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RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA LOUISIANA

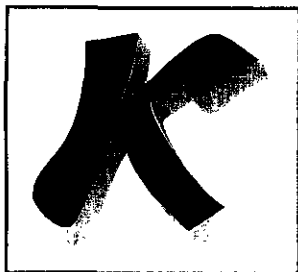
FINANCIAL REPORT
JUNE 30, 2004

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

Release Date 2-2-05

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Roland D. Kraushaar

Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Ph: (318) 445-9855 Fax: (318) 445-9882

INDEPENDENT AUDITOR'S REPORT

To The Board of Commissioners
Rapides Area Planning Commission
Alexandria, Louisiana

I have audited the financial statements of the Rapides Area Planning Commission as of June 30, 2004, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Rapides Area Planning Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Rapides Area Planning Commission as of June 30, 2004, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

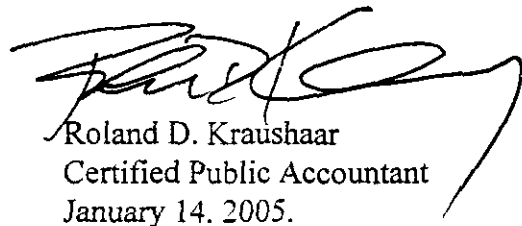
In accordance with Government Auditing Standards, I have also issued a report dated January 14, 2005 on my consideration of the Commission's internal control over financial reporting and my tests of its compliance with laws and regulations.

As described in note 2 to the basic financial statements, the Commission adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments*; Statement No.

37, *Basic Financial Statements - For State and Local Governments, Omnibus*; and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Statements*, as of July 1, 2003, This results in a change in the format and content of the basic financial statements.

The management's discussion and analysis (pages 3 through 5) and budgetary comparison (pages 17 through 18) are not a required part of the basic financial statement, but are supplementary information required by the Governmental Accounting Standards Board. I have applied procedures, which consisted principally of inquiries of management regarding the method of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion to it.

My audit was made for the purpose of forming an opinion on the financial statements that comprise the Commission's basic financial statements. The accompanying other supplemental information on pages 16 through 23 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



Roland D. Kraushaar
Certified Public Accountant
January 14, 2005.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

Management Discussion and Analysis (MD&A)
June 30, 2004

The discussion and analysis of Rapides Area Planning Commission's financial performance provides an overall review of the Commission's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the Commission's financial performance as a whole; readers should also review the financial statements and notes to the financial statements to enhance their understandings of the commission's financial performance.

BASIC FINANCIAL STATEMENTS

The *Financial Statements* are designed to provide readers with a broad overview of the Rapides Area Planning Commission's finances in a manner similar to private sector business.

The *Statement of Net Assets* focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets the Commission, the liability it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts.

The *Statement of Activities* focuses gross and net costs of the Commission's programs and the extent to which such programs rely upon general revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

Our basic financial statements are prepared using governmental fund statements which follow the more traditional presentation of financial statements.

The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Commission's financial conditional.

The MD&A is intended to explain the significant changes in financial position and differences in operation between the current and prior years. To be an accurate presentation, the prior year would have to be restated to the new reporting format. The Commission has chosen to not restate the prior year. Nevertheless when possible, significant changes from the prior year are explained in the following paragraphs.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

Management Discussion and Analysis (MD&A)
(Continued)

June 30, 2004

CONDENSED FINANCIAL INFORMATION

Condensed financial information from the statements of net assets and revenues as of June 30, 2004 and expenses and changes in net assets for the year ended June 30, 2004 are as follows:

Current and other assets	\$ 93,882
Capital assets(net)	<u>9,867</u>
Total assets	<u>\$103,749</u>
Current liabilities	<u>\$ 33,008</u>
Total liabilities	<u>\$ 33,008</u>
Net assets:	
Invested in capital assets(net)	\$ 9,867
Unrestricted	<u>60,874</u>
Total net assets	<u>\$ 70,741</u>
Operating revenue:	
Intergovernmental	\$ 50,045
Federal grants and contracts	133,609
Technical assistance	139,297
Miscellaneous	<u>761</u>
Total Operating revenue	<u>\$323,712</u>
Operating expenses:	
General and administrative	\$291,600
Programs	<u>38,663</u>
Total operating expenses excluding depreciation	\$330,263
Depreciation	<u>4,322</u>
Total operating expenses, including depreciation	<u>\$334,585</u>
Operating loss	<u>\$ (10,873)</u>

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

Management Discussion and Analysis (MD&A)
(Continued)

June 30, 2004

Increase (decrease) in net assets	\$(10,873)
Beginning of year net assets as restated	<u>81,614</u>
End of year net assets	<u>\$ 70,741</u>

Capital Assets

The Commissions capital assets as of June 30, 2004 amounted to \$9,867 (net of accumulated depreciation). This investment in capital assets includes office furniture, equipment and computers. Net capital asset additions amounted to \$6,225 for additional computer equipment.

The Commission acquires its assets primarily with local funds from dues.

Variations Between Original and Final Budgets

Variations in budget figures during the year were insignificant and are therefore not reported.

Contacting the Rapides Area Planning Commission's Management

This financial report is designed to provide a general overview of the Commission's finances with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to John Miller, Executive Director Rapides Area Planning Commission, P.O. Box 7586, Alexandria, La. 71306-0586.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

STATEMENT OF NET ASSETS
JUNE 30, 2004

ASSETS

Cash	\$	12,916
Accounts receivable		80,066
Furniture and equipment (net)		9,867
Deposits		<u>900</u>
Total assets	\$	<u>103,749</u>

LIABILITIES & NET ASSETS

LIABILITIES

Accounts payable	\$	28,227
Payroll taxes payable		<u>4,781</u>
Total liabilities	\$	<u>33,008</u>

NET ASSETS

Invested in capital assets (net)	\$	9,867
Unrestricted		<u>60,874</u>
Total net assets	\$	<u>70,741</u>

See Notes to Financial Statements.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

STATEMENT OF ACTIVITIES
Year Ended June 30, 2004

FUNCTIONS/PROGRAMS	<u>EXPENSES</u>	<u>REVENUES OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>NET (EXPENSES) REVENUE AND CHANGES IN NET ASSETS</u>
GOVERNMENTAL ACTIVITIES:			
DOTD-PL	\$ 118,599	\$ 94,370	\$ (24,229)
DOTD-S899	31,021	24,814	(6,207)
DEQ Sewer	-	78	78
FTA Trip orgin	-	4,046	4,046
Lena Water CDBG	10,301	10,301	-
Boat Dock Permits	-	350	350
Duck Blind Permits	-	25	25
RPPS Permits	56,309	91,807	35,498
Development Reviews	-	47,115	47,115
General Administrative	<u>118,355</u>	<u>50,806</u>	<u>(67,549)</u>
 Total Governmental Activities	 <u>\$ 334,585</u>	 <u>\$ 323,712</u>	 <u>\$ (10,873)</u>
 Changes in Net Assets			
Net (expense) revenue			\$ (10,873)
Excess (Deficiency) of revenue over expenses			(10,873)
 Change in net assets			 (10,873)
 Net Assets July 1, 2003 as restated			 <u>81,614</u>
Net Assets June 30, 2004			<u>\$ 70,741</u>

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

BALANCE SHEET
JUNE 30, 2004

ASSETS

Cash	\$	12,916
Accounts Receivable		80,066
Fixed Assets		92,888
Accumulated Depreciation		(83,021)
Deposits		900

Total Assets \$ 103,749

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts Payable	\$	28,227
Payroll Taxes Payable		4,781

Total Liabilities \$ 33,008

FUND EQUITY

Invested in Capital Assets (net)	\$	9,867
Unreserved/undesignated		60,874

Total Fund Equity \$ 70,741

Total Liabilities & Fund Equity \$ 103,749

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS
Year Ended June 30, 2004

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Intergovernmental	\$ 50,043	\$ 50,045	\$ 2
Federal grants & contracts	137,088	133,609	(3,479)
Technical assistance	137,350	139,297	1,947
Miscellaneous	<u>3,175</u>	<u>761</u>	<u>(2,414)</u>
 Total revenue	 <u>\$ 327,656</u>	 <u>\$ 323,712</u>	 <u>\$ (3,944)</u>
 EXPENDITURES			
Current			
General and administrative	\$ 333,656	\$ 295,922	\$ 37,734
Programs	<u>55,000</u>	<u>38,663</u>	<u>16,337</u>
 Total expenditures	 <u>\$ 388,656</u>	 <u>\$ 334,585</u>	 <u>\$ 54,071</u>
 EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	 \$ (61,000)	 \$ (10,873)	 \$ 50,127
 NET ASSETS			
Beginning of year	<u>61,000</u>	<u>81,614</u>	<u>20,614</u>
 End of year	 <u>\$ -</u>	 <u>\$ 70,741</u>	 <u>\$ 70,741</u>

See Notes to Financial Statements

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - GENERAL INFORMATION

The Rapides Area Planning Commission (RAPC) was formed by ordinances of Alexandria, Pineville, and the Rapides Parish Police Jury dated December 10, 1968. This authority was granted by Louisiana Revised Statutes 33:131. Glenmora, Woodworth, Boyce, Ball and Cheneyville have since joined the RAPC.

The function of RAPC is to assist member governmental bodies in planning, acquiring grants, and any other projects and programs so requested.

The RAPC, through its Executive Director, reports directly to the Board of Commissioners. This board is the policy making body and is composed of representatives of the seven governmental units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The accounting and reporting practices of the Rapides Area Planning Commission, conform to generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic financial Statements and Management's Discussion and Analysis - for State and Local Governments* issued June, 1999. The following is a summary of certain significant accounting policies and practices.

A. FINANCIAL REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Commission is considered a primary government, since it is a special purpose government that has a separately appointed governing body ultimate accountability to the governmental body having made the appointment, has a separate legal standing and is fiscally independent of other state and local governments. As used in GASB Statement No. 14 fiscally independent means that the Commission may, without the approval or consent of another governmental entity, determine or modify its own budget, set rates and charges. The Commission has no component units, as defined by GASB Statement No. 14 as

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

(Continued)

June 30, 2004

other legally separate organizations for which the appointed commissioners are financially accountable. There are no other primary governments with which the Commission has a significant relationship.

B. FUND ACCOUNTING

The financial transactions of the Rapides Area Planning Commission are recorded in the general fund which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenue and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The fund presented in the financial statements in this report are as follows:

Governmental Funds

Governmental funds account for all of the Commission's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term debt. The Commission has only one governmental fund.

General Fund - The General Fund is the general operating fund of the Commission and it accounts for all financial resources.

C. BASIS OF PRESENTATION

The Commission's Basic Financial Statements consist of the government-wide statements.

The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 31, 1898, generally are followed in both the government-wide financial statements and proprietary fund financial statements to the extent that those standards do not conflict or contradict guidance of the GASB.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

(Continued)

June 30, 2004

D. BASIS OF ACCOUNTING

Government-Wide Financial Statements(GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Commission.

The GWFS were prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting the exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No.33, *Accounting and reporting for Non-exchange Transactions*.

Program Revenues

The Commission receives its monies through grants, technical assistance, dues, and interest income. The major sources of these funds are received from the Department of Labor, Department of Transportation and Development, and the Rapides Parish Police Jury.

Allocation of Indirect Expenses

The RAPC allocated Total Indirect Expenses (Schedule 2) based on direct salaries for each project. The Indirect Overhead Rate is computed as follows:

	<u>2004</u>
Total Allowable Indirect Expense	\$112,792
Divided by: Total Direct Labor	\$177,289
Indirect Overhead Rate	63.62 %

E. BUDGET POLICY

Budgets for the federal grants are prepared and approved by the grantor of the funds for each respective program. Budgets for the local funds are prepared by the governing board of the Commission. All budgets whether federal, state, or local, are legally adopted on a basis

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

consistent with generally accepted accounting principles (GAAP). In relation to federal grants, whether received directly from the federal agency or a state administered federal fund, budgets are not normally amended unless the grantee exceeds or changes the scope of a particular project. As the project evolves, the grantee usually has some discretion concerning distribution of revenues/expenditures among respective tasks within the project.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Commission as an extension of formal budgetary integration in the funds.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in an interest bearing demand deposit. Interest is credited monthly to the interest account.

H. ACCUMULATED UNPAID VACATION

The Commission's liability for unpaid vacation is immaterial and no accrual has been made.

NOTE 3 - ACCOUNTS RECEIVABLE

The accounts receivable balances at June 30, 2004 are as follows:

	<u>2004</u>
TRANSIT	\$ 24,814
DOTD	28,887
LENA LCDBG	11,337
ALEXANDRIA	9,798
PINEVILLE	560
WOODWORTH	287
BALL	1,280
BOYCE	515
CHENEVILLE	382
GLENMORA	<u>641</u>
Total Accounts Receivable	<u>\$ 80,016</u>

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

NOTE 4 - BOARD OF COMMISSIONERS' COMPENSATION

The Board of Commissioners is a voluntary board; therefore, no compensation has been paid to any member.

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. At June 30, 2004 all fixed assets were recorded based upon historical cost.

A summary of changes in general fixed assets follows:

	Balance July 1, <u>2003</u>	<u>Additions</u>	<u>Dispositions</u>	Balance June 30, <u>2004</u>
Furniture and equipment	\$ 99,240	\$6,225	\$ 12,577	\$92,888

NOTE 6 - DEPOSITS

The Rapides Area Planning Commission maintains cash in one checking account. At year end, the carrying amount of the Commission's deposits were \$ 12,770 and the bank balance was \$ 27,493. Of the bank balance, \$ 27,493 was covered by federal depository insurance. There were no uninsured or uncollateralized deposits.

NOTE 7 - RETIREMENT COMMITMENTS

As of June 30, 2004 all employees of the Commission are members of the Social Security System. Social Security paid during the fiscal year ended June 30, 2004 was \$ 13,777 on qualified payroll of \$ 177,289.

Every month the employees have various amounts withheld out of their checks for pension benefits. The amount withheld is then paid to PEBSCO. The Commission has no further obligation.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

(Continued)

June 30, 2004

NOTE 8 - CONTINGENT LIABILITIES

At June 30, 2004 the Commission was not involved in litigation.

NOTE 9 - OPERATING LEASE

The Commission is leasing office space from the Rapides Parish Police Jury on a month-by-month basis in the amount of \$ 1,200 a month. This is an operating lease, and is shown as expenditure.

NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLES

For the year ended June 30, 2004, the Commission has implemented GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions* and GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. At June 30, 2004 there was no effect on fund balance as a result of implementation of GASB Statement No. 33. GASB Statement No. 34 creates new basic financial statements for reporting on the Commission's financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, than by fund type which had been the method of presentation in previously issued financial statements.

The implementation of GASB Statement No. 34 caused the opening fund balance at July 1, 2003 to be restated in terms of Net Assets as follows:

Governmental Fund's Fund Balance, June 30, 2003		\$ 73,649
Add: Capital Assets as of June 30, 2003		
Costs	\$ 86,664	
Accumulated Depreciation	<u>(78,699)</u>	<u>7,965</u>
Net Assets at June 30, 2003		<u>\$ 81,614</u>

SUPPLEMENTAL INFORMATION

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

STATEMENT OF REVENUE-BUDGET
(GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPE-GENERAL FUND
Year Ended June 30, 2004

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
FEDERAL GRANTS & CONTRACTS			
DOTD-PL	\$ 95,000	\$ 94,370	\$ (630)
DOTD-S899	24,814	24,814	-
DEQ Sewer	6,828	78	(6,750)
FTA Trip orgin	4,046	4,046	
Lena Water CDBG	<u>6,400</u>	<u>10,301</u>	<u>3,901</u>
 Total Federal Grants & Contracts	 <u>\$ 137,088</u>	 <u>\$ 133,609</u>	 <u>\$ (3,479)</u>
 INTERGOVERNMENTAL			
DUES			
Alexandria	\$ 19,595	\$ 19,595	\$ -
Pineville	6,720	6,720	-
Boyce	515	515	-
Woodworth	287	287	-
Glenmora	640	641	1
Rapides Parish Police Jury	20,625	20,625	-
Ball	1,280	1,280	-
Cheneyville	<u>381</u>	<u>382</u>	<u>1</u>
 Total Dues	 <u>\$ 50,043</u>	 <u>\$ 50,045</u>	 <u>\$ 2</u>
 TECHNICAL ASSISTANCE			
Boat Dock Permits	\$ 350	\$ 350	\$ -
Duck Blind Permits	-	25	25
RPPS Permits	90,000	91,807	1,807
Development Reviews	<u>47,000</u>	<u>47,115</u>	<u>115</u>
 Total Technical Assistance	 <u>\$ 137,350</u>	 <u>\$ 139,297</u>	 <u>\$ 1,947</u>
 Total Intergovernmental	 <u>\$ 324,481</u>	 <u>\$ 322,951</u>	 <u>\$ (1,530)</u>
 MISCELLANEOUS			
Miscellaneous Income	\$ 3,100	\$ 695	\$ (2,405)
Interest Income	<u>75</u>	<u>66</u>	<u>(9)</u>
 Total Miscellaneous	 <u>\$ 3,175</u>	 <u>\$ 761</u>	 <u>\$ (2,414)</u>
 TOTAL REVENUES	 <u>\$ 327,656</u>	 <u>\$ 323,712</u>	 <u>\$ (3,944)</u>

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

STATEMENT OF EXPENDITURES-
BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPE-GENERAL FUND
Year Ended June 30, 2004

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
GENERAL AND ADMINISTRATIVE			
Salaries	\$ 178,000	\$ 177,289	\$ 711
Group insurance	42,000	42,362	(362)
Building lease	14,400	14,400	-
General insurance	1,200	1,197	3
Copier and supplies	1,800	1,792	8
Equipment	1,000	-	1,000
Depreciation	-	4,322	(4,322)
Office supplies	5,400	8,578	(3,178)
Drafting and art supplies	350	309	41
Postage	3,300	3,073	227
Dues and subscriptions	2,000	1,903	97
Telephone	3,800	3,310	490
Utilities	160	155	5
Internet	1,600	1,509	91
Bank charges	120	119	1
Registration fees	50	45	5
Travel	1,400	1,992	(592)
Mileage	2,500	2,410	90
Audit	3,700	3,700	-
Equipment maintenance	3,500	4,410	(910)
Building repair	2,500	2,421	79
Janitor and grounds	2,400	2,302	98
Consultants	400	400	-
Miscellaneous	300	842	(542)
Data processing	650	-	650
Public Relations	300	270	30
Interest and penalties	500	1,639	(1,139)
Payroll taxes	14,675	15,173	(498)
Contingency	45,651	-	45,651
	<u>333,656</u>	<u>295,922</u>	<u>37,734</u>
Total G. & A. expenditures	\$ 333,656	\$ 295,922	\$ 37,734
PROJECT EXPENDITURES	<u>55,000</u>	<u>38,663</u>	<u>16,337</u>
TOTAL EXPENDITURES	<u>\$ 388,656</u>	<u>\$ 334,585</u>	<u>\$ 54,071</u>

See Notes to Financial Statements.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

SCHEDULE 1

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
for the Year Ended June 30, 2004

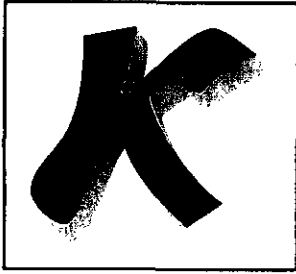
	FTA LA-80-X012	DOTD PL-0011(027)
REVENUES		
Grants and technical assistance	\$ 31,018	\$ 94,370
Local match - in kind	<u>6,204</u>	<u>23,593</u>
 Total revenue	 <u>\$ 37,222</u>	 <u>\$ 117,963</u>
 EXPENDITURES		
Direct expenditures		
Salaries	\$ 19,559	\$ 74,610
Equipment	<u>-</u>	<u>-</u>
 Total direct expenditures	 <u>\$ 19,559</u>	 <u>\$ 74,610</u>
Indirect expenditures		
Overhead as a percentage of salaries	<u>11,459</u>	<u>43,990</u>
 Total program expenditures	 <u>\$ 31,018</u>	 <u>\$ 118,600</u>
 EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	 <u>\$ 6,204</u>	 <u>\$ (637)</u>

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

SCHEDULE 2

SCHEDULE OF INDIRECT EXPENSES
Year Ended June 30, 2004

Payroll taxes	\$	15,173
Group insurance		42,362
Building rent		14,400
General Insurance		1,197
Equipment maintenance		4,410
Depreciation		4,322
General office supplies		8,578
Postage		3,073
Building Repair		2,421
Telephone		3,310
Internet		1,509
Janitorial		2,302
Travel		1,992
Drafting and art supplies		309
Dues and subscriptions		1,903
Audit		3,700
Miscellaneous		842
Bank charges		119
Public Relations		270
Registration		45
Consultants		400
Utilities		155
		<hr/>
Total indirect expenses	\$	<u>112,792</u>



Roland D. Kraushaar

Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Ph: (318) 445-9855 Fax: (318) 445-9882

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

To The Board of Commissioners
Rapides Area Planning Commission
Alexandria, Louisiana

I have audited the basic financial statements of the Rapides Area Planning Commission, as of and for the year ended June 30, 2004, and have issued my report thereon dated January 14, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Rapides Area Planning Commission's basic financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Reporting

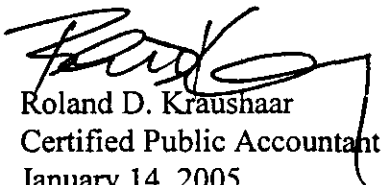
In planning and performing my audit, I considered the Rapides Area Planning Commission's internal control over general purpose financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions.

Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the Rapides Area Planning Commission's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The

reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2004-1 & 2004-02.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe items 2004-1 & 2004-02 of the reportable conditions described above are material weakness.

This report is intended for the information of management, and federal awarding agencies and pass-through entities.



Roland D. Kraushaar
Certified Public Accountant
January 14, 2005.

RAPIDES AREA PLANNING COMMISSION
ALEXANDRIA, LOUISIANA

SCHEDULE OF FINDINGS, QUESTIONED COSTS
AND CORRECTIVE ACTION

Year Ended June 30, 2004

<u>FUND INVOLVED</u>	<u>FINDINGS</u>	<u>COST</u>
General Fund	<p>2004-1 <u>Inadequate Segregation of Duties</u></p> <p>Finding:</p> <p>Due to the small number of accounting employees, the Commission did not have adequate segregation of functions within the accounting system.</p> <p>Recommendation:</p> <p>Based upon the size of the accounting operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.</p> <p>Response and/or Corrective Action:</p> <p>No response and/or corrective action necessary.</p>	N/A
	<p>2004-2 <u>Late Submission of Audit</u></p> <p>Timely audits must be submitted within six months to the Louisiana Legislative Auditors Office. This report was completed two weeks beyond that time. The auditor in charge received third degree burns on his arm resulting in surgery on September 9, which in turn resulted in him getting behind in his work load.</p> <p>Response and/or Corrective Action:</p> <p>The auditor has had a complete recovery, therefore no other action is required at this time.</p>	