

**Alamo Area Council of Governments**

Financial Statements  
and  
Independent Auditors' Report

December 31, 2000

# Alamo Area Council of Governments

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## Financial Section

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**PADGETT, STRATEMANN & CO., L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS  
AND BUSINESS ADVISORS

Independent Auditors' Report

To the Board of Directors  
Alamo Area Council of Governments

We have audited the accompanying general purpose financial statements of the Alamo Area Council of Governments, as of and for the year ended December 31, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Alamo Area Council of Governments as of December 31, 2000, and the results of its operations and changes in its fund balances for the year then ended, in conformity with generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining statements and supplemental schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements

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

The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and the State of Texas Single Audit Circular, issued by the Office of the Governor of the State of Texas, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2001, on our consideration of Alamo Area Council of Governments' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Padgett, Steteman & Co., L.L.P.*

Certified Public Accountants  
March 12, 2001

# General Purpose Financial Statements



# Alamo Area Council of Governments

## Combined Balance Sheet - All Fund Types and Account Groups

December 31, 2000  
(With Comparative Totals for December 31, 1999)

Assets	Governmental Fund Types	
	General	Special Revenue
Cash	\$ 117,784	\$ 4,557
Investments	195,633	937,206
Receivables:		
Grantor agencies	-	3,090,693
Other	39,936	29,977
Due from other funds	1,078,788	498,373
Prepaid expenditures	5,916	-
Deposits	10,000	-
Under-recovered employees benefits and indirect costs	619	-
Fixed assets	-	-
Amount to be provided	-	-
<b>Total assets</b>	<b>\$ 1,448,676</b>	<b>\$ 4,560,806</b>
<b>Liabilities, Fund Equity, and Other Credits</b>		
Liabilities:		
Accounts payable	\$ 287,033	\$ 349,318
Due to:		
Subgrantee agencies	-	1,485,455
Employees	-	-
Other funds	-	1,577,161
Over-recovered employee benefits and indirect costs	108,812	-
Accrued vacation	134,677	-
Other accrued liabilities	165,725	-
Deferred revenue	166,273	890,995
Notes payable	-	-
<b>Total liabilities</b>	<b>862,520</b>	<b>4,302,929</b>
Fund equity and other credits:		
Investment in general fixed assets	-	-
Fund balance:		
Unreserved	586,156	-
Reserved	-	257,877
<b>Total fund equity and other credits</b>	<b>586,156</b>	<b>257,877</b>
<b>Total liabilities, fund equity, and other credits</b>	<b>\$ 1,448,676</b>	<b>\$ 4,560,806</b>

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

Fiduciary Fund Type	Account Groups		Totals (Memo Only)	
	Agency	General Fixed Assets	General Long-Term Debt	December 31, 2000
\$ 2,483	\$ -	\$ -	\$ 124,824	\$ 219,040
-	-	-	1,132,839	801,988
-	-	-	3,090,693	2,226,808
-	-	-	69,913	60,380
-	-	-	1,577,161	1,065,513
-	-	-	5,916	3,534
-	-	-	10,000	-
-	-	-	619	-
-	2,301,429	-	2,301,429	2,029,462
-	-	43,008	43,008	64,283
<u>\$ 2,483</u>	<u>\$ 2,301,429</u>	<u>\$ 43,008</u>	<u>\$ 8,356,402</u>	<u>\$ 6,471,008</u>
\$ -	\$ -	\$ -	\$ 636,351	\$ 1,380,813
-	-	-	1,485,455	-
2,483	-	-	2,483	1,599
-	-	-	1,577,161	1,065,513
-	-	-	108,812	82,851
-	-	-	134,677	103,279
-	-	-	165,725	110,228
-	-	-	1,057,268	906,798
-	-	43,008	43,008	64,283
<u>2,483</u>	<u>-</u>	<u>43,008</u>	<u>5,210,940</u>	<u>3,715,364</u>
-	2,301,429	-	2,301,429	2,029,462
-	-	-	586,156	468,305
-	-	-	257,877	257,877
-	2,301,429	-	3,145,462	2,755,644
<u>\$ 2,483</u>	<u>\$ 2,301,429</u>	<u>\$ 43,008</u>	<u>\$ 8,356,402</u>	<u>\$ 6,471,008</u>

# Alamo Area Council of Governments

## Combined Statement of Revenue, Expenditures, and Changes in Fund Balance – All Governmental Fund Types

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	<u>Governmental Fund Types</u>		<u>Totals (Memo Only)</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>December 31, 2000</u>	<u>December 31, 1999</u>
Revenue:				
Federal	\$ -	\$ 9,297,279	\$ 9,297,279	\$ 8,431,023
State	-	3,885,807	3,885,807	4,618,249
Local	-	111,857	111,857	31,720
Delegate agency:				
Cash match	-	3,546,868	3,546,868	3,050,314
In-kind match	-	81,044	81,044	59,781
Program income	-	1,424,389	1,424,389	964,584
Program income	16,751	202,076	218,827	93,576
State planning grant	175,924	-	175,924	175,924
Member dues	176,290	-	176,290	175,107
Interest income	12,066	-	12,066	7,440
Other	25	-	25	23,081
<b>Total revenue</b>	<b><u>381,056</u></b>	<b><u>18,549,320</u></b>	<b><u>18,930,376</u></b>	<b><u>17,630,799</u></b>
Expenditures:				
Current:				
Personnel	961	2,866,320	2,867,281	2,350,998
Employee benefits	243	773,350	773,593	436,152
Contractual services	-	2,432,264	2,432,264	2,771,174
Travel	6,291	147,683	153,974	147,396
Space and utilities	143	193,355	193,498	148,244
Materials and supplies	51	352,909	352,960	430,069
Health and safety	-	27,362	27,362	18,590
Equipment	-	174,330	174,330	864,856
Public notices	-	36,458	36,458	25,825
Insurance and bonding	-	42,030	42,030	41,731
Printing and reproduction	250	84,928	85,178	89,790
Maintenance and repair	-	11,717	11,717	2,793
Equipment rental	-	-	-	1,041
Communications	156	206,511	206,667	183,808
Recruitment	-	-	-	183
Postage	-	26,104	26,104	25,219
Publications	-	5,402	5,402	2,170
Professional dues	12,128	2,280	14,408	14,240
Contractual nutrition/social services	-	10,495,185	10,495,185	8,963,600
Training in/out of region	-	35,079	35,079	40,113

(Continued)

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

## Alamo Area Council of Governments

### Combined Statement of Revenue, Expenditures, and Changes in Fund Balance – All Governmental Fund Types – Continued

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	Governmental Fund Types		Totals (Memo Only)	
	General	Special Revenue	December 31, 2000	December 31, 1999
	General	Special Revenue	December 31, 2000	December 31, 1999
Expenditures: (continued)				
Current: (continued)				
Tuition – staff	\$ -	\$ 900	\$ 900	\$ 620
Meeting others	14,313	6,304	20,617	31,067
Other	-	2,483	2,483	880,617
Indirect cost allocation	-	838,284	838,284	-
Debt service:				
Principal	12,268	-	12,268	56,872
Interest	4,483	-	4,483	7,951
<b>Total expenditures</b>	<b>51,287</b>	<b>18,761,238</b>	<b>18,812,525</b>	<b>17,535,119</b>
<b>Excess of revenue over (under) expenditures</b>	<b>329,769</b>	<b>(211,918)</b>	<b>117,851</b>	<b>95,680</b>
Other financing sources (uses):				
Other financing sources – proceeds from notes payable	-	-	-	54,585
Operating transfer in (out)	(211,918)	211,918	-	-
<b>Total other financing sources (uses)</b>	<b>(211,918)</b>	<b>211,918</b>	<b>-</b>	<b>54,585</b>
<b>Excess of revenue and other financing   sources over expenditures and other   financing uses</b>	<b>117,851</b>	<b>-</b>	<b>117,851</b>	<b>150,265</b>
<b>Fund balance at January 1, 2000</b>	<b>468,305</b>	<b>257,877</b>	<b>726,182</b>	<b>575,917</b>
<b>Fund balance at December 31, 2000</b>	<b>\$ 586,156</b>	<b>\$ 257,877</b>	<b>\$ 844,033</b>	<b>\$ 726,182</b>

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## Alamo Area Council of Governments

### Combined Statement of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund

Year Ended December 31, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Program income	\$ 16,751	\$ 16,751	\$ -
State planning grant	175,924	175,924	-
Member dues	179,006	176,290	(2,716)
Interest income	7,500	12,066	4,566
Other	-	25	25
	<u>379,181</u>	<u>381,056</u>	<u>1,875</u>
Total revenue			
Expenditures:			
Current:			
Personnel	4,720	961	3,759
Employee benefits	1,281	243	1,038
Contractual services	29,640	-	29,640
Travel	9,000	6,291	2,709
Space and utilities	131	143	(12)
Materials and supplies	515	51	464
Printing and reproduction	1,000	250	750
Communications	200	156	44
Postage	300	-	300
Professional dues	13,000	12,128	872
Meeting others	14,395	14,313	82
Unallocated	24,362	-	24,362
Debt service:			
Principal	12,268	12,268	-
Interest	4,483	4,483	-
	<u>115,295</u>	<u>51,287</u>	<u>64,008</u>
Total expenditures			
Excess of revenue over (under) expenditures	<u>263,886</u>	<u>329,769</u>	<u>65,883</u>
Other financing sources (uses):			
Operating transfer (out)	<u>(263,886)</u>	<u>(211,918)</u>	<u>51,968</u>
Total other financing sources (uses)	<u>(263,886)</u>	<u>(211,918)</u>	<u>51,968</u>
Excess of revenue and other financing sources over expenditures and other financing uses	-	117,851	117,851
Fund balance at January 1, 2000	<u>468,305</u>	<u>468,305</u>	-
Fund balance at December 31, 2000	<u>\$ 468,305</u>	<u>\$ 586,156</u>	<u>\$ 117,851</u>

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

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# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note A - Summary of Significant Accounting Policies**

A summary of the significant accounting policies applied in the preparation of the accompanying general purpose financial statements is as follows:

#### **1. General**

The Alamo Area Council of Governments (AACOG) is a voluntary association of local governments. Established in 1967, AACOG assists local governments in planning for common needs, cooperating for mutual benefit, and coordinating for systematic development. Operations of AACOG are a 12-county area in South Central Texas. AACOG is political subdivision of the state of Texas under enabling legislation, Local Government Code, Chapter 391, Regional Planning Commission. It does not have any legislative or taxing authority and is not subject to income taxes. Its basic operations are financed by membership dues and financial assistance provided by the state of Texas. These funds are supplemented by federal and state administered grant funds awarded to AACOG for specific programs.

#### **2. Reporting Entity**

The reporting entity consists of the primary government, AACOG, organizations for which the primary government is financially accountable, and other organization for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's general purpose financial statements to be misleading or incomplete.

Financial accountability exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the primary government.



# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note A – Summary of Significant Accounting Policies (continued)**

In accordance with Government Accounting Standards Board requirements, AACOG has reviewed other entities and activities for possible inclusion in the reporting entity. Based on this review the following organization has been included in the financial reporting entity:

#### ***Blended Component Unit***

During 1995, AACOG formed a nonprofit organization, Alamo Area Development Corporation (AADC). AADC is governed by a Board of five directors which are also members of the governing body of AACOG. During 1998, AADC contracted with Alamo Workforce Development, Inc. to administer various grant programs, consisting primarily of Texas Workforce Commission grants, as presented on the accompanying Schedule of Expenditures of Federal and State Awards. AADC is presented as a Special Revenue Fund in the financial statements. Complete financial statements may be obtained at the entity's administrative office.

### **3. Fund Accounting**

To ensure observance of limitations and restrictions placed on the use of resources available, the accounts of AACOG are maintained in accordance with the principles of fund accounting. This is a procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; however, in the accompanying general purpose financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group. AACOG's activities are classified into the following fund types and account groups as follows:

#### ***Governmental Fund Types***

##### ***General Fund***

The General Fund accounts for the resources used to finance the fundamental operations of AACOG. It is the basic fund of AACOG and covers all activities for which a Special Revenue Fund has not been established.

##### ***Special Revenue Funds***

These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note A – Summary of Significant Accounting Policies (continued)

#### *Fiduciary Fund Type*

##### *Agency Fund*

This type of fund accounts for the receipt and disbursement of cash and other resources for which AACOG acts as an agent. The Employee Fund is accounted for in this category. This fund accounts for amounts deducted from employees' earnings that are used for various special purposes at their discretion.

##### *Account Group*

##### *General Fixed Assets*

This account group is used to record the general fixed assets owned by AACOG. Expenditure transactions to acquire general fixed assets occur in the General Fund and Special Revenue Funds. The General Fixed Asset Account Group displays the original cost of furniture, equipment, vehicles, and software.

##### *General Long-Term Debt*

This account group records the principal outstanding on all general long-term debt and is offset by the amount to be provided in future years.

#### **4. Financial Reporting and Comparative Data**

The general purpose financial statements show the basic financial statements of AACOG by providing a combined overview of financial position and results of operations of AACOG. The total "memo only" columns in these statements are presented for overview information purposes only and are not meant to fairly present financial position or results of operations for AACOG as a whole in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note A – Summary of Significant Accounting Policies (continued)**

Comparative data for the prior year has been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in AACOG's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type) has not been presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read. Certain reclassifications have been made to prior comparative data to conform to the current year presentation.

#### **5. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund type is determined by its measurement focus. AACOG's Governmental Funds (General Fund and Special Revenue Funds) are accounted for by using the modified accrual basis of accounting and utilizing a financial resources measurement focus. Under this method, revenue is recognized when it becomes both measurable and available to finance expenditures of the current period. Expenditures are recognized in the accounting period when the related fund liability is incurred.

#### **6. Measurement Focus**

The Governmental Fund types (General and Special Revenue) are accounted for on a "spending" measurement focus. This means that only current assets and current liabilities are included on the balance sheet and the fund balance is a measure of "available resources," or net current assets. The Government Fund type operating statements present the increases (revenue and sources) and decreases (expenditures and other uses) in the net current assets; the operating statements thus summarize both sources and uses.

#### **7. Annual Budgets**

AACOG prepares annual operating budgets for the General Fund and Special Revenue Funds which are approved by the Executive Board. They are prepared from the best information available and are subject to change since the primary funding sources of AACOG are federal, state, and local grants whose grant periods may or may not coincide with AACOG's fiscal year. Also, the grant amounts may change or additional grants may be added due to grant funding agency governments; therefore, grant amounts awarded have to be converted to AACOG's fiscal year and grant revenue amounts estimated may change. AACOG has no taxing or oversight authority.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note A – Summary of Significant Accounting Policies (continued)**

Accordingly, the budgetary process is not one which culminates in an appropriation bill or ordinance enacted into law. Further, although the annual budgets are prepared and approved by the Board, greater emphasis is placed on complying with grant terms and conditions on a grant-by-grant basis for the various grants awarded to AACOG. The annual budget is a management tool that is used to facilitate analysis of financial operations for the fiscal year. Since grant years differ from AACOG's year-end, the budgets for the Special Revenue Funds span across more than one year. Because of this, only the General Fund budget is presented.

#### **8. Indirect Costs and Fringe Benefit and Leave Pool Allocations**

General administrative and employee fringe benefits costs are recorded in cost pools. The costs are partially recovered from Special Revenue Funds based on negotiated indirect and fringe benefit rates. These rates are negotiated with the Texas Department on Aging (TDOA), which is AACOG's designated state cognizant agency for the negotiation and approval of indirect and fringe benefit rates for use on federal grants. Indirect costs are defined by the U.S. Office of Management and Budget Circular A-87 as costs "(a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved." AACOG uses a fixed rate plus carryforward provision. The rates are submitted with the cognizant agency on an annual basis, based on projected costs submitted on a cost allocation plan for indirect fringe benefit and leave pool costs. The negotiated rates approved are used for billing purposes. Final costs not recovered by the billing rates are allowed by the oversight federal agency to be recovered in succeeding years.

#### **9. Investments**

Investments consist of accounts in the Texas Local Government Investment Pool (TexPool) which are valued at fair value.

#### **10. Due From Grantor Agencies**

Due from grantor agencies consists of receivables for reimbursement from federal, state, and local agencies under various grants and programs. Management believes that all amounts are collectible.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note A - Summary of Significant Accounting Policies (continued)

#### 11. Over-Recovered (Under-Recovered) Employee Benefits and Indirect Costs

Over-recovered (under-recovered) employee benefits and indirect costs consist of costs incurred for employee benefits and general administrative costs. This liability (asset) will be reduced in succeeding years through AACOG's indirect and fringe benefit rate. Total fringe benefits over-recovered as of December 31, 2000 were \$108,812. This total fringe benefits over-recovered amount does not include \$134,677 of unused vacation liability. Total indirect costs under-recovered as of December 31, 2000 were \$619.

#### 12. Fixed Assets

Fixed assets are shown at original cost. Donated assets are valued at the fair market value on the date donated. Costs incurred for the purchase of general fixed assets are recorded as capital outlay expenditures in the General and Special Revenue Funds. All such costs are capitalized in the General Fixed Assets Account Group. No depreciation is provided for on the general fixed assets of AACOG.

#### 13. Vacation and Personal Leave

AACOG allows employees to accumulate and carryforward a maximum of 280 hours of vacation leave. Upon termination, AACOG pays accrued vacation leave up to 280 hours. Personal leave is used for an employee's illnesses and other specified personal time off. Personal leave is accrued based on years of service. At the end of each calendar year, unused personal leave may be converted to vacation or paid in cash. At December 31, 2000, AACOG had a liability for unused vacation of \$134,677. All accrued leave is included in the General Fund because any noncurrent portion would not be considered material.

#### 14. Deferred Revenue

Deferred revenue arises principally from grant proceeds that exceed current grant expenditures and are not considered "available" to finance expenditures of the current period.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note A – Summary of Significant Accounting Policies (continued)

#### 15. Revenue

*Federal and State Grant Revenue* – Generally, grant revenue is earned and recognized when program expenditures have been incurred in conformance with grant agreements.

*State Planning Awards* – State planning awards revenue is recognized upon notification of the award amount since the amounts are measurable and collectible within the current period.

*Member Government Dues* – Member dues are set annually by AACOG Bylaws and are recognized as revenue when assessed because they are measurable and collectible within the current period.

*Local Contributed Cash* – Contributions from local governments and other program participants are recognized as revenue when grant expenditures are incurred.

*In-Kind Contributed Services* – Contributed services are provided by individual, private organizations, and local governments. Such services are used to match federal funding on various grants and are recorded as revenue and expenditures in accordance with the requirements of the individual grants. Contributed services are recorded at the estimated fair value at time of receipt of service.

### Note B – Cash and Investments

#### *Cash*

AACOG's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with AACOG's agent bank, approved pledged securities in an amount sufficient to protect AACOG's funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Cash includes amounts in demand deposits at the depository bank. At December 31, 2000, the carrying amount of the Council's bank deposits was \$124,524 and the bank balance was \$327,337. AACOG also had \$300 in petty cash. AACOG's cash deposits at December 31, 2000 and during the year were entirely covered by FDIC insurance or by pledged collateral held by AACOG's agent bank. The deposits were collateralized in accordance with Texas law.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note B - Cash and Investments (continued)

Cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are as follows:

- Category 1: Deposits which are insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2: Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3: Deposits which are not collateralized.

Based on these three levels of risk, the cash deposits are classified as Category 1.

### *Investments*

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires AACOG to adopt, implement, and publicize an investment policy. That policy must address the following areas: safety of principal and liquidity, portfolio diversification, allowable investments, acceptable risk levels, expected rates of return, maximum allowable stated maturity of portfolio investments, maximum average dollar-weighted maturity allowable based on the stated maturity date for the portfolio, investment staff quality and capabilities, and bid solicitation preferences for certificates of deposit. Statutes authorize AACOG to invest in obligations of the U.S. Treasury, certain U.S. agencies, and state of Texas certificates of deposit, certain municipal securities, money market savings accounts, repurchase agreements, bankers acceptances, mutual funds, investment pools, guaranteed investment contracts, and common trust funds. The Act also requires AACOG to have independent auditors perform test procedures related to investment practices as provided by the Act. AACOG is in substantial compliance with the requirements of the Act and with local policies.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note B - Cash and Investments (continued)

Similar to cash deposits, investments held at a financial institution can be categorized according to three levels of risk. These three levels of risk are as follows:

Category 1: Investments which are insured, registered, or held by AACOG or by its agent in AACOG's name.

Category 2: Investments which are uninsured and unregistered held by the counterparty's trust department or agent in AACOG's name.

Category 3: Uninsured and unregistered investments held by the counterparty, its trust department, or its agent, but not in AACOG's name.

AACOG's temporary investments, which were recorded at cost, at December 31, 2000 were as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Investments not subject to categorization:		
Investment pools	\$ <u>1,132,839</u>	\$ <u>1,132,839</u>



# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note C – Interfund Receivables and Payables

The following is a summary of due from and due to other funds at December 31, 2000:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ <u>1,078,788</u>	\$ <u>-</u>
Special Revenue Funds:		
Alamo Area Development Corporation	-	369,711
AADC Pass Through	369,711	356,616
Metropolitan Planning	-	86,357
TRW/Randolph	-	16,740
Governor’s Office of General Council and Criminal Justice	-	55,460
Economic Development Administration	-	3,363
Texas Department of Transportation – 5311	5,621	56,086
Texas Department of Transportation – Rideshare	-	36,657
AACOG Local Tourism	3,994	-
Texas Water Development Board	-	10,062
Texas Natural Resources Conservation Commission	-	176,110
AACOG Local Conferences/Training	-	48
U.S. Department of Housing and Urban Development	56,672	-
Texas Department of Housing and Community Affairs – CD	-	3,994
Texas Department of Housing and Community Affairs – WX	62,227	3
Commission on State Emergency Communications	-	163,085
Texas Department on Aging – Alamo	-	78,986
Texas Department on Aging – Bexar	-	149,796
Local GIS	53	-
Crime Stoppers	-	181
Clean Cities Program	95	-
Rape Crisis Center	-	10,187
U.S. Geological Survey	-	3,719
	<u>498,373</u>	<u>1,577,161</u>
	<u>\$ 1,577,161</u>	<u>\$ 1,577,161</u>

**Alamo Area Council of Governments**

**Notes to Financial Statements**

December 31, 2000

**Note D – Changes in General Fixed Assets**

The following is a summary of changes in AACOG’s general fixed assets:

	<u>Furniture</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Software</u>	<u>Total</u>
Balance at January 1, 2000	\$ 36,075	\$ 1,059,080	\$ 795,024	\$ 139,283	\$ 2,029,462
Additions	88,999	130,995	33,000	22,990	275,984
Deletions	-	-	(4,017)	-	(4,017)
Balance December 31, 2000	<u>\$ 125,074</u>	<u>\$ 1,190,075</u>	<u>\$ 824,007</u>	<u>\$ 162,273</u>	<u>\$ 2,301,429</u>

**Note E – Notes Payable**

Notes payable outstanding as of December 31, 2000, consisted of the following:

<u>Lender</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Amount Issued</u>	<u>Description of Collateral</u>	<u>Amount Outstanding</u>
Bank One	8.5%	12/21/02	\$ 8,927	Vehicle	\$ 4,302
Bank One	8.5%	05/28/00	60,711	Telephone equipment	175
Bank One	8.5%	01/08/03	9,557	Vehicle	5,621
Bank One	8.5%	02/08/04	19,114	Vehicles	13,491
Bank One	8.5%	10/22/03	25,914	Vehicle	19,419
					<u>\$ 43,008</u>

Changes in notes payable during the year are summarized below:

	<u>Balance Outstanding January 1, 2000</u>	<u>Issued During Year</u>	<u>Retired During Year</u>	<u>Balance Outstanding December 31, 2000</u>
Notes payable	<u>\$ 64,283</u>	<u>\$ -</u>	<u>\$ 21,275</u>	<u>\$ 43,008</u>

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note E - Notes Payable (continued)

The notes payable mature through 2004 as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2001	\$ 14,848
2002	15,770
2003	11,575
2004	<u>815</u>
	<u>\$ 43,008</u>

### Note F - Operating Leases

AACOG is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations and, therefore, the results of the lease agreements are not reflected in AACOG's general fixed asset account group. The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of December 31, 2000:

<u>Year Ending December 31,</u>	<u>Amount</u>
2001	\$ 404,819
2002	359,543
2003	437,444
2004	472,732
2005	502,028
Thereafter	<u>960,778</u>
	<u>\$ 3,137,344</u>

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note G – Deferred Compensation Plan**

AACOG has adopted two separate U.S. Internal Revenue Code (IRC) Section 457 State and Local Government Employee Deferred Compensation Plans. One is sponsored by the National Association of Counties (NACO) and administered by the Public Employee Benefit Services Corporation (PEBSCO). The other is administered by the ICMA Retirement Corporation. The plans are voluntary, intended solely for the benefit of the employees and their beneficiaries and are designed primarily to allow tax-free deferral of a portion of an employee's salary. For each employee, AACOG contributes .85% towards their plan and matches the employee's contribution up to 6% (3% employee and 3% AACOG).

### **Note H – Employee Pension Plan**

#### ***Defined Benefit Plan***

AACOG provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 502 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financing report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS State Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

#### ***Plan Description***

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of services, with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more years. Members are vested after 10 years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any amounts contributed by their employer.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note H - Employee Pension Plan (continued)**

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

#### ***Funding Policy***

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 6.33% for calendar year 2000. The contribution rate payable by the employee members is the rate of 4.00% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

#### ***Annual Pension Cost***

For the employer's accounting year ending December 31, 2000, the annual pension cost for the TCDRS plan for its employees was \$288,312, and the actual contributions were \$288,312.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 1998, the basis for determining the contribution rate for calendar year 2000. The December 31, 1999 actuarial valuation is the most recent valuation.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### Note H – Employee Pension Plan (continued)

#### Actuarial Valuation Information

Actuarial valuation date	12/31/97	12/31/98	12/31/99
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of open payroll, open	Level percentage of open payroll, open	Level percentage of open payroll, open
Amortization period in years	20.0	20.0	20.0
Asset valuation method	Long-term appreciation for adjustment	Long-term appreciation for adjustment	Long-term appreciation for adjustment
Actuarial assumptions:			
Investment return*	8.00%	8.00%	8.00%
Projected salary increases*	5.90%	5.90%	5.90%
Inflation	4.00%	4.00%	4.00%
Cost-of-living adjustments	-	-	-

\*Includes inflation at the stated rate

#### Trend Information for the Retirement Plan for the Employees of Alamo Area Council of Governments

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/98	\$375,329	100%	\$ -
12/31/99	294,893	100%	-
12/31/00	288,312	100%	-

*Transition Disclosure* – It was determined in accordance with GASB Statement No. 27 that the pension liability was zero at the transition to that statement effective at the beginning of this accounting year, because all actuarially required contributions for the accounting years beginning in 1987 up to the beginning of this accounting year have been paid. There was no previously reported pension liability before the transition. Therefore, the difference between the pension liability at transition and the previously reported liability is zero.

**Alamo Area Council of Governments**

Notes to Financial Statements

December 31, 2000

**Note H - Employee Pension Plan (continued)**

**Schedule of Funding Progress for the Retirement Plan  
for the Employees of Alamo Area Council of Governments**

<u>Year</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (1) (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
1996	\$1,062,926	\$1,945,020	\$882,094	54.65%	\$1,535,215	57.46%
1997 (2)	1,301,945	2,161,564	859,619	60.23%	1,697,342	50.65%
1998	1,602,737	2,446,830	844,093	65.50%	2,085,171	40.48%
1999	1,927,029	2,714,483	787,454	70.99%	2,644,767	29.77%

- (1) The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.
- (2) Revised economic and demographic assumptions due to an experience review were reflected in this valuation.

**Note I - Delegate Agency Costs and Contingencies**

AACOG contracts with various local governments and other agencies to perform specific services under grants awarded to it. Disbursements to these agencies are made based on monthly performance or expenditure reports. Each subgrantee expending in excess of \$300,000 in federal awards is required to have an independent audit of these funds in accordance with the requirements of the Single Audit Act of 1984 and submit a copy of the report to AACOG. If such audit report discloses expenditures or performance not in accordance with the grant agreements, the grantor agency could disallow the cost reimbursement and require reimbursement of the disallowed costs. AACOG generally has the right of recovery from subgrantees for disallowed costs. For the year ended December 31, 2000, AACOG had not received all the audit reports due from its subgrantees. However, based on prior experience, management does not believe AACOG will incur any significant losses from audit disallowances.

# Alamo Area Council of Governments

## Notes to Financial Statements

December 31, 2000

### **Note J – Risk Management**

AACOG is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which AACOG carries insurance. There have been no significant reductions in insurance coverage for these risks of loss since the prior year and there have been no settlements in excess of the insurance coverage for any of the past three fiscal years.

AACOG contracts with the Texas Municipal League Intergovernmental Risk Pool (TML) to provide for its workers' compensation, general and auto liability, and property insurance coverages. Contributions are set annually by TML.



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**Combining Statements  
and Supplemental Schedules**

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# Governmental Fund Types

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### **SPECIAL REVENUE FUNDS**

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

# Alamo Area Council of Governments

## Combining Balance Sheet – All Special Revenue Funds

December 31, 2000  
(With Comparative Totals for December 31, 1999)

Assets	<u>Alamo Area Development Corporation</u>	<u>AADC Pass Through</u>	<u>Metropolitan Planning</u>	<u>TRW/ Randoph</u>
Cash	\$ 4,557	\$ -	\$ -	\$ -
Investments	-	-	-	-
Receivables:				
Grantor agencies	515,849	-	86,975	20,812
Other	-	-	-	-
Due from other funds	<u>-</u>	<u>369,711</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 520,406</u></b>	<b><u>\$ 369,711</u></b>	<b><u>\$ 86,975</u></b>	<b><u>\$ 20,812</u></b>
<b>Liabilities and Fund Equity</b>				
Liabilities:				
Accounts payable	\$ 105,322	\$ 13,095	\$ 503	\$ -
Due to:				
Subgrantee agencies	-	-	-	4,072
Other funds	369,711	356,616	86,357	16,740
Deferred revenue	<u>45,373</u>	<u>-</u>	<u>115</u>	<u>-</u>
	<u>520,406</u>	<u>369,711</u>	<u>86,975</u>	<u>20,812</u>
Fund equity:				
Reserved fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund equity</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total liabilities and fund equity</b>	<b><u>\$ 520,406</u></b>	<b><u>\$ 369,711</u></b>	<b><u>\$ 86,975</u></b>	<b><u>\$ 20,812</u></b>

<u>AACOG Local TDHS</u>	<u>AACOG Local Workstudy</u>	<u>Governor's Office of General Council and Criminal Justice</u>	<u>Economic Development Administration</u>	<u>Texas Department of Transportation 5311</u>	<u>Texas Department of Transportation Rideshare</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	144,695	3,369	192,234	50,039
-	-	29,977	-	-	-
-	-	-	-	5,621	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,672</u>	<u>\$ 3,369</u>	<u>\$ 197,855</u>	<u>\$ 50,039</u>
\$ -	\$ -	\$ 57,311	\$ -	\$ 12,712	\$ 7,878
-	-	-	-	96,244	-
-	-	55,460	3,363	56,086	36,657
-	-	61,901	6	32,813	5,504
-	-	174,672	3,369	197,855	50,039
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,672</u>	<u>\$ 3,369</u>	<u>\$ 197,855</u>	<u>\$ 50,039</u>

(Continued)



**Alamo Area Council of Governments**

**Combining Balance Sheet –  
All Special Revenue Funds – Continued**

December 31, 2000  
(With Comparative Totals for December 31, 1999)

Assets	<u>AACOG Local Tourism</u>	<u>Texas Water Development Board</u>	<u>Texas Natural Resource Conservation Commission</u>
Cash	\$ -	\$ -	\$ -
Investments	-	-	434,330
Receivables:			
Grantor agencies	-	10,062	181,968
Other	-	-	-
Due from other funds	<u>3,994</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 3,994</u></b>	<b><u>\$ 10,062</u></b>	<b><u>\$ 616,298</u></b>
<b>Liabilities and Fund Equity</b>			
Liabilities:			
Accounts payable	\$ 247	\$ -	\$ 5,632
Due to:			
Subgrantee agencies	-	-	-
Other funds	-	10,062	176,110
Deferred revenue	<u>3,747</u>	<u>-</u>	<u>434,556</u>
	<u>3,994</u>	<u>10,062</u>	<u>616,298</u>
Fund equity:			
Reserved fund balance	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund equity</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total liabilities and fund equity</b>	<b><u>\$ 3,994</u></b>	<b><u>\$ 10,062</u></b>	<b><u>\$ 616,298</u></b>

<u>AACOG Local Conference</u>	<u>U.S. Department of Housing and Urban Development</u>	<u>Texas Department of Housing and Community Affairs - CD</u>	<u>Texas Department of Housing and Community Affairs - WX</u>	<u>Commission on State Emergency Communications</u>	<u>Texas Department on Aging - Alamo</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	502,876	-
1,531	8,138	3,994	46,177	139,328	570,261
-	-	-	-	-	-
<u>-</u>	<u>56,672</u>	<u>-</u>	<u>62,227</u>	<u>-</u>	<u>-</u>
<u>\$ 1,531</u>	<u>\$ 64,810</u>	<u>\$ 3,994</u>	<u>\$ 108,404</u>	<u>\$ 642,204</u>	<u>\$ 570,261</u>
\$ 739	\$ 18,518	\$ -	\$ 93,159	\$ 34,065	\$ -
-	-	-	-	-	478,260
48	-	3,994	3	163,085	78,986
744	46,292	-	15,242	187,177	13,015
<u>1,531</u>	<u>64,810</u>	<u>3,994</u>	<u>108,404</u>	<u>384,327</u>	<u>570,261</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>257,877</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>257,877</u>	<u>-</u>
<u>\$ 1,531</u>	<u>\$ 64,810</u>	<u>\$ 3,994</u>	<u>\$ 108,404</u>	<u>\$ 642,204</u>	<u>\$ 570,261</u>

(Continued)

**Alamo Area Council of Governments**

Combining Balance Sheet –  
All Special Revenue Funds – Continued

December 31, 2000  
(With Comparative Totals for December 31, 1999)

Assets	Texas Department on Aging - Bexar	Local GIS	Crime Stoppers
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Grantor agencies	1,098,673	-	181
Other	-	-	-
Due from other funds	-	53	-
<b>Total assets</b>	<b>\$ 1,098,673</b>	<b>\$ 53</b>	<b>\$ 181</b>
 <b>Liabilities and Fund Equity</b>			
Liabilities:			
Accounts payable	\$ -	\$ 7	\$ -
Due to:			
Subgrantee agencies	906,879	-	-
Other funds	149,796	-	181
Deferred revenue	41,998	46	-
	<u>1,098,673</u>	<u>53</u>	<u>181</u>
Fund equity:			
Reserved fund balance	-	-	-
<b>Total fund equity</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund equity</b>	<b>\$ 1,098,673</b>	<b>\$ 53</b>	<b>\$ 181</b>

<u>Clean Cities Program</u>	<u>Rape Crisis Center</u>	<u>U.S. Geological Survey</u>	<u>Texas Workforce Commission</u>	<u>Totals (Memo Only)</u>	
				<u>December 31, 2000</u>	<u>December 31, 1999</u>
\$ -	\$ -	\$ -	\$ -	\$ 4,557	\$ -
-	-	-	-	937,206	798,236
2,371	10,317	3,719	-	3,090,693	2,226,808
-	-	-	-	29,977	23,984
95	-	-	-	498,373	92,104
<u>\$ 2,466</u>	<u>\$ 10,317</u>	<u>\$ 3,719</u>	<u>\$ -</u>	<u>\$ 4,560,806</u>	<u>\$ 3,141,132</u>
\$ -	\$ 130	\$ -	\$ -	\$ 349,318	\$ 1,291,255
-	-	-	-	1,485,455	-
-	10,187	3,719	-	1,577,161	823,283
2,466	-	-	-	890,995	768,717
<u>2,466</u>	<u>10,317</u>	<u>3,719</u>	<u>-</u>	<u>4,302,929</u>	<u>2,883,255</u>
-	-	-	-	257,877	257,877
-	-	-	-	257,877	257,877
<u>\$ 2,466</u>	<u>\$ 10,317</u>	<u>\$ 3,719</u>	<u>\$ -</u>	<u>\$ 4,560,806</u>	<u>\$ 3,141,132</u>

## Alamo Area Council of Governments

### Combining Statement of Revenue, Expenditures, and Changes in Fund Balance – All Special Revenue Funds

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	<u>Alamo Area Development Corporation</u>	<u>AADC Pass Through</u>	<u>Metropolitan Planning</u>	<u>TRW/ Randolph</u>
Revenue:				
Federal	\$ 2,440,126	\$ -	\$ 222,792	\$ 20,812
State	-	-	-	-
Local	51,436	55,006	-	-
Delegate agency:				
Cash match	-	-	-	-
In-kind match	-	-	-	-
Program income	-	-	-	-
Program income	124	-	-	-
	<u>2,491,686</u>	<u>55,006</u>	<u>222,792</u>	<u>20,812</u>
Total revenue				
Expenditures:				
Personnel	-	1,103,877	106,843	8,878
Employee benefits	-	297,609	28,848	2,397
Contractual services	848,955	132,014	24,129	-
Travel	-	64,415	(133)	-
Space and utilities	-	18,881	10,407	-
Materials and supplies	6,990	34,635	3,735	856
Health and safety	-	-	-	4,479
Equipment	299	15,683	-	-
Public notices	-	11,790	58	-
Insurance and bonding	-	-	-	-
Printing and reproduction	-	4,590	1,123	-
Maintenance and repair	-	3,175	-	-
Equipment rental	-	-	-	-
Communications	9	27,770	10,410	730
Recruitment	-	-	-	-
Postage	137	4,316	11	3
Publications	-	614	-	-
Professional dues	-	-	-	-
Contractual nutrition/social services	-	-	-	-
Training in/out of region	-	3,115	-	-
Tuition – staff	-	-	-	-
Meeting others	74	335	-	-
Other	-	-	1	-
Indirect cost allocation	-	86,999	37,360	3,469
	<u>856,464</u>	<u>1,809,818</u>	<u>222,792</u>	<u>20,812</u>
Total expenditures				
Excess of revenue over (under) expenditures	<u>1,635,222</u>	<u>(1,754,812)</u>	<u>-</u>	<u>-</u>

<u>AACOG Local TDHS</u>	<u>AACOG Local Workstudy</u>	<u>Governor's Office of General Council and Criminal Justice</u>	<u>Economic Development Administration</u>	<u>Texas Department of Transportation 5311</u>	<u>Texas Department of Transportation Rideshare</u>
\$ -	\$ -	\$ 197,445	\$ 52,497	\$ 327,819	\$ 122,757
-	-	744,264	-	646,139	-
-	-	-	-	(4,784)	3,708
-	-	-	-	542,981	-
-	-	-	-	-	15,265
-	-	-	-	-	-
-	-	177,330	-	9,563	-
-	-	<u>1,119,039</u>	<u>52,497</u>	<u>1,521,718</u>	<u>141,730</u>
1,366	5,409	318,545	39,730	117,692	56,065
369	1,459	86,007	10,769	31,777	15,137
2,412	-	124,584	-	1,073	26,008
168	-	21,189	1,858	3,055	427
299	284	43,340	2,419	10,050	6,550
300	-	55,435	(16)	1,879	2,462
-	-	-	-	-	-
-	-	81,215	632	11,183	3,832
-	-	5,267	62	4,719	365
-	-	2,816	-	39,214	-
1,968	358	28,582	1,191	5,277	2,796
-	-	2,500	-	43	-
-	-	-	-	-	-
333	299	34,704	2,837	10,849	7,332
-	-	-	-	-	-
302	19	5,145	231	401	317
-	-	3,446	-	-	-
-	-	335	-	(25)	-
-	-	-	-	1,245,175	-
-	-	28,987	-	292	-
-	-	-	-	-	-
-	-	636	132	466	-
-	-	-	-	456	-
<u>1,623</u>	<u>1,566</u>	<u>156,716</u>	<u>10,241</u>	<u>57,073</u>	<u>20,439</u>
<u>9,140</u>	<u>9,394</u>	<u>999,449</u>	<u>70,086</u>	<u>1,540,649</u>	<u>141,730</u>
<u>(9,140)</u>	<u>(9,394)</u>	<u>119,590</u>	<u>(17,589)</u>	<u>(18,931)</u>	<u>-</u>

(Continued)

**Alamo Area Council of Governments**

**Combining Statement of Revenue, Expenditures, and Changes in Fund Balance -  
All Special Revenue Funds - Continued**

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	<u>Alamo Area Development Corporation</u>	<u>AADC Pass Through</u>	<u>Metropolitan Planning</u>	<u>TRW/ Randolph</u>
Other financing sources (uses):				
Other financing sources - proceeds from notes payable	\$ -	\$ -	\$ -	\$ -
Operating transfer in	119,590	1,754,812	-	-
Operating transfer (out)	<u>(1,754,812)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,635,222)</u>	<u>1,754,812</u>	<u>-</u>	<u>-</u>
Excess of revenue and other financing sources over expenditures and other financing uses	-	-	-	-
Fund balance at January 1, 2000	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at December 31, 2000	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>AACOG Local TDHS</u>	<u>AACOG Local Workstudy</u>	<u>Governor's Office of General Council and Criminal Justice</u>	<u>Economic Development Administration</u>	<u>Texas Department of Transportation 5311</u>	<u>Texas Department of Transportation Rideshare</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9,140	9,394	-	17,589	18,931	-
-	-	(119,590)	-	-	-
<u>9,140</u>	<u>9,394</u>	<u>(119,590)</u>	<u>17,589</u>	<u>18,931</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)



## Alamo Area Council of Governments

### Combining Statement of Revenue, Expenditures, and Changes in Fund Balance – All Special Revenue Funds – Continued

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	<u>AACOG Local Tourism</u>	<u>Texas Water Development Board</u>	<u>Texas Natural Resource Conservation Commission</u>
Revenue:			
Federal	\$ -	\$ -	\$ -
State	-	-	1,191,109
Local	2,164	-	90
Delegate agency:			
Cash match	-	-	-
In-kind match	-	-	43,687
Program income	-	-	-
Program income	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>2,164</u>	<u>-</u>	<u>1,234,886</u>
Expenditures:			
Personnel	-	-	318,346
Employee benefits	-	-	85,954
Contractual services	-	-	560,167
Travel	100	-	8,896
Space and utilities	676	-	28,036
Materials and supplies	-	-	42,989
Health and safety	-	-	-
Equipment	-	-	3,359
Public notices	-	-	2,974
Insurance and bonding	-	-	-
Printing and reproduction	140	-	9,319
Maintenance and repair	-	-	-
Equipment rental	-	-	-
Communications	-	-	30,497
Recruitment	-	-	-
Postage	87	-	3,603
Publications	-	-	353
Professional dues	-	-	75
Contractual nutrition/SS	-	-	-
Training in/out of region	-	-	200
Tuition – staff	-	-	-
Meeting others	841	-	75
Indirect cost allocation	<u>320</u>	<u>-</u>	<u>140,043</u>
Total expenditures	<u>2,164</u>	<u>-</u>	<u>1,234,886</u>
Excess of revenue over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>

<u>AACOG Local Conference</u>	<u>U.S. Department of Housing and Urban Development</u>	<u>Texas Department of Housing and Community Affairs - CD</u>	<u>Texas Department of Housing and Community Affairs - WX</u>	<u>Commission on State Emergency Communications</u>	<u>Texas Department on Aging - Alamo</u>
\$ -	\$ 290,726	\$ 13,191	\$ 535,417	\$ -	\$ 1,383,772
-	-	-	-	683,377	224,391
3,137	-	-	-	-	-
-	-	-	-	-	49,051
-	-	-	-	-	-
-	-	-	-	-	951,780
-	-	-	-	-	-
<u>3,137</u>	<u>290,726</u>	<u>13,191</u>	<u>535,417</u>	<u>683,377</u>	<u>2,608,994</u>
-	16,242	14,890	117,628	73,670	148,470
-	4,385	4,004	31,760	19,892	40,087
480	-	-	116,666	548,197	2,876
-	1,236	270	8,311	3,992	15,332
5	-	724	11,235	4,962	14,425
-	91	77	168,501	2,040	9,935
-	-	-	22,883	-	-
-	-	-	-	2,036	10,013
-	-	206	560	-	4,619
-	-	-	-	-	-
554	-	386	2,031	1,273	8,543
-	-	-	-	-	-
-	-	-	-	-	-
-	148	745	12,108	5,604	17,617
-	-	-	-	-	-
149	65	715	1,052	668	3,642
-	-	-	367	19	37
-	-	-	45	50	1,165
-	264,117	-	-	-	2,312,755
-	-	-	-	240	1,082
-	-	-	-	-	-
1,945	-	-	-	113	26
-	1	-	-	-	-
4	4,441	4,404	42,270	20,621	58,460
<u>3,137</u>	<u>290,726</u>	<u>26,421</u>	<u>535,417</u>	<u>683,377</u>	<u>2,649,084</u>
-	-	(13,230)	-	-	(40,090)

(Continued)

**Alamo Area Council of Governments**

**Combining Statement of Revenue, Expenditures, and Changes in Fund Balance –  
All Special Revenue Funds – Continued**

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	<u>AACOG Local Tourism</u>	<u>Texas Water Development Board</u>	<u>Texas Natural Resource Conservation Commission</u>
Other financing sources (uses):			
Other financing sources – proceeds from notes payable	\$ -	\$ -	\$ -
Operating transfer in	-	-	-
Operating transfer (out)	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
Excess of revenue and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at January 1, 2000	-	-	-
	<hr/>	<hr/>	<hr/>
Fund balance at December 31, 2000	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>AACOG Local Conference</u>	<u>U.S. Department of Housing and Urban Development</u>	<u>Texas Department of Housing and Community Affairs - CD</u>	<u>Texas Department of Housing and Community Affairs - WX</u>	<u>Commission on State Emergency Communications</u>	<u>Texas Department on Aging - Alamo</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	13,230	-	-	40,090
-	-	-	-	-	-
-	-	13,230	-	-	40,090
-	-	-	-	-	-
-	-	-	-	257,877	-
\$ -	\$ -	\$ -	\$ -	\$ 257,877	\$ -

(Continued)

## Alamo Area Council of Governments

### Combining Statement of Revenue, Expenditures, and Changes in Fund Balance – All Special Revenue Funds – Continued

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	Texas Department on Aging - Bexar	Local GIS	Crime Stoppers
Revenue:			
Federal	\$ 3,579,511	\$ -	\$ -
State	364,633	-	-
Local	-	919	181
Delegate agency:			
Cash match	2,954,836	-	-
In-kind match	22,092	-	-
Program income	472,609	-	-
Program income	-	15,059	-
Total revenue	7,393,681	15,978	181
Expenditures:			
Personnel	369,977	1,772	-
Employee benefits	99,816	479	-
Contractual services	13,671	50	-
Travel	16,255	211	46
Space and utilities	36,514	149	-
Materials and supplies	14,257	1,568	-
Health and safety	-	-	-
Equipment	42,832	-	-
Public notices	5,020	519	-
Insurance and bonding	-	-	-
Printing and reproduction	12,550	1,194	105
Maintenance and repair	-	5,938	-
Equipment rental	-	-	-
Communications	39,224	236	-
Recruitment	-	-	-
Postage	4,947	29	-
Publications	566	-	-
Professional dues	365	270	-
Contractual nutrition/SS	6,673,138	-	-
Training in/out of region	183	-	-
Tuition - staff	-	900	-
Meeting others	1,511	-	-
Indirect cost allocation	166,399	2,663	30
Total expenditures	7,497,225	15,978	181
Excess of revenue over (under) expenditures	(103,544)	-	-

<u>Clean Cities Program</u>	<u>Rape Crisis Center</u>	<u>U.S. Geological Survey</u>	<u>Texas Workforce Commission</u>	<u>Totals (Memo Only)</u>	
				<u>December 31, 2000</u>	<u>December 31, 1999</u>
\$ -	\$ 67,384	\$ 6,213	\$ 36,817	\$ 9,297,279	\$ 8,431,023
31,894	-	-	-	3,885,807	4,618,249
-	-	-	-	111,857	31,720
-	-	-	-	3,546,868	3,050,314
-	-	-	-	81,044	59,781
-	-	-	-	1,424,389	964,584
-	-	-	-	202,076	93,576
<u>31,894</u>	<u>67,384</u>	<u>6,213</u>	<u>36,817</u>	<u>18,549,320</u>	<u>17,249,247</u>
15,800	26,041	3,619	1,460	2,866,320	2,349,094
4,198	7,031	978	394	773,350	435,822
799	4,496	-	25,687	2,432,264	2,771,174
683	1,372	-	-	147,683	139,465
1,085	2,821	285	208	193,355	148,244
4	7,171	-	-	352,909	429,821
-	-	-	-	27,362	18,590
-	-	-	3,246	174,330	864,856
-	299	-	-	36,458	25,825
-	-	-	-	42,030	41,731
-	2,948	-	-	84,928	89,790
-	-	61	-	11,717	2,793
-	-	-	-	-	1,041
1,363	3,224	245	227	206,511	183,808
-	-	-	-	-	183
19	246	-	-	26,104	25,067
-	-	-	-	5,402	2,170
-	-	-	-	2,280	3,479
-	-	-	-	10,495,185	8,963,600
625	355	-	-	35,079	40,113
-	-	-	-	900	620
-	150	-	-	6,304	23,733
2,025	-	-	-	2,483	-
<u>5,293</u>	<u>11,230</u>	<u>1,025</u>	<u>5,595</u>	<u>838,284</u>	<u>880,617</u>
<u>31,894</u>	<u>67,384</u>	<u>6,213</u>	<u>36,817</u>	<u>18,761,238</u>	<u>17,441,636</u>
-	-	-	-	(211,918)	(192,389)

(Continued)

**Alamo Area Council of Governments**

**Combining Statement of Revenue, Expenditures, and Changes in Fund Balance –  
All Special Revenue Funds – Continued**

Year Ended December 31, 2000  
(With Comparative Totals for the Year Ended December 31, 1999)

	<u>Texas Department on Aging - Bexar</u>	<u>Local GIS</u>	<u>Crime Stoppers</u>
Other financing sources (uses):			
Other financing sources – proceeds from notes payable	\$ -	\$ -	\$ -
Operating transfer in	103,544	-	-
Operating transfer (out)	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>103,544</u>	<u>-</u>	<u>-</u>
Excess of revenue and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at January 1, 2000	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at December 31, 2000	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>Clean Cities Program</u>	<u>Rape Crisis Center</u>	<u>U.S. Geological Survey</u>	<u>Texas Workforce Commission</u>	<u>Totals (Memo Only)</u>	
				<u>December 31, 2000</u>	<u>December 31, 1999</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,585
-	-	-	-	2,086,320	233,695
-	-	-	-	(1,874,402)	22,559
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,918</u>	<u>310,839</u>
-	-	-	-	-	118,450
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>257,877</u>	<u>139,427</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 257,877</u>	<u>\$ 257,877</u>



# Alamo Area Council of Governments

## Schedule of Indirect Costs

Year Ended December 31, 2000

Personnel	\$ 548,095
Employee benefits	142,250
Audit	28,000
Legal fees	14,386
Other contract services	66,881
Travel	10,985
Rent administration	25,012
Rent	206,942
Supplies	47,154
Computer services	6,242
Equipment	134,523
Insurance and bonding	3,595
Public notices	3,541
Printing and reproduction	9,727
Repairs and maintenance	28,251
Communications	75,626
Postage	27,220
Meetings	8,297
Publications	1,408
Professional dues	13,683
Equipment rental	19,260
Debt service - principal	9,007
Interest expense	166
	<hr/>
Total indirect cost	1,430,251
Less administration cost received	<hr/> 532,837
Net indirect cost	897,414
Actual indirect cost recovered	(838,284)
Cumulative over-recovery of indirect cost per 1999 audit	<hr/> (58,511)
Accumulated cost under-recovery	<hr/> <hr/> \$ 619

Alamo Area Council of Governments

Schedule of Employee Benefits (Fringe and Release Time)

Year Ended December 31, 2000

Benefits:	
FICA	\$ 251,929
Unemployment insurance	38,079
Health insurance	17,418
Group life insurance	10,098
Retirement	247,547
Workers' compensation	290,695
Release time	<u>459,496</u>
Total employee benefits	1,315,262
Actual employee benefits recovered	(1,399,734)
Cumulative over-recovery of employee benefits per 1999 audit	<u>(24,340)</u>
Accumulated cost over-recovery	\$ <u><u>(108,812)</u></u>

*Note*

At December 31, 2000, AACOG had a liability for unused vacation of \$134,677, which is not included in the above calculation.

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## Single Audit Section

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**PADGETT, STRATEMANN & CO., L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS  
AND BUSINESS ADVISORS

Independent Auditors' 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 Directors  
Alamo Area Council of Governments

We have audited the financial statements of Alamo Area Council of Governments as of and for the year ended December 31, 2000, and have issued our report thereon dated March 12, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Compliance***

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

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered Alamo Area Council of Governments' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over

financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, that we have reported to management of Alamo Area Council of Governments in a separate letter dated March 12, 2001.

This report is intended solely for the information and use of the audit committee, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Padgett, Strickman & Co., L.L.P.*

Certified Public Accountants  
March 12, 2001



**PADGETT, STRATEMANN & CO., L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS  
AND BUSINESS ADVISORS

Independent Auditors' Report on Compliance With  
Requirements Applicable to Each Major  
Program and Internal Control Over Compliance  
in Accordance With OMB Circular A-133  
and the State of Texas Single Audit Circular Issued  
By the Office of the Governor of the State of Texas

To the Board of Directors  
Alamo Area Council of Governments

***Compliance***

We have audited the compliance of Alamo Area Council of Governments with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State of Texas Single Audit Circular*, issued by the Office of the Governor of the State of Texas that are applicable to each of its major federal and state programs for the year ended December 31, 2000. Alamo Area Council of Governments' major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of Alamo Area Council of Governments' management. Our responsibility is to express an opinion on the Alamo Area Council of Governments' compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations* and the *State of Texas Single Audit Circular*, issued by the Office of the Governor of the State of Texas. Those standards 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

1635 N.E. Loop 410, Suite 700 — San Antonio, Texas 78209-1684  
Telephone (210) 828-6281 — Fax (210) 826-8606

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have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Alamo Area Council of Governments' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Alamo Area Council of Governments' compliance with those requirements.

In our opinion, Alamo Area Council of Governments complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2000.

### *Internal Control Over Compliance*

The management of Alamo Area Council of Governments is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Alamo Area Council of Governments' internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State of Texas Single Audit Circular, issued by the Office of the Governor of the State of Texas.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal or state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Padgett, Strutman & Co., L.L.P.*

Certified Public Accountants  
March 12, 2001

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<b>Alamo Area Council of Governments Grants</b>				
<u>U.S. Department of Health and Human Services:</u>				
Passed Through Texas Department of Aging:				
AA3-9948-18A	Special Programs for the Aging – Title III, Part B – Grants for Support Services and Senior Centers	93.044	\$ 69,292	\$ -
SUP-2000-18A	Special Programs for the Aging – Title III, Part B – Grants for Support Services and Senior Centers	93.044	417,518	124,350
HDM-2000-18A	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	249,644	249,644
CGM-2000-18A	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	237,860	237,860
SUP-2001-18A	Special Programs for the Aging – Title III, Part B – Grants for Support Services and Senior Centers	93.044	105,566	43,147
HDM-2001-18A	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	76,178	76,178
CGM-2001-18A	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	176,511	176,511
SUP-2000-18A	AIMS Data Management	93.044	3,150	-
AIM-1999-18A	AIMS Data Management	93.044	5,720	-
AIM-2000-18A	AIMS Data Management	93.044	3,651	-
AIM-2000-18B	AIMS Data Management	93.044	5,000	-
AA3-9948-18B	Special Programs for the Aging – Title III, Part B – Grants for Support Services and Senior Centers	93.044	3,409	-
SUP-2000-18B	Special Programs for the Aging – Title III, Part B – Grants for Support Services and Senior Centers	93.044	1,082,273	727,370
HDM-2000-18B	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	422,986	422,986
CGM-2000-18B	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	1,250,621	1,250,621
SUP-2001-18B	Special Programs for the Aging – Title III, Part B – Grants for Support Services and Senior Centers	93.044	231,050	176,310
HDM-2001-18B	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	13,634	13,634
CGM-2001-18B	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	523,426	523,426
OAG-9948-18A	Long-Term Care Ombudsman Services for Older Individuals – Title VII	93.042	2,117	-
OAG-9948-18B	Long-Term Care Ombudsman Services for Older Individuals – Title VII	93.042	(1)	-
EAP-9948-18A	Programs for Prevention of Elder Abuse, Neglect, and Exploitation – Title VII	93.041	732	-
EAP-9948-18B	Programs for Prevention of Elder Abuse, Neglect, and Exploitation – Title VII	93.041	(4,009)	-

(Continued)

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards – Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<u>U.S. Department of Health and Human Services: (continued)</u>				
Passed Through Texas Department of Aging: (continued)				
HCF-9848-18A	Special Programs for the Aging – Health, Information, Counseling, and Assistance	93.779	\$ 13,416	\$ -
HCF-9848-18B	Special Programs for the Aging – Health, Information, Counseling, and Assistance	93.779	27,104	-
ADD-9948-18A	Disability Development Grant	93.779	8,060	-
ADD-0048-18B	Disability Development Grant	93.779	7,750	-
ADD-0048-18B	Disability Development Grant	93.779	276	-
Total Passed Through Texas Department on Aging			4,932,934	4,022,037
Passed Through Texas Department of Housing and Community Affairs:				
816001	Weatherization Assistance for Low Income – LIHEAP Wealth	93.568	125,683	-
817001	Weatherization Assistance for Low Income – LIHEAP Wealth	93.568	146,438	-
839001-839	Stripper Well	93.568	37,198	-
839001-830	Stripper Well	93.568	15,160	-
417001-419	CP&L	93.568	7,703	-
417001-410	CP&L	93.568	5,589	-
Total Passed Through Texas Department of Housing and Community Affairs			337,771	-
Passed Through Texas Workforce Commission:				
JR9808	Local Innovations	93.558	36,817	-
Total Passed Through Texas Workforce Commission			36,817	-
Total U.S. Department of Health and Human Services			5,307,522	4,022,037
<u>U.S. Department of Agriculture:</u>				
Passed Through Texas Department on Aging:				
DST-9948-18A	Disaster Relief	10.569	10,000	-
DST-9948-18B	Disaster Relief	10.569	3,772	-
USDA-95-18A	Nutrition Programs for the Elderly – USDA Cash	10.570	4,357	4,357
USDA-95-18B	Nutrition Programs for the Elderly – USDA Cash	10.570	12,220	12,220
Total Passed Through Texas Department on Aging			30,349	16,577
Total U.S. Department of Agriculture			30,349	16,577

(Continued)

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards – Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<u>U.S. Department of Transportation:</u>				
Passed Through Texas Department of Transportation:				
RPT-2000(15)	Section 5311 – Rural Transportation	20.509	\$ 118,269	\$ 118,269
RPT-2000(15)	Section 5311 – Rural Transportation	20.509	113,129	113,129
ICB-9901(15)	Kerrville Terminal Passthrough	20.509	90,800	90,800
RPT-0101(15)19	Rural Transit Assistance Program Training Passthrough	20.509	5,621	5,621
0915-12-165	Rideshare	20.205	27,572	-
0915-12-293	Rideshare	20.205	95,185	-
1521-99/00	Metropolitan Planning Organization	20.205	174,554	-
1521-98/99	Metropolitan Planning Organization	20.205	47	-
1521-00/01	Metropolitan Planning Organization	20.205	48,191	-
Total Passed Through Texas Department of Transportation			673,368	327,819
Total U.S. Department of Transportation			673,368	327,819
<u>U.S. Department of Commerce:</u>				
Direct Program:				
08-05-11081-99	Economic Development	11.305	23,628	-
08-83-03464-00	Economic Development	11.305	28,869	-
Total U.S. Department of Commerce			52,497	-
<u>U.S. Department of Energy:</u>				
Passed Through Texas Department of Housing and Community Affairs:				
567001	Weatherization Assistance for Low Income Persons	81.042	88,322	-
567001	Weatherization Assistance for Low Income Persons	81.042	109,324	-
Total Passed Through Texas Department of Housing and Community Affairs			197,646	-
Total U.S. Department of Energy			197,646	-
<u>U.S. Department of Housing and Urban Development:</u>				
Direct Programs:				
TX-564-CE-0001	HUD – Section 8 Certificates	14.857	2,427	-
TX-564-VO-0001	HUD – Section 8 Certificates	14.857	270,246	-
TX-564-VO-0001	HUD – Section 8 Certificates	14.857	18,053	-
C79021	Community Development	14.228	9,197	-
C70021	Community Development	14.228	3,994	-
Total U.S. Department of Housing and Urban Development			303,917	-

(Continued)

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards - Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<u>U.S. Department of Justice:</u>				
Passed through Office of the Governor Criminal Justice Division:				
JB-98-J22-14969-01	Drug Treatment for Juvenile Offenders	16.523	\$ 119,590	\$ 119,590
JA-99-J20-14852-01	Regional Purchase of Juvenile Justice Alternatives	16.540	14,802	14,802
JA-00-J20-14852-02	Regional Purchase of Juvenile Justice Alternatives	16.540	3,579	3,579
JA-99-173-14467-01	Juvenile Justice and Delinquency Prevention Act	16.540	13,095	-
VA-99-175-14470-01	Juvenile Justice and Delinquent Criminal Justice Coordination	16.575	17,929	-
WF-98-176-14471-01	Juvenile Justice and Delinquent Violence Against Women	16.588	6,090	-
DB-99-171-14465-01	Juvenile Justice and Delinquent Anti Drug Abuse Formula	16.579	3,000	-
Total Passed Through Office of the Governor Criminal Justice Division			178,085	137,971
Passed Through Rape Crisis Center:				
WF-98-V04-13497-01	Law Enforcement Training Rape Crisis Center	16.588	30,990	-
WF-99-V04-13497-02	Law Enforcement Training Rape Crisis Center	16.588	36,394	-
Total Passed Through Rape Crisis Center			67,384	-
Total U.S. Department of Justice			245,469	137,971
<u>U.S. Department of Education:</u>				
Direct Program:				
ED-99-172-14466	Safe/Drug-Free Schools and Communities	84.186	19,360	-
Total U.S. Department of Education			19,360	-
<u>TRW/Randolph:</u>				
Direct Program:				
F42620-00-D-0038	TRW/Randolph	N/A	20,812	-
Total TRW/Randolph			20,812	-
<u>U.S. Department of the Interior:</u>				
Direct Program:				
99HQGR0118	U.S. Geological Survey	15.808	6,213	-
Total U.S. Department of the Interior			6,213	-
Total Federal Awards			6,857,153	4,504,404

(Continued)

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards – Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<u>Texas Natural Resource Conservation Commission:</u>				
9870097900	Air Quality	N/A	\$ 19,577	\$ -
582-0-83124	Air Quality	N/A	345,062	-
582-0-80737	Environmental Protection Agency	N/A	64,714	-
9870065301	Solid Waste	N/A	283,723	283,723
582-0-83387	Solid Waste	N/A	478,033	175,964
Total Texas Natural Resource Conservation Commission			1,191,109	459,687
<u>General Services Commission:</u>				
9006	Clean Cities	N/A	3,155	-
9006	Clean Cities	N/A	28,739	-
Total General Services Commission			31,894	-
<u>Office of the Governor:</u>				
SF-99-A01-12931-01	Policy Academy 1999	N/A	38,450	-
SF-00-A2-14468-01	Policy Academy 2000	N/A	490,342	-
SF-00-174-14468-01	Regional Criminal Justice Coordination	N/A	49,856	-
SF-01-197-14468-02	Regional Criminal Justice Coordination	N/A	57,671	-
SF-99-J01-12930-01	Regional Youth Criminal Justice Education Division	N/A	(17,056)	-
SF-00-J21-14864-01	Regional Youth Criminal Justice Education Division	N/A	109,382	-
SF-01-J20-14864-02	Regional Youth Criminal Justice Education Division	N/A	15,619	-
Total Office of the Governor			744,264	-
<u>Texas Department on Aging:</u>				
ALP-0048-18B	Assisted Living Pilot Program	N/A	39,825	-
ALP-0048-18B	Assisted Living Pilot Program	N/A	9,516	-
SCG-2000-18A	State General Revenue	N/A	54,998	54,998
SCG-2001-18A	State General Revenue	N/A	169,393	169,393
SCG-2000-18B	State General Revenue	N/A	99,314	99,314
SCG-2001-18B	State General Revenue	N/A	215,978	215,978
Total Texas Department on Aging			589,024	539,683
<u>Commission on State Emergency Communications:</u>				
N/A	Implementation 911	N/A	10,476	8,274
N/A	Implementation 911	N/A	534,111	442,511
N/A	Implementation 911	N/A	138,790	125,604
Total Texas Department on Aging			683,377	576,389

(Continued)

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards - Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<u>Texas Department of Transportation:</u>				
DOL-0001(15)	Reverse Commute	20.509	\$ 88,802	\$ 21,229
RPT-2000(15)	Section 5311 - Rural Transportation	20.509	398,423	-
RPT-2001(15)	Section 5311 - Rural Transportation	20.509	158,914	-
Total Texas Department of Transportation			<u>646,139</u>	<u>21,229</u>
Total State Awards - Alamo Area Council of Governments			<u>3,885,807</u>	<u>1,596,988</u>
Total Federal and State Awards - Alamo Area Council of Governments			<u>\$ 10,742,960</u>	<u>\$ 6,101,392</u>
<u>Alamo Area Development Corporation (a Component Unit) Grants</u>				
<u>U.S. Department of Health and Human Services:</u>				
Passed Through Texas Workforce Commission:				
09050Y00	Child Care Management Services	93.600	249,461	207,808
09050Y00	Child Care Management Services	93.600	113,466	113,466
N/A	Temporary Assistance for Needy Families	93.558	147,192	129,141
N/A	Temporary Assistance for Needy Families	93.558	119,165	91,233
N/A	Rider 25	93.558	9,840	9,840
JR9808	Local Innovations	93.558	108,231	85,527
Total Passed Through Texas Workforce Commission			<u>747,355</u>	<u>637,015</u>
Passed Through City of San Antonio:				
11604	Child Care Management Services	93.600	(5,393)	(5,393)
Total Passed Through City of San Antonio			<u>(5,393)</u>	<u>(5,393)</u>
Total U.S. Department of Health and Human Services			<u>741,962</u>	<u>631,622</u>
<u>U.S. Department of Agriculture:</u>				
Passed Through Texas Workforce Commission:				
N/A	Food Stamps	10.561	37,968	36,382
N/A	Food Stamps	10.561	6,825	6,825
N/A	Food Stamps	10.561	2,507	2,680
Total Passed Through Texas Workforce Commission			<u>47,300</u>	<u>45,887</u>
Total U.S. Department of Agriculture			<u>47,300</u>	<u>45,887</u>

(Continued)

# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards – Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
<u>U.S. Department of Labor:</u>				
Passed Through Texas Workforce Commission:				
N/A	Workforce Investment Act Administration	17.255	\$ 30,918	\$ 30,918
N/A	Workforce Investment Act Administration	17.255	6,933	6,933
N/A	Workforce Investment Act Administration	17.255	11,627	11,627
N/A	Workforce Investment Act Adult	17.255	305,904	82,344
N/A	Workforce Investment Act Adult	17.255	62,205	38,081
N/A	Workforce Investment Act Adult	17.255	182,973	82,774
N/A	Workforce Investment Act Youth Services	17.255	65,989	61,993
N/A	Workforce Investment Act Youth Services	17.255	22,278	7,775
N/A	Workforce Investment Act Youth Services	17.255	11,815	11,560
N/A	Workforce Investment Act Dislocated Workers	17.255	203,118	88,241
N/A	Workforce Investment Act Dislocated Workers	17.255	26,013	26,013
N/A	Workforce Investment Act Dislocated Workers	17.255	108,859	67,467
N/A	Welfare to Work 70% State	17.253	170,031	170,031
N/A	Welfare to Work 70% State	17.253	90,345	81,771
N/A	Welfare to Work 30% State	17.253	155,462	144,537
N/A	Welfare to Work 30% State	17.253	78,381	56,923
N/A	Unemployment Assistance	17.253	5,476	5,476
N/A	Welfare to Work 70% Federal	17.253	31,039	29,366
N/A	Welfare to Work 30% Federal	17.253	26,668	21,998
N/A	IIB Administration	17.250	1,372	39
Total Passed Through Texas Workforce Commission			<u>1,597,406</u>	<u>1,025,867</u>
Total U.S. Department of Labor			<u>1,597,406</u>	<u>1,025,867</u>
<u>American Forest:</u>				
N/A	Tree Project	N/A	7,847	-
Total American Forest			<u>7,847</u>	<u>-</u>
<u>U.S. Department of Justice:</u>				
Passed Through Office of the Governor Criminal Justice Division:				
JB-98-J22-14969-01	Drug Treatment for Juvenile Offenders	16.523	45,611	-
Total Passed Through Office of the Governor Criminal Justice Division			<u>45,611</u>	<u>-</u>
Total U.S. Department of Justice			<u>45,611</u>	<u>-</u>
Total Federal Awards – Alamo Area Development Corporation (a Component Unit)			<u>\$ 2,440,126</u>	<u>\$ 1,703,376</u>

(Continued)



# Alamo Area Council of Governments

## Schedule of Expenditures of Federal and State Awards - Continued

Year Ended December 31, 2000

Project Number	Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Expenditures	Pass-Through Expenditures
	Reconciliation of Alamo Area Council of Governments Grants With Alamo Area Development Corporation (a Component Unit) to the General Purpose Financial Statements:			
	Federal Awards:			
	Alamo Area Council of Governments		\$ 6,857,153	\$ 4,504,404
	Alamo Area Development Corporation (a Component Unit)		<u>2,440,126</u>	<u>1,703,376</u>
	Total Federal Awards per General Purpose Financial Statements		<u>\$ 9,297,279</u>	<u>\$ 6,207,780</u>
	State Awards:			
	Alamo Area Council of Governments		\$ 3,885,807	\$ 1,596,988
	Alamo Area Development Corporation (a Component Unit)		<u>-</u>	<u>-</u>
	Total State Awards per General Purpose Financial Statements		<u>\$ 3,885,807</u>	<u>\$ 1,596,988</u>

# Alamo Area Council of Governments

## Notes to Schedule of Expenditures of Federal and State Awards

December 31, 2000

### **Note A – General**

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state awards programs of Alamo Area Council of Governments for the year ended December 31, 2000. The reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Financial accountability exists if a primary government appoints a voting majority of an organization's governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing Board, or governing Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the primary government.

In accordance with Governmental Accounting Standards Board requirements, the Alamo Area Council of Governments has reviewed other entities and activities for possible inclusion in the reporting entity. Based on this review, Alamo Area Development Corporation has been included in the financial reporting entity, as described in Note A to the financial statements.

### **Note B – Measurement Focus and Basis of Accounting**

The federal and state grant funds were accounted for in the Special Revenue Fund, a component of the Governmental Fund type. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. With the Governmental Fund type measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated and expendable available financial resources.

**Alamo Area Council of Governments**

**Notes to Schedule of Expenditures of Federal and State Awards – Continued**

December 31, 2000

**Note B – Measurement Focus and Basis of Accounting (continued)**

Federal and state grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

**Alamo Area Council of Governments**

**Schedule of Findings and Questioned Costs**

December 31, 2000

<u>Summary of Auditors' Results</u>	<u>Description</u>
Type of Report on Financial Statements	Unqualified
Reportable Conditions	None
Material Weaknesses Involving Reportable Conditions	None
Noncompliance Material to the Financial Statements	None
Type of Report on Compliance With Major Programs	Unqualified
Findings and Questioned Costs for Federal Awards as Defined in Section .510(a). OMB Circular A-133 and the State of Texas Single Audit Circular issued by the Office of the Governor of the State	None
Dollar Threshold Used to Distinguish Between Type A and Type B Federal Programs	\$400,426
Dollar Threshold Used to Distinguish Between Type A and Type B State Programs	\$400,426
Low Risk Auditee Statement	The Council was classified as a low-risk auditee in the context of OMB Circular A-133 and the State of Texas Single Audit Circular issued by the Office of the Governor of the State
Major Federal Programs	Special Programs for the Aging – Title III, Part B – Grants for Supporting Services and Senior Citizens – CFDA 93.044

(Continued)

Alamo Area Council of Governments

Schedule of Findings and Questioned Costs - Continued

December 31, 2000

<u>Summary of Auditors' Results</u>	<u>Description</u>
Major Federal Programs (continued)	Special Programs for the Aging - Title III, Part C - Nutrition Services - CFDA 93.044
	Nutrition Programs for the Elderly - USDA Cash - CFDA 10.570
	Child Care Management Services - CFDA 93.066
	Welfare to Work 70% - CFDA 17.253
	Welfare to Work 30% - CFDA 17.253
Major State Programs	Texas Natural Resource Conservation Commission - Solid Waste Grant - Grant No. 582-0-83387
	Texas Natural Resource Conservation Commission - Air Quality Grant - Grant No. 582-0-83124
	Office of the Governor Criminal Justice Division - Police Academy 2000 - Grant No. SF-00-A23-14859

Findings Relating to the Financial Statements Which are Required to Be Reported in Accordance With Generally Accepted Governmental Auditing Standards

None

Findings and Questioned Costs for Federal and State Awards

None

**Alamo Area Council of Governments**

**Summary of Schedule of Prior Audit Findings**

**Year Ended December 31, 2000**

None

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