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds		
General Fund	\$ 25,185	\$ 45,069
Special Revenue Funds		
Kilpatrick Building / EDA	138,165	
Title III-B Supportive Services	494	-
Title III C-1 Congregate Meals	1,178	-
Title III C-2 Home Delivered Meals	52,415	-
Federal Highways Administration	-	128,430
Strategic Highway Safety Plan	-	80,838
Enterprise Funds		
Rural Business Enterprise Grant	52,363	-
NonMajor Funds		
Special Revenue Funds		
Area Agency on Aging	-	6,077
Title IIID Preventive Health	376	-
Caregiver	5,109	391
NISP, Cash-in-Lieu	52,259	-
Economic Development Administration	-	6,209
Council of Governments	-	8,651
Federal Transportation Authority	-	32,898
Regional Human Services Contract	-	7,147
Ombudsman	396	-
Tri-District Development	-	58
Delta Regional Planning Authority	-	18,919
Region 8 OHSEP	-	1,300
North Delta Caregiver	8,047	-
Total	<u>\$ 335,987</u>	<u>\$ 335,987</u>

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

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

Note 6 - Notes Receivable

The District makes loans under the Rural Business Enterprise Grant 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, 2016, these loans totaled \$799. The related allowance for bad debts on impaired loans is \$799 at June 30, 2016. Interest income on impaired loans is recorded on the cash basis and amounted to \$0 for the year ended June 30, 2016.

The change in the allowance for bad debts for the year ended June 30, 2016 is as follows:

Balance at July 1, 2015		\$ 511,425	
Transfer to La Delta Reinvestment Corporation		(510,626)	
Balance at June 30, 2016		<u>\$ 799</u>	

Note 7 - Changes in Capital Assets

Changes in capital assets for the year ended June 30, 2016 are as follows:

	<u>June 30,</u> 2015	<u>Additions</u>	<u>Retirements</u>	<u>June 30,</u> 2016
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 310,421	\$ -	\$ -	\$ 310,421
Capital assets being depreciated				
Building	883,507		-	883,507
Office furniture and equipment	73,914	-	-	73,914
Less: accumulated depreciation	(83,844)	(30,431)	-	(114,275)
Total capital assets being depreciated	<u>873,577</u>	<u>(30,431)</u>	<u>-</u>	<u>843,146</u>
Total governmental activities				
capital assets, net	<u>\$ 1,183,998</u>	<u>\$ (30,431)</u>	<u>\$ -</u>	<u>\$ 1,153,567</u>

Depreciation expense was charged to the following functions:

Governmental Activities:	
Planning for highways and public transportation	\$ 981
Economic development	<u>29,450</u>
Total depreciation expense - Government Activities	<u>\$ 30,431</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 8 - Accounts, Salaries and Other Payables

Payables at June 30, 2016, associated with governmental funds consisted of accounts and other payables of \$153,304 and salaries payable and related liabilities of \$13,299. Accounts and other payables associated with enterprise funds consisted of accounts and other payables of \$4,197.

Note 9 - Retirement Systems

Substantially all employees of the District are eligible to participate in the Deferred Compensation Plan for Public Employees. For 2016, participants may contribute up to one hundred percent of their gross salary, not exceeding \$18,000 or \$23,500 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, 2016, was \$505,960. Employee contributions totaled \$20,676 and employer contributions totaled \$18,916.

Note 10 - Compensated Absences

At June 30, 2016, employees of the District have accumulated and vested \$25,213 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:

- 2015 Chevrolet Equinox is under a twenty four month lease beginning in September 2014. Monthly payments are \$548 and total lease payments for the year ended June 30, 2016 were \$5,617. Future minimum lease payments under this agreement are \$1,644 for the year ended June 30, 2016.
- In addition, the District has annual operating lease agreements for the following office equipment:
 - Kyocera Copier. Monthly lease payments of \$299 for 36 months beginning in May 2015.
 - Pitney Bowes mailing machine and scales. Quarterly payments are \$1,284 on an ongoing basis at the District's discretion.

Future minimum lease payments under these agreements are \$3,588 in fiscal year 2017 and \$3,289 in fiscal year 2018 for a total of \$6,877.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 12 - Interfund Transfers

Transfers in and out are listed by fund for the year ended June 30, 2016:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds		
General Fund	\$ 214,753	\$ 23,454
Major Enterprise Funds		
USDA Rural Development Revolving Loan	23,454	-
Nonmajor Special Revenue Funds		
Economic Development District	-	78,427
Tri-District Development	-	48,609
Delta Regional Authority	-	87,717
Total	<u>\$ 238,207</u>	<u>\$ 238,207</u>

North Delta receives administrative fees in association with various projects. Often, these projects are funded with federal or state funds which are restricted for that project. The administrative fees, however, are not included in that restriction. North Delta has accumulated these fees in various funds over the years. In the year ended June 30, 2016, North Delta transferred many of these accumulated administrative fees from the various funds to the general fund and has changed accounting procedures to account for these fees differently to prevent future accumulations.

Note 13 - Long-Term Obligations

The District transferred the assets and liabilities associated with the USDA Rural Development Revolving Loan Fund to a newly created entity called the Louisiana Delta Reinvestment Corporation on February 10, 2016. The transferred balances included cash of \$137,395, receivables of outstanding loans made by North Delta of \$881,707, and debt associated with the USDA Intermediary Relending Program of \$554,732. This transfer was made under the guidance of the USDA Rural Business-Cooperative Service.

The following is a summary of long-term obligation transactions for the year ended June 30, 2016:

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

	Governmental Activities	Business-Type Activities	
	Accrued Absences	Notes Payable	Total
Balance, beginning of year	\$ 22,165	\$ 551,743	\$ 573,908
Additions	27,155	-	27,155
Deductions	(24,107)	-	(24,107)
Transfers	-	(551,743)	(551,743)
Balance, end of year	\$ 25,213	\$ -	\$ 25,213

Note 14 - Dual Roles of Staff and Related Party Transactions

The Executive Director of the District also serves as Executive Secretary of the Ouachita Council of Governments (OCOG). The District has contracted with OCOG to provide technical assistance in carrying out OCOG's federal and local program activities. For the year ended June 30, 2016, the District recorded \$32,097 of revenues from OCOG. The Executive Director of the District also serves as President of the Louisiana Delta Reinvestment Corporation. On February 10, 2016, the District transferred balances of cash of \$137,395, receivables of outstanding loans made by North Delta of \$881,707, and debt associated with the USDA Intermediary Relending Program of \$554,732. This transfer was made under the guidance of the USDA Rural Business-Cooperative Service.

Note 15 - Litigation and Claims

Litigation – At June 30, 2016, the District was not involved in any litigation, nor were there any 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 16 - 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 17 - Compensation of Board Members

The District's Board of Directors serve without compensation but are reimbursed transportation expenses at the rate of \$0.51 per mile.

Note 18 - Subsequent Events

Management has evaluated subsequent events through December 22, 2016, the date which the financial statements were available to be issued, and determined that no events occurred that require disclosure.

**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 (unaudited)**

GENERAL FUND

For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance With Amended Budget</u>
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>(Budgetary Basis)</u>	<u>Positive (Negative)</u>
REVENUES				
Other Federal Grants	\$ -	\$ -	\$ 1,200	\$ 1,200
Other State Grants	-	-	13,975	13,975
Fees for services	-	-	118,841	118,841
Miscellaneous	-	-	13,418	13,418
Total Revenues	<u>-</u>	<u>-</u>	<u>147,434</u>	<u>146,234</u>
EXPENDITURES				
Current:				
Salaries	-	-	12,441	(12,441)
Fringe	-	-	3,189	(3,189)
Travel	-	-	8,523	(8,523)
Operating services	-	-	103,390	(103,390)
Operating supplies	-	-	485	(485)
Other costs	-	-	3,944	(3,944)
Other Administrative Expenses	-	-	458	(458)
Total Expenditures	<u>-</u>	<u>-</u>	<u>132,430</u>	<u>(132,430)</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>15,004</u>	<u>15,004</u>
Other Financing Sources				
Transfers in	-	-	-	-
Transfers out	-	-	(23,454)	(23,454)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(23,454)</u>	<u>(23,454)</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>-</u>	<u>-</u>	<u>(8,450)</u>	<u>(8,450)</u>
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>(156,876)</u>	<u>(156,876)</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (165,326)</u>	<u>\$ (165,326)</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 (unaudited)**

Kilpatrick Building - EDA

For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u> Original Budget	<u>Budgeted Amounts</u> Amended Budget	<u>Actual Amounts</u> (Budgetary Basis)	<u>Variance With Amended Budget</u> Positive (Negative)
REVENUES				
Other Federal Grants	\$ -	\$ -	\$ -	-
Other State Grants	-	-	-	-
Fees for services	-	-	-	-
Rental income	-	-	123,063	123,063
Total Revenues	<u>-</u>	<u>-</u>	<u>123,063</u>	<u>123,063</u>
EXPENDITURES				
Current:				
Economic development	-	-	34,782	(34,782)
Total Expenditures	<u>-</u>	<u>-</u>	<u>34,782</u>	<u>(34,782)</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>88,281</u>	<u>88,281</u>
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>53,539</u>	<u>53,539</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,539</u>	<u>\$ 53,539</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 (unaudited)**

TITLE III B SUPPORTIVE SERVICES FUND

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Intergovernmental Revenues:				
Louisiana Governor's Office of Elderly Affairs	\$ 313,527	\$ 313,527	\$ 322,308	\$ 8,781
Total Revenues	313,527	313,527	322,308	8,781
EXPENDITURES				
Current:				
Grants to Subrecipients:				
East Carroll Council on Aging	21,620	21,620	24,954	(3,334)
Franklin Council on Aging	54,711	54,711	54,731	(20)
Jackson Council on Aging	50,013	50,013	50,013	-
Madison Council on Aging	74,506	74,506	67,371	7,135
Richland Council on Aging	36,510	36,510	32,980	3,530
Tensas Council on Aging	27,594	27,594	27,052	542
Union Council on Aging	53,158	53,158	51,570	1,588
North Louisiana Legal Assistance	13,600	13,600	13,637	(37)
Total Expenditures	331,712	331,712	322,308	9,404
Excess of Revenues over Expenditures	(18,185)	(18,185)	-	18,185
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ (18,185)	\$ (18,185)	\$ -	\$ -

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

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

TITLE III C-1 CONGREGATE MEALS FUND

For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance With Amended Budget</u>
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>(Budgetary Basis)</u>	<u>Positive (Negative)</u>
REVENUES				
Intergovernmental Revenues:				
Louisiana Governor's Office of Elderly Affairs	\$ 398,017	\$ 398,017	\$ 398,017	\$ -
Total Revenues	<u>398,017</u>	<u>398,017</u>	<u>398,017</u>	<u>-</u>
EXPENDITURES				
Current:				
Operating Services	363,868	363,868	313,120	50,748
Grants to Subrecipients:				
East Carroll Council on Aging	40,295	40,295	36,688	3,607
Franklin Council on Aging	3,953	3,953	3,290	663
Jackson Council on Aging	3,549	3,549	3,549	-
Madison Council on Aging	27,300	27,300	25,890	1,410
Richland Council on Aging	15,480	15,480	15,480	-
Tensas Council on Aging	-	-	-	-
Union Council on Aging	-	-	-	-
Total Expenditures	<u>454,445</u>	<u>454,445</u>	<u>398,017</u>	<u>56,428</u>
Excess of Revenues Over Expenditures	(56,428)	(56,428)	-	56,428
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ (56,428)</u>	<u>\$ (56,428)</u>	<u>\$ -</u>	<u>\$ 56,428</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 (unaudited)**

TITLE III C-2 HOME DELIVERED MEALS FUND

For the Year Ended June 30, 2016

	Budgeted Amounts	Budgeted Amounts	Actual Amounts	Variance With Amended Budget
	Original Budget	Amended Budget	(Budgetary Basis)	Positive Negative (Negative)
REVENUES				
Intergovernmental Revenues:				
Louisiana Governor's Office of Elderly Affairs	\$ 433,649	\$ 433,649	\$ 433,649	\$ -
Total Revenues	433,649	433,649	433,649	-
EXPENDITURES				
Current:				
Operating Services	371,367	371,367	315,117	56,250
Grants to Subrecipients:				
East Carroll Council on Aging	33,375	33,375	33,648	(273)
Franklin Council on Aging	563	563	915	(352)
Jackson Council on Aging	7,300	7,300	7,300	-
Madison Council on Aging	26,400	26,400	28,775	(2,375)
Richland Council on Aging	37,683	37,683	37,683	-
Tensas Council on Aging	9,612	9,612	9,612	-
Union Council on Aging	599	599	599	-
Total Expenditures	486,899	486,899	433,649	53,250
Excess of Revenues Over Expenditures	(53,250)	(53,250)	-	53,250
Fund Balances at Beginning of Year	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ (53,250)	\$ (53,250)	\$ -	\$ 53,250

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

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

FEDERAL HIGHWAYS ADMINISTRATION

For the Year Ended June 30, 2016

	<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				
U.S. Department of Transportation	\$ 194,868	\$ 194,868	\$ 156,978	\$ (37,890)
Ouachita Council of Governments	48,717	48,717	39,784	(8,933)
Total Revenues	<u>243,585</u>	<u>243,585</u>	<u>196,762</u>	<u>(46,823)</u>
EXPENDITURES				
Current:				
Planning for Highways and Public Transportation	243,585	243,585	196,762	46,823
Capital Outlays	-	-	-	-
Total Expenditures	<u>243,585</u>	<u>243,585</u>	<u>196,762</u>	<u>46,823</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 (unaudited)**

STRATEGIC HIGHWAY SAFETY PLAN

For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
U.S. Department of Transportation	\$ 141,124	\$ 141,124	\$ 116,723	\$ (24,401)
Ouachita Council of Governments	-	-	-	-
Total Revenues	<u>141,124</u>	<u>141,124</u>	<u>116,723</u>	<u>(24,401)</u>
EXPENDITURES				
Current:				
Planning for Highways and Public Transportation	141,124	141,124	116,723	24,401
Capital Outlays	-	-	-	-
Total Expenditures	<u>141,124</u>	<u>141,124</u>	<u>116,723</u>	<u>24,401</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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 (CONTINUED)**

For the Year Ended June 30, 2016

	<u>Area Agency on Aging</u>	<u>Title III D Preventive Health</u>	<u>Title III E Caregiver</u>	<u>Louisiana Senior RX</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 114,019	\$ 22,957	\$ 75,752	\$ 37,894
U.S. Department of Commerce	-	-	-	-
U.S. Department of Transportation	-	-	-	-
Ouachita Council of Governments	-	-	-	-
Other Federal Grants	-	-	-	-
Other State Grants	-	-	-	-
Membership Dues	-	-	-	-
Service Fees	-	-	-	-
Total Revenues	<u>114,019</u>	<u>22,957</u>	<u>75,752</u>	<u>37,894</u>
EXPENDITURES				
Salaries	74,086	-	-	19,267
Fringe	18,670	-	-	7,905
Travel	9	-	-	692
Operating services	14,696	22,957	-	7,510
Operating supplies	1,739	-	-	870
Other costs	4,819	-	-	1,650
Grants to subrecipients	-	-	75,752	-
Total Expenditures	<u>114,019</u>	<u>22,957</u>	<u>75,752</u>	<u>37,894</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>19,604</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,604</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, 2016

	NISP Cash-in-Lieu	Economic Development Administration	Council of Governments	Federal Transit Authority
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 169,129	\$ -	\$ -	-
U.S. Department of Commerce	-	60,000	-	-
U.S. Department of Transportation	-	-	-	42,415
Ouachita Council of Governments	-	-	32,097	10,604
Other Federal Grants	-	-	-	-
Other State Grants	-	-	-	-
Membership Dues	-	28,701	-	-
Service Fees	-	-	-	-
Total Revenues	<u>169,129</u>	<u>88,701</u>	<u>32,097</u>	<u>53,019</u>
EXPENDITURES				
Salaries	-	39,224	17,508	31,003
Fringe	-	12,291	5,066	9,146
Travel	-	4,480	-	987
Operating services	136,256	16,695	9,523	9,949
Operating supplies	-	918	-	1,187
Other costs	-	538	-	747
Grants to subrecipients	-	-	-	-
Total Expenditures	<u>136,256</u>	<u>74,146</u>	<u>32,097</u>	<u>53,019</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>32,873</u>	<u>14,555</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(78,427)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(78,427)</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	32,873	(63,872)	-	-
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>63,872</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ 32,873</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, 2016

	<u>Regional Human Service Contract</u>	<u>Ombudsman</u>	<u>Tri-District Development</u>	<u>Delta Regional Authority</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ -	\$ 127,819	\$ -	\$ -
U.S. Department of Commerce	-	-	-	-
U.S. Department of Transportation	8,858	-	-	-
Ouachita Council of Governments	-	-	-	-
Other Federal Grants	-	-	-	21,453
Other State Grants	-	-	-	-
Membership Dues	-	-	-	44,400
Service Fees	-	-	2,720	-
Total Revenues	<u>8,858</u>	<u>127,819</u>	<u>2,720</u>	<u>65,853</u>
EXPENDITURES				
Salaries	6,222	72,855	2,178	18,998
Fringe	1,622	26,114	468	5,552
Travel	120	14,544	26	1,824
Operating services	72	12,393	398	11,449
Operating supplies	822	1,743	33	687
Other costs	-	170	9	-
Grants to subrecipients	-	-	-	-
Total Expenditures	<u>8,858</u>	<u>127,819</u>	<u>3,112</u>	<u>38,510</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(392)</u>	<u>27,343</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	(48,609)	(87,717)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(48,609)</u>	<u>(87,717)</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>(49,001)</u>	<u>(60,374)</u>
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>-</u>	<u>49,001</u>	<u>60,374</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 (CONCLUDED)**

For the Year Ended June 30, 2016

	<u>Business Enterprise Grant</u>	<u>Region 8 OHSEP Funds</u>	<u>Total</u>
REVENUES			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ -	\$ -	547,570
U.S. Department of Commerce	-	-	60,000
U.S. Department of Transportation	-	-	51,273
Ouachita Council of Governments	-	-	42,701
Other Federal Grants	20,820	-	42,273
Other State Grants	-	4,400	4,400
Membership Dues	-	-	73,101
Service Fees	-	-	2,720
Total Revenues	<u>20,820</u>	<u>4,400</u>	<u>824,038</u>
EXPENDITURES			
Salaries	-	2,221	283,562
Fringe	-	811	87,645
Travel	-	419	23,101
Operating services	19,325	849	262,072
Operating supplies	1,495	80	9,574
Other costs	-	20	7,953
Grants to subrecipients	-	-	75,752
Total Expenditures	<u>20,820</u>	<u>4,400</u>	<u>749,659</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>74,379</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	(214,753)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(214,753)</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>(140,374)</u>
Fund Balances (Deficit), Beginning of Year	<u>-</u>	<u>-</u>	<u>192,851</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>52,477</u>

(Concluded)

**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, 2016

	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
	<u>6/30/2015</u>			<u>6/30/2016</u>
CAPITAL ASSETS				
Land	\$ 310,421	\$ -	\$ -	\$ 310,421
Buildings	883,507	-	-	883,507
Furniture and Equipment	73,914	-	-	73,914
	<u>\$ 1,267,842</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267,842</u>
 INVESTMENT IN CAPITAL ASSETS				
Major Funds				
General Fund	\$ 3,049	\$ -	\$ -	\$ 3,049
Federal Highways Administration	46,414	-	-	46,414
Nonmajor Funds				
Economic Development Association	1,195,842	-	-	1,195,842
Tri-District Development	76	-	-	76
Delta Regional Authority	144	-	-	144
Area Agency on Aging	1,572	-	-	1,572
Senior Rx	1,771	-	-	1,771
North Delta Caregiver	171	-	-	171
Council of Governments	2,587	-	-	2,587
Federal Transit Authority	4,553	-	-	4,553
Regional Human Service Contract	1,127	-	-	1,127
Ombudsman	10,480	-	-	10,480
Region 8 OHSEP	56	-	-	56
	<u>\$ 1,267,842</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267,842</u>

North Delta Regional Planning and Development District, Inc.
Schedule of Compensation, Benefits and Other Payments to Agency Head
or Chief Executive Officer
For the year ended June 30, 2016

David Creed, Executive Director

Purpose	Amount
Salary	\$ 73,126
Benefits-insurance contributions	2,440
Benefits-retirement contributions	3,601
Vehicle provided by government	5,617
Reimbursements	1,540
Conference Travel	375
Housing	894

**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
AND THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITORS' 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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention to those in charge of governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We

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

did identify certain deficiencies in internal control, describe in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (Finding 2016-01).

Compliance and Other Matters

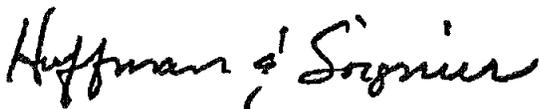
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The District's Response to Findings

The District's response to the finding identified in our audit is described in the accompanying schedule of finding and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



(A Professional Accounting Corporation)

December 22, 2016

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited North Delta Regional Planning and Development District, Incorporated's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

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

Opinion on Each Major Federal Program

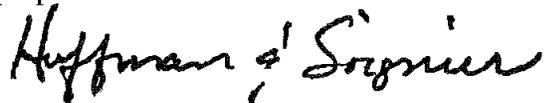
In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



(A Professional Accounting Corporation)

December 22, 2016

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2016

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</u>	<u>Federal CFDA Number</u>	<u>Pass - Through Grantor's I.D. Number</u>	<u>2016 Expenditures</u>
United States Department of Commerce			
Direct Program			
Economic Development - Support for Planning Organizations	11.302	08-83-04824	\$ <u>60,000</u>
Total United States Department of Commerce			<u>60,000</u>
United States Department of Transportation			
Regional Strategic Highway Safety Plan	20.205	62-783-6398	116,723
Passed-Through the Ouachita Council of Governments:			
Highway Planning & Construction (Federal-Aid Highway Program)	20.205	11.972163	156,977
Federal Transit - Metropolitan Planning Grants	20.505	PL 80-37-16	42,415
Formula Grants for Rural Areas	20.509	PL 80-37-16	4,429
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PL 80-37-16	4,429
Total United States Department of Transportation			<u>324,973</u>
Delta Regional Authority			
Delta Local Development District Assistance	90.202	N/A	21,453
Total Delta Regional Authority			<u>21,453</u>
United States Department of Health and Human Services - Administration on Aging/			
Passed-Through the Louisiana Governor's Office of Elderly Affairs			
Aging Cluster			
Title III B - Ombudsman Services	93.044	734760	103,649
Title III B - Supportive Services	93.044	734381	219,704
Title III C-1 - Congregate Meals	93.045	734381	85,514
Title III C-1 - Congregate Meals	93.045	734381	233,679
Title III C-2 - Home Delivered Meals	93.045	734381	162,759
Food Distribution - Cash-in-Lieu of Commodities	93.053	734769	169,129
Total Aging Cluster			<u>974,434</u>
Title III D - Disease Prevention and Health Promotion Services	93.043	734381	22,957
Title III E - National Family Caregiver Support	93.052	734381	56,815
MIPPA1 - ADRC	93.071	733385	1,200
Total United States Department of Health and Human Services			<u>1,055,406</u>
United States Department of Agriculture			
Rural Business and Enterprise Grant	10.769	22037-809667951	20,820
Total United States Department of Agriculture			<u>20,820</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u>1,482,652</u>

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, 2016

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. The District elected to use the 10% de minimis indirect cost rate.

3: RELATIONSHIP TO FINANCIAL STATEMENTS

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

Government Funds	
Major Funds	\$ 975,356
Other Governmental Funds	507,296
Total Federal Revenues	<u>1,482,652</u>
Restricted Revenues from Prior Years Spent in 2016	-
Total Schedule of Expenditures of Federal Awards	<u>\$ 1,482,652</u>

Of the amounts listed above, the following federal funds were passed through to subrecipients:

Title III B - Supportive Services	322,308
Title III C - 1 - Congregate Meals	84,897
Title III C - 2 - Home Delivered Meals	118,532
Title III E - Caregiver	981
Total Pass Through Awards	<u>\$ 526,718</u>

(continued)

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

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2016

4: RELATIONSHIP TO FUNDS SENT BY GOEA

Federal Awards revenues reported differ from amount reported sent by Louisiana Governor's Office of Elderly Affairs (GOEA) due to deferred revenues and prior year revenue remitted to GOEA, then returned by GOEA to North Delta for distribution to other agencies:

	<u>GOEA Revenue</u>	<u>Due to Grantor</u>	<u>Federal Awards Schedule</u>	<u>State Revenue</u>
	<u>FY16</u>	<u>FY 16</u>	<u>FY16</u>	<u>FY16</u>
Title III C - Federal	\$ 85,514	\$ -	\$ 85,514	\$ -
Title III C - State	28,505	-	-	28,505
Title III B - Federal	103,649	-	103,649	-
Title III B - State	24,170	-	-	24,170
Title III B SS - Federal	219,704	-	219,704	-
Title III B SS - State	102,604	-	-	102,604
Title III C-1 - Federal	233,679	-	233,679	-
Title III C-1 - State	164,338	-	-	164,338
Title III C-2 - Federal	162,759	-	162,759	-
Title III C-2 - State	270,890	-	-	270,890
Title III D - Federal	22,957	-	22,957	-
Title III E - Federal	56,815	-	56,815	-
Title III E - State	18,937	(7,058)	-	25,995
Senior RX - State	37,894	-	-	37,894
NSIP - Federal	169,129	-	169,129	-
	<u>\$ 1,701,544</u>	<u>\$ (7,058)</u>	<u>\$ 1,054,206</u>	<u>\$ 654,396</u>

(continued)

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

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2016

5: RELATIONSHIP TO FUNDS SENT BY OTHER GRANTING AGENCIES

	<u>FY 16 Revenues</u>	<u>FY 15 Revenues</u>	<u>Total Awards Expended</u>
U.S. Department of Commerce	\$ 60,000	\$ -	\$ 60,000
U.S. Department of Transportation	\$ 324,974	\$ -	\$ 324,974
Delta Regional Authority	\$ 21,452	\$ -	\$ 21,452
U.S. Department of Agriculture	\$ 20,820	\$ -	\$ 20,820

(concluded)

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2016

Section I – 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 Uniform Guidance? No

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low-risk auditee? Yes No

Identification of Major Programs:

<u>CFDA #</u>	<u>PROGRAM TITLE</u>
Aging Cluster	
93.044	Title III, Part B, Grants for Supportive Services and Senior Center
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, 2016

**Section II – Findings related to the financial statements that are required to be reported
under *Government Auditing Standards*:**

Finding 2016-01 Timeliness of Accurate Records

Criteria or Specific Requirement

Prudent business practices require regular comparison of budget to actual of expenditures for informed management decision making.

Condition Found

Financial reports were not available to management in a timely manner.

Cause

The Aging program and Transportation funds together comprise approximately 84% of revenues 2,109,003.49 / 2,517,592.91. An amount significant enough to affect all aspects of operations at the District when records are not managed in a timely, accurate manner. Transportation funds were not requested in a timely manner, bookkeeping of said funds was complicated and reconciliation with the pass through entity at year end was nearly impossible since it was not completed on a monthly, funding source level. Transportation funds are a large expenditure and requesting funds months after the expenditures resulted in a negative effect on cash flows. In addition, changes in processes for requesting reimbursements were not managed in a timely manner resulting in the District being unable to utilize grants to the full amount.

There was no reconciliation of the aging fund with the sub recipients until requested by the auditors; sub recipients were not provided details of funds received / paid with checks; funding sources and revenues/expenditures were netted together, commonly for multiple months, leaving the sub recipients with no idea as to why the payments were for the amount that they were. While the journal entry made upon reconciliation with the sub recipients was not especially large indicating that the records were mostly correct, records were maintained in a complex, difficult to understand manner.

Payments were not made timely to the point that a contractor nearly refused service, the sub recipients had difficulty operating, North Delta cash flows were detrimentally affected, and personnel had to spend massive amounts of time working with the sub recipients to ensure that they could continue operations. In addition, relationships between North Delta and other organizations has been strained due to the issues with payments and recordkeeping.

Due to the above conditions and other accounting issues, the year-end reconciliations performed by the consulting CPA took an extended amount of time and accounting was unable to produce accurate financial statements that management could use for decision-making.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2016

Effect

Financial reports were not available to management in a timely manner.

Recommendations to Prevent Future Occurrences

Personnel should be trained adequately to perform their duties in a timely, accurate manner. In addition, records should be maintained on a funding source level, in an understandable format and reconciled with the appropriate agencies monthly. Further, a knowledgeable individual should review and reconcile all accounts monthly to ensure accuracy and financial statements should be available to management within a time frame sufficient to allow for knowledgeable decision making.

Management's Corrective Action Plan

Personnel will be trained adequately to perform their duties in a timely, accurate manner. In addition, records will be maintained on a funding source level, in an understandable format and reconciled with the appropriate agencies monthly. Further, a knowledgeable individual has been hired to review and reconcile all accounts monthly to ensure accuracy and financial statements will be available to management within a time frame sufficient to allow for knowledgeable decision making.

**Section III – Findings or questioned costs for Federal awards, including those specified by
Uniform Guidance:**

None

**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 Huffman, Soignier (APAC)'s audit report dated February 26, 2016, 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, 2015.

2015-01 Internal Controls not operating effectively

Finding

Internal control is a process designed to provide reasonable assurance about the achievement of the entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. For the year ended June 30, 2015, North Delta's internal controls did not operate as designed including those controls over federal awards (refer to Finding 2015-03).

Due to the unforeseen passing of the Business Manager in May 2015, the Business Manager position was assigned to an individual that was not adequately trained for the position. As a result, transactions were not processed in a timely manner as is dictated by internal controls and federal regulations. A major program governing agency came in after year end to assist personnel in completing required documentation. Due to these issues, an audit extension was requested and a consulting CPA was hired to assist the business manager in getting the records ready for audit. See Finding 2015-02.

Additionally, North Delta policy states that employee salaries and pay rates, including raises thereof, must be properly authorized by an appropriate person. Due to this internal control not operating effectively, there were seven pay periods noted where various employees were paid a salary which had been approved but for which the pay rate was not updated in the personnel file.

Status

Internal controls were strengthened for the year ended June 30, 2016 resulting in accurate recordkeeping. However, the records were not maintained in a timely manner, refer to 2016-01.

2015-02 Financial Statements not filed timely

First reported - 2014

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 the most recent fiscal year. Due to delays associated with deficiencies noted in Finding 15-01, the audited financial statements were not able to be submitted within the time frame prescribed by law. Therefore, the District was not in compliance with state law.

Status

Resolved in fiscal year 2016.

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

2015-03 Federal Finding - Internal Controls

Finding

Due to the internal control issues defined in Finding 2015-01 internal controls over compliance with federal programs were not operating as designed which could have resulted in a material misstatement of the Schedule of Expenditures of Federal Awards and / or noncompliance with applicable laws and regulations.

Two reimbursement requests for a major program were not completed timely because the new business manager had not been instructed as to how to complete them. In addition, the timeliness was further delayed because the new business manager discovered multiple errors in reimbursement requests previously submitted. As a result the oversight agency sent an individual to the District to assist in completion and resubmission of reimbursement requests. Due to these issues, an audit extension was requested and a consulting CPA was hired to assist the business manager in getting the records ready for audit.

Status

Resolved in fiscal year 2016.