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REPORT

PLAQUEMINES COUNCIL ON AGING, INC.

JUNE 30, 2008

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 1/21/09

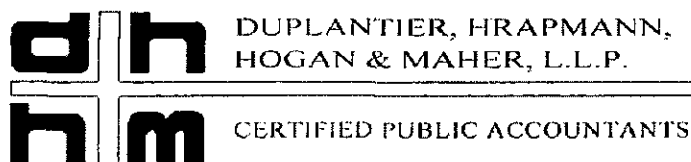
PLAQUEMINES COUNCIL ON AGING, INC.

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## INDEPENDENT AUDITOR'S REPORT

December 18, 2008

Plaquemines Council on Aging, Inc.  
Belle Chasse, Louisiana

We have audited the accompanying financial statements of Plaquemines Council on Aging, Inc., as of and for the year ended June 30, 2008, as listed in the index to report. These financial statements are the responsibility of Plaquemines Council on Aging, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plaquemines Council on Aging, Inc., as of June 30, 2008 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 3 through 5 and the other required supplementary information on pages 28 through 31 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

We have audited the financial statements of Plaquemines Council on Aging for the year ending June 30, 2008 and issued an unqualified opinion on such financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information on pages 32 and 33 is presented for purposes of additional analysis and is not a required part of the financial statements of Plaquemines Council on Aging, Inc.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 18, 2008 on our consideration of Plaquemines Council on Aging, Inc.'s internal control over financial reporting and on its compliance with laws and regulations. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

**PLAQUEMINES COUNCIL ON AGING, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

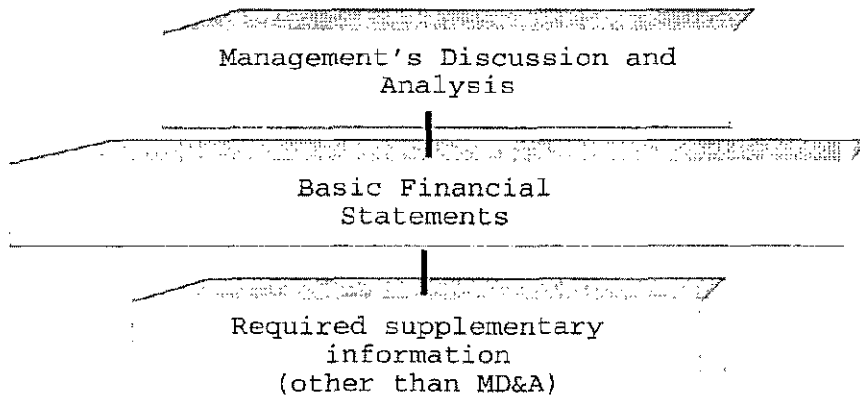
The Management's Discussion and Analysis of Plaquemines Council on Aging, Inc.'s financial performance presents a narrative overview and analysis of Plaquemines Council on Aging, Inc.'s financial activities for the year ended June 30, 2008. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in Plaquemines Council on Aging, Inc.'s financial statements, which begin on page 6.

### FINANCIAL HIGHLIGHTS

- \* Plaquemines Council on Aging, Inc. received \$215,989 from Plaquemines Parish Government for year ending June 30, 2008. Total amount received from Plaquemines Parish Government during the year ended June 30, 2007 was \$214,950.
- \* Plaquemines Council on Aging, Inc. received \$275,010 for funding from the Governor's Office of Elderly Affairs during the fiscal year ended June 30, 2008. Total amount received during the year ended June 30, 2007 was \$331,961.
- \* Total expenditures increased by \$161,435 or 44%. Total expenditures for the year ended June 30, 2008 and 2007 were \$524,441 and \$363,006, respectively.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

PLAQUEMINES COUNCIL ON AGING, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008

### Basic Financial Statements

The basic financial statements present information for Plaquemines Council on Aging, Inc. as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the government-wide financial statements and fund financial statements.

Government-wide Financial Statements: The *government-wide financial statements* are designed to provide readers with a broad overview of Plaquemines Council on Aging, Inc.'s finances, in a manner similar to private-sector business. The government-wide financial statements include:

Statement of Net Assets – this statement presents the current and long term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of Plaquemines Council on Aging, Inc. is improving or deteriorating.

Statement of Activities – this statement presents information showing how Plaquemines Council on Aging, Inc.'s assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

### FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets  
June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<u>Current assets:</u>		
Cash and certificates of deposit	\$ 457,303	\$ 463,376
Grants and accounts receivable	1,240	25,191
Prepaid insurance	7,587	3,156
Capital assets	<u>103,600</u>	<u>108,670</u>
Total assets	<u>569,730</u>	<u>600,393</u>
<u>Liabilities</u>	<u>25,308</u>	<u>34,468</u>
<u>Net Assets:</u>		
Invested in capital assets	103,600	108,670
Restricted - special	15,822	15,709
Unrestricted	<u>425,000</u>	<u>441,546</u>
Total net assets	<u>\$ 544,422</u>	<u>\$ 565,925</u>

Statement of Activities  
For the Years Ended June 30, 2008 and 2007

<u>Revenues:</u>		
Program Revenues	\$ 280,029	\$ 282,543
General Revenues:		
Contract income	215,989	214,950
Miscellaneous donation	2,178	2,099
Grant income	4,055	62,000
Other	<u>687</u>	<u>430</u>
Total Revenues	<u>502,938</u>	<u>562,022</u>

**PLAQUEMINES COUNCIL ON AGING, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

Statement of Activities – Continued  
For the Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Direct Program Expenses of the Health, Welfare and Social Services Function:		
Supportive Services	\$ 98,908	\$ 54,218
Nutrition Services	325,895	149,413
Utility Assistance	--	--
Disease Prevention and Health Promotion	9,310	4,222
National Family Caregiver Support	21,207	14,778
Senior Center	16,472	--
Direct Administration Expenses	<u>52,649</u>	<u>140,375</u>
Total Expenses	<u>524,441</u>	<u>363,006</u>
Increase (Decrease) in Net Assets	<u>\$ (21,503)</u>	<u>\$ 199,016</u>

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The Agency's board and administration considered the following factors when setting next year's budget:

- \* Short-term and long-term tasks required to fulfill duties and obligations set forth with guideline established by local board members, administration and Governor's Office of Elderly Affairs.
- \* Considered accumulated fund surpluses from prior years and anticipated new revenues expected from long-established sources.

Plaquemines Council on Aging, Inc. expects results to change for subsequent years based on the following:

- \* The Council on Aging continues to grow and rebuild their programs that were cancelled as a result of Hurricane Katrina on August 29, 2005. Most of the population in the area has returned and many of the programs are returning to full capacity.
- \* The Council on Aging is in the process of obtaining funding to build offices in Boothville and Port Sulphur.

### **CONTACTING PLAQUEMINES COUNCIL ON AGING, INC.'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Plaquemines Council on Aging, Inc.'s finances and to show Plaquemines Council on Aging, Inc.'s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Yvette Glass (504) 392-3725.



PLAQUEMINES COUNCIL ON AGING, INC.  
STATEMENT OF NET ASSETS  
JUNE 30, 2008

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash - operating	\$ 274,097
Cash - savings	183,206
Miscellaneous receivables	44
Grants and contracts receivable	1,196
Prepaid insurance	7,587
Capital assets, net of accumulated depreciation	<u>103,600</u>
 Total Assets	 <u>569,730</u>
 <b>LIABILITIES:</b>	
Accounts payable	19,498
Accounts payable - grants and contracts	2,738
Payroll taxes withheld and accrued	1,116
Retirement plan payable	<u>1,956</u>
 Total Liabilities	 <u>25,308</u>
 <b>NET ASSETS:</b>	
Invested in Capital Assets, net of debt	103,600
Restricted for:	
BC/BV/PS Special	2,330
Heating Help/Helping Hands	13,492
Unrestricted:	
Parish	<u>425,000</u>
 Total Net Assets	 <u>\$ 544,422</u>

See accompanying notes.

PLAQUEMINES COUNCIL ON AGING, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2008

<u>Functions/Programs</u>	Direct Expenses	Indirect Expenses	Program Revenues			Net (Expense) Revenue and Increases (Decreases) in Net Assets
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities						
Health, Welfare & Social Services:						
Supportive Services:						
Information and Assistance	\$ 6,652	\$ 1,781	\$ -	\$ 6,052	\$ -	\$ (2,381)
Legal assistance	3,204	-	-	2,300	-	(904)
Outreach	2,710	726	-	2,466	-	(970)
Transportation	29,448	7,884	-	26,793	-	(10,539)
Other services	36,682	9,821	-	33,376	-	(13,127)
Disease Prevention and Health Promotion	7,345	1,965	-	3,559	-	(5,751)
National Family Caregiver Support:						
Respite	6,961	6,564	-	11,168	-	(2,357)
Other services	3,954	3,728	-	6,344	-	(1,338)
Nutrition Services:						
Congregate Meals	110,139	29,449	3,115	62,338	-	(74,135)
Home Delivered Meals	147,007	39,300	2,078	68,532	-	(115,697)
Utility Assistance	-	-	-	3,269	-	3,269
Senior Center	-	16,472	-	27,454	-	10,982
Administration	170,339	(117,690)	-	23,363	-	(29,286)
Total governmental activities	<u>\$ 524,441</u>	<u>\$ -</u>	<u>\$ 5,193</u>	<u>\$ 277,014</u>	<u>\$ -</u>	<u>\$ (242,234)</u>

## General Revenues:

Grants and contributions not restricted to specific programs	220,044
Unrestricted investment income	687
Total general revenues	<u>220,731</u>
Increase (Decrease) in net assets	(21,503)
Net assets - beginning of the year	<u>565,925</u>
Net assets - end of the year	<u>\$ 544,422</u>

See accompanying notes.

PLAQUEMINES COUNCIL ON AGING, INC.  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2008

	PCOA/ Parish Fund	Title III B	Title III C-1	Title III C-2	Title IV Disaster Grant	Non- Major Funds	Total
<b>ASSETS:</b>							
Cash	\$ 268,325	\$ -	\$ -	\$ -	\$ -	\$ 5,772	\$ 274,097
Investments	183,206	-	-	-	-	-	183,206
Grants and contracts receivable	-	-	-	-	-	1,196	1,196
Prepaid insurance	7,587	-	-	-	-	-	7,587
Miscellaneous receivable	44	-	-	-	-	-	44
	<u>44</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>
Total Assets	<u>\$ 459,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,968</u>	<u>466,130</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 19,498	\$ -	\$ -	\$ -	\$ -	\$ -	19,498
Accounts payable - grants and contracts	-	-	-	-	-	2,738	2,738
Payroll taxes payable	1,116	-	-	-	-	-	1,116
Retirement plan payable	1,956	-	-	-	-	-	1,956
	<u>1,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,956</u>
Total Liabilities	<u>22,570</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,738</u>	<u>25,308</u>
<b>Fund Balances:</b>							
<b>Reserved for:</b>							
Belle Chasse Special	-	-	-	-	-	455	455
Boothville Special	-	-	-	-	-	(24)	(24)
Port Sulphur Special	-	-	-	-	-	1,899	1,899
Heating Help and Helping Hands	11,592	-	-	-	-	1,900	13,492
Prepaid insurance	7,587	-	-	-	-	-	7,587
<b>Unreserved/Undesignated:</b>							
Parish Funds	417,413	-	-	-	-	-	417,413
	<u>417,413</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>417,413</u>
Total Fund Balances	<u>436,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,230</u>	<u>440,822</u>
Total Liabilities and Fund Balances	<u>\$ 459,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,968</u>	<u>466,130</u>
<p style="text-align: center;">Amounts reported for governmental activities in the statement of net assets are different because - Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds</p>							<u>103,600</u>
<b>NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>							<u>\$ 544,422</u>

See accompanying notes.

PLAQUEMINES COUNCIL ON AGING, INC.  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008

	PCOA/ Parish Fund	Title III B	Title III C-1	Title III C-2	Non-Major Funds	Total Governmental Funds
<b>REVENUES:</b>						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ 20,837	\$ 56,248	\$ 58,169	\$ 54,245	\$ 85,511	\$ 275,010
Plaquemines Parish Government Grant	215,989	-	-	-	-	215,989
Public Support:						
Contributions - unrestricted	-	1,400	738	-	39	2,177
Program income - unrestricted	-	612	3,115	2,078	-	5,805
Support via utility company programs - restricted	-	-	-	-	3,269	3,269
Interest income	-	-	-	-	687	687
Inkind contributions	-	-	-	36,425	-	36,425
<b>Total Revenues</b>	<u>236,826</u>	<u>58,260</u>	<u>62,022</u>	<u>92,748</u>	<u>89,506</u>	<u>539,362</u>
<b>EXPENDITURES</b>						
Health, Welfare & Social Services:						
Current:						
Personnel	-	57,694	30,956	59,952	35,162	183,764
Fringe	-	9,385	5,011	9,795	5,605	29,796
Travel	-	82	309	457	196	1,044
Operating services	574	18,121	25,908	29,175	15,066	88,844
Operating supplies	-	9,224	77,089	86,508	11,951	184,772
Full service contracts	-	4,401	315	420	2,372	7,508
Capital outlay	23,642	-	-	-	-	23,642
Inkind	-	-	-	36,425	-	36,425
<b>Total Expenditures</b>	<u>24,216</u>	<u>98,907</u>	<u>139,588</u>	<u>222,732</u>	<u>70,352</u>	<u>555,795</u>
Excess (deficiency) of revenues over expenditures	<u>212,610</u>	<u>(40,647)</u>	<u>(77,566)</u>	<u>(129,984)</u>	<u>19,154</u>	<u>(16,433)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	7,324	40,647	77,566	129,984	9,446	264,967
Transfers out	(236,367)	-	-	-	(28,600)	(264,967)
<b>Total other financing sources and uses</b>	<u>(229,043)</u>	<u>40,647</u>	<u>77,566</u>	<u>129,984</u>	<u>(19,154)</u>	<u>-</u>
Net increase (decrease) in fund balances	(16,433)	-	-	-	-	(16,433)
<b>FUND BALANCES</b>						
Beginning of the year	<u>453,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,230</u>	<u>457,255</u>
End of the year	<u>\$ 436,592</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,230</u>	<u>\$ 440,822</u>

See accompanying notes.

PLAQUEMINES COUNCIL ON AGING, INC.  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2008

Net increase (decrease) in fund balances - total governmental funds	\$ (16,433)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.</p>	<u>(5,070)</u>
Increase (decrease) of net assets of governmental activities	<u>\$ (21,503)</u>

See accompanying notes.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

PURPOSE OF THE COUNCIL ON AGING:

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in Plaquemines Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish; to provide for a mutual exchange of ideas and information on the parish and state level; to conduct public meetings to make recommendations for needed improvements and additional resources; to promote the welfare of aging people when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Plaquemines Parish include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, home repairs, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity:

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. However, before the council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and each council is governed by the policies and regulations established by GOEA.

The Plaquemines Council on Aging is a legally separate, non-profit, quasi-public corporation. It received its charter and began operations on March 10, 1977.

A board of directors, consisting of 13 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of, but not limited to, representatives of the Parish's elderly population, general public, private businesses, and elected public officials.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Reporting Entity: (continued)

Membership in the Council is open at all times, without restriction, to all residents of Plaquemines Parish who have reached the age of majority and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 14, the Plaquemines Council on Aging is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on the criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. As previously mentioned, GOEA establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the Council's budget be approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

Presentation of Statements:

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Presentation of Statements: (Continued)

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Certain of the significant changes in the Statement include the following:

The financial statements include:

- \* A Management Discussion and Analysis (MD&A) section providing an analysis of the Council's overall financial position and results of operations.
- \* Governmental-Wide Financial Statements prepared using full accrual accounting for all of the Council's activities.
- \* A change in the fund financial statements to focus on the major funds.

Basic Financial Statements - Government-Wide Statements:

The Council's basic financial statements include both Government-Wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."



PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basic Financial Statements - Government-Wide Statements: (Continued)

The Council's policy is to use restricted resources first to finance its activities except for nutrition services. When providing nutrition services, revenues earned by the Council under its USDA contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the USDA revenues when paying for nutrition program costs. Quite often unrestricted resources are available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

The Government-Wide Statement of Activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Council did not receive any capital-specific grants this year.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

Basic Financial Statements - Fund Financial Statements:

The financial transactions of the Council are reported in individual funds in the Fund Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basic Financial Statements - Fund Financial Statements: (Continued)

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when management tentatively sets aside or earmarks certain resources to expend in a designated manner. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Council:

- \* The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.
- \* Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

The Council on Aging reports the following major governmental funds:

The General Fund is the Council on Aging's primary operating fund. The funds are received from local sources, such as the Parish government.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basic Financial Statements - Fund Financial Statements: (Continued)

The PCOA (Act 735) Program is a general operating program of the Council and accounts for funds received from the State of Louisiana. The funds are appropriated to the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the parish council. The Council may use these "Act 735" funds at its discretion. The PCOA Program is reported as a general fund.

The Title III B Supportive Services Fund is used to account for funds, which are used to provide various units of supportive social services to the elderly. This program provides for access services, in-home services, community services, transportation and legal assistance for the elderly.

The Title III C-1 Congregate Meals Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Plaquemines parish.

The Title III C-2 Home Delivered Meals Fund is used to account for funds that are used to provide nutritional meals to homebound older persons.

The Council on Aging reports the following non-major governmental funds:

The Title III C Area Agency Administration Fund is used to account for a portion of the indirect costs of administrating the Council's programs. Each fiscal year GOEA provides the Council with funds to help pay for the costs of administering the Council's special programs for the elderly.

The Title III D Preventative Health Fund is used to account for funds used for disease prevention and health promotion activities.

The Title III E Caregiver Fund is used to account for the administration of special programs for the aging. Title III E funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs. This program provides for multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basic Financial Statements - Fund Financial Statements: (Continued)

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

The Helping Hands and Heating Help Fund is used to account for the administration of utility assistance programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on aging to provide assistance to the elderly for the payment of utility bills.

The Nutritional Services Incentive Program is used to account for the administration of Nutrition Program for Elderly funds provided by the United States Department of Agriculture through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. The funds are allocated to the Title III C-1 and Title III C-2 Funds, as needed, to purchase meals for these programs.

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements. The cost allocated to this fund is equal to the GOEA supplement.

Title IV Disaster Grant Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to purchase technological equipment. The cost allocated to this fund is equal to the GOEA supplement.

The Supplemental Senior Center Fund was established to account for funds that were appropriated by the Louisiana Legislature for the various councils on aging throughout Louisiana to supplement each council's primary grant for senior center operations and activities.

The Belle Chasse Special Fund is used to account for funds raised by fund raisers. These funds are to be used discretionally but specifically for the elderly citizens of Belle Chasse, LA.

The Port Sulphur Special Fund is used to account for funds raised by fund raisers. These funds are to be used discretionally but specifically for the elderly citizens of Port Sulphur, LA.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basic Financial Statements - Fund Financial Statements: (Continued)

The Boothville Special Fund is used to account for funds raised by fund raisers. These funds are to be used discretionally but specifically for the elderly citizens of Boothville, LA.

Measurement Focus and Basis of Accounting:

Basis of accounting refers to when revenues or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis – Government-Wide Financial Statements (GWFS):

The Statement of Net Assets and the Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis – Fund Financial Statements (FFS):

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus and Basis of Accounting: (Continued)

Interfund Activity:

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.

Cash and Cash Equivalents:

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

Investments:

Governmental Accounting Standards require the Council to report its investments at fair value, except for investments in non-participating interest-earning contracts, such as non-negotiable certificates of deposit with redemption terms that do not consider market rates. This type of investment is reported using a cost-based measure, provided that the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors.

Investments that include securities traded on a national or international exchange are valued based on their last reported sales price. Investments that do not have an established market are reported at estimated fair value.

Prepaid Expenses:

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets.

In the Fund Financial Statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditure.

PLAQUEMINES COUNCIL ON AGING, INC.  
 NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus and Basis of Accounting: (Continued)

Capital Assets:

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired that have an estimated useful life of greater than one year. These assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Building Improvements	20 years
Equipment	5-12 years
Vehicles	5 years
Computers	5 years

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

Allocation of Indirect Expenses:

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

Fund Equity:

In the fund financial statements, reserves represent those portions of fund equity not appropriable for expenditures in the following year or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus and Basis of Accounting: (Continued)

Compensated Absences:

Employees of the Council earn from 10 to 24 days of noncumulative vacation leave each year, depending on their length of service and employee status (full-time or part-time). Employees earn up to 15 days of sick leave each year. Sick leave may be accumulated to a maximum of 30 days; however, unused sick leave is forfeited upon termination of employment. At June 30, 2008 the Council has no accumulated benefits relating to leave privileges that require disclosure to conform with accounting principles generally accepted in the United States of America.

Budgetary Practices:

The proposed and revised budgets for the year ending June 30, 2008, were submitted to and approved by the board of directors. The budget, which included proposed expenditures and the means of financing them for all the special revenue funds, except for the General Fund, and Helping Hands and Heating Help Funds, was also submitted to the Louisiana Governor's Office of Elderly Affairs. The General Fund and Helping Hands and Heating Help Funds are not required to submit a budget because funding is received in the form of individual donations or parish funds. Consequently, the amount of funding is uncertain from year to year.

Unobligated grant funds at year end that were received through the Louisiana Governor's Office of Elderly Affairs must be returned to the office. Revenues earned or donated to the Council may be carried into the ensuing year. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparing budgeted and actual revenues and expenditures. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device. The Council does not recognize or record encumbrances in its budget practices. All budgetary appropriations lapse at the end of each fiscal year (June 30).

Generally, the Council may transfer funds between line items as often as required without prior approval from the Governor's Office of Elderly Affairs. However, the Council must obtain prior approval to increase capital outlay. The Council is allowed only a one-time transfer of amounts from one program to another and is never permitted to transfer amounts from services to administration.

Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments for all programs that require budgeting.



PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus and Basis of Accounting: (Continued)

Management's Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

2. CUSTODIAL CREDIT RISK:

At June 30, 2008, the Council has cash in interest bearing accounts (book balances) totaling \$457,303. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2008, the Council has \$464,434 in deposits (collected bank balances). Of the bank balances, \$200,000 was fully secured through federal deposit insurance and \$264,434 was not covered by federal deposit insurance.

3. CHANGES IN CAPITAL ASSETS:

A summary of changes in capital assets is as follows:

<u>Capital Assets</u>	<u>Balance</u> <u>07-01-07</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>06-30-08</u>
Vehicles	\$ 102,340	\$ 23,642	\$ --	\$ 125,982
Furniture and equipment	<u>44,903</u>	<u>--</u>	<u>--</u>	<u>44,903</u>
Subtotal	<u>147,243</u>	<u>23,642</u>	<u>--</u>	<u>170,885</u>
Accumulated Depreciation:				
Vehicles	30,624	19,931	--	50,555
Furniture and equipment	<u>7,949</u>	<u>8,781</u>	<u>--</u>	<u>16,730</u>
Subtotal	<u>38,573</u>	<u>28,712</u>	<u>--</u>	<u>67,285</u>
Net Capital Assets	<u>\$ 108,670</u>	<u>\$ (5,070)</u>	<u>\$ --</u>	<u>\$ 103,600</u>

Depreciation was charged to governmental activities as follows:

Administration	\$ 11,928
Home delivered meals	12,370
Senior center	<u>4,414</u>
Total depreciation expense for governmental activities	<u>\$ 28,712</u>

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

4. BOARD OF DIRECTORS' COMPENSATION:

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

5. IN-KIND CONTRIBUTIONS:

The Council received \$36,425 in in-kind contributions from United Way during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, there by producing no effect on net income. The Council received in-kind contributions of meals from the United Way.

The Plaquemines Parish Government owns the building in which the Council operates. The Council uses this building rent free.

The Council received additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

6. INCOME TAX STATUS:

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501 (c)(3) of the Internal Revenue Code, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax.

7. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES:

There is no litigation pending against the Council as of year-end. The Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

8. CONTINGENCIES – GRANT PROGRAMS:

The Council participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the collectibility of any related receivable at year-end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Council.

9. ECONOMIC DEPENDENCY:

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

10. RISK MANAGEMENT:

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage.

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

11. INTERFUND TRANSFERS:

Interfund transfers to and from are listed by fund for the fiscal year as follows:

	<u>Funds Transferred To</u>					<u>Parish Fund</u>	<u>Total</u>
	<u>Title III-B</u>	<u>Title III C-1</u>	<u>Title III C-2</u>	<u>Title III-D</u>	<u>Title III E</u>		
<u>Transfer From</u>							
Parish Fund	\$ 27,921	\$ 62,467	\$ 115,696	\$ 5,751	\$ 3,695	\$ --	\$ 215,530
PCOA 735	10,418	--	10,419	--	--	--	20,837
Total Parish Fund	<u>38,339</u>	<u>62,467</u>	<u>126,115</u>	<u>5,751</u>	<u>3,695</u>	--	<u>236,367</u>
Special Revenue Funds:							
Non-Major Funds:							
Supplemental Senior Senior Center	2,308	--	--	--	--	--	2,308
Helping Hands	--	11,668	--	--	--	--	11,668
NSIP	--	3,431	3,869	--	--	3,269	3,269
Title IV							
Disaster Grant	--	--	--	--	--	4,055	4,055
Total Special Revenue Funds	<u>2,308</u>	<u>15,099</u>	<u>3,869</u>	<u>--</u>	<u>--</u>	<u>7,324</u>	<u>28,600</u>
Total	<u>\$ 40,647</u>	<u>\$ 77,566</u>	<u>\$ 129,984</u>	<u>\$ 5,751</u>	<u>\$ 3,695</u>	<u>\$ 7,324</u>	<u>\$ 264,967</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

12. RELATED PARTY TRANSACTIONS:

There were no significant related party transactions during the year.

13. RESERVED FUND BALANCES AND RESTRICTED NET ASSETS:

Reserved Fund Balances:

Reserve for Heating and Helping Hands:

This reserve is established for obligations outstanding for low income, handicapped, elderly persons' utility bills.

PLAQUEMINES COUNCIL ON AGING, INC.  
 NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

13. RESERVED FUND BALANCES AND RESTRICTED NET ASSETS: (Continued)

Reserved Fund Balances: (Continued)

Reserve for Heating and Helping Hands: (Continued)

A summary of the change in reserve fund balance follows:

	<u>Special Revenue</u>	<u>General Fund</u>	<u>Total</u>
Reserves – June 30, 2007	\$ 1,900	\$ 8,323	\$ 10,223
Collections	--	3,269	3,269
Payments	--	--	--
Reserves – June 30, 2008	<u>\$ 1,900</u>	<u>\$ 11,592</u>	<u>\$ 13,492</u>

Reserve for Belle Chasse/Boothville/Port Sulphur Special:

This reserve is established for obligations for the elderly citizens of Belle Chasse, Boothville and Port Sulphur, Louisiana.

A summary of the change in reserve fund balance follows:

	<u>Special Revenue</u>			<u>Total</u>
	<u>Belle Chasse</u>	<u>Boothville</u>	<u>Port Sulphur</u>	
Reserves – June 30, 2007	\$ 455	\$ (24)	\$ 1,899	\$ 2,330
Collections	--	--	--	--
Payments	--	--	--	--
Reserves – June 30, 2008	<u>\$ 455</u>	<u>\$ (24)</u>	<u>\$ 1,899</u>	<u>\$ 2,330</u>

Reserve for Prepaid Insurance:

This reserve was established for the prepayment of insurance expenses for the next several years.

A summary of the change in reserve fund balance follows:

	<u>Special Revenue</u>
Reserves – June 30, 2007	\$ 3,156
Collections	(3,156)
Payments	<u>7,587</u>
Reserves – June 30, 2008	<u>\$ 7,587</u>

PLAQUEMINES COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008

13. RESERVED FUND BALANCES AND RESTRICTED NET ASSETS: (Continued)

Restricted Net Assets:

Restricted net assets as of June 30, 2008 consist of the following:

Belle Chasse/Boothville/Port Sulphur	\$ <u>2,330</u>
Heating Help/Helping Hands	\$ <u>13,492</u>

**SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA**

PLAQUEMINES COUNCIL ON AGING, INC.  
 BUDGETARY COMPARISON SCHEDULE - PCOA FUND  
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>GAAP</u> <u>Basis</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 20,837	\$ 20,837	\$ 20,837	\$ -
Public Support				
Contributions	-	-	-	-
Program Income	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	-	-	-	-
Total Revenues	<u>20,837</u>	<u>20,837</u>	<u>20,837</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	-	-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Operating Services	-	-	-	-
Operating Supplies	-	-	-	-
Other Costs	-	-	-	-
Full Service Contracts	-	-	-	-
Capital Outlays	-	-	-	-
Inkind	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>20,837</u>	<u>20,837</u>	<u>20,837</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(20,837)</u>	<u>(20,837)</u>	<u>(20,837)</u>	<u>-</u>
Total other financing sources and uses	<u>(20,837)</u>	<u>(20,837)</u>	<u>(20,837)</u>	<u>-</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



PLAQUEMINES COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - TITLE III B FUND  
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> GAAP <u>Basis</u>	<u>Final Budget</u> Favorable <u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 57,282	\$ 56,248	\$ 56,248	\$ -
Public Support				
Contributions	-	-	1,400	1,400
Program Income	456	624	612	(12)
Support via Utility Company programs - restricted	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	-	-	-	-
Total Revenues	<u>57,738</u>	<u>56,872</u>	<u>58,260</u>	<u>1,388</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	58,771	57,729	57,694	35
Fringe	10,049	9,437	9,385	52
Travel	167	82	82	-
Operating Services	20,315	17,079	18,121	(1,042)
Operating Supplies	11,318	8,684	9,224	(540)
Other Costs	-	-	-	-
Full Service Contracts	4,474	4,508	4,401	107
Inkind	-	-	-	-
Total Expenditures	<u>105,094</u>	<u>97,519</u>	<u>98,907</u>	<u>(1,388)</u>
Excess (deficiency) of revenues over expenditures	<u>(47,356)</u>	<u>(40,647)</u>	<u>(40,647)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	47,356	40,647	40,647	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>47,356</u>	<u>40,647</u>	<u>40,647</u>	<u>-</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PLAQUEMINES COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - TITLE III C-1 FUND  
 FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>GAAP</u> <u>Basis</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 58,169	\$ 58,169	\$ 58,169	\$ -
Public Support				
Contributions	-	736	738	2
Program Income	4,347	3,164	3,115	(49)
Support via Utility Company programs - restricted	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	-	-	-	-
Total Revenues	<u>62,516</u>	<u>62,069</u>	<u>62,022</u>	<u>(47)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	24,546	30,588	30,956	(368)
Fringe	4,181	4,974	5,011	(37)
Travel	509	306	309	(3)
Operating Services	20,854	24,242	25,908	(1,666)
Operating Supplies	58,354	74,821	77,089	(2,268)
Other Costs	-	-	-	-
Full Service Contracts	75	265	315	(50)
Inkind	-	-	-	-
Total Expenditures	<u>108,519</u>	<u>135,196</u>	<u>139,588</u>	<u>(4,392)</u>
Excess (deficiency) of revenues over expenditures	<u>(46,003)</u>	<u>(73,127)</u>	<u>(77,566)</u>	<u>(4,439)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	46,003	73,127	77,566	4,439
Transfers out	-	-	-	-
Total other financing sources and uses	<u>46,003</u>	<u>73,127</u>	<u>77,566</u>	<u>4,439</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PLAQUEMINES COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - TITLE III C-2 FUND  
 FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> GAAP <u>Basis</u>	<u>Final Budget</u> Favorable <u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 54,245	\$ 54,245	\$ 54,245	\$ -
Public Support:				
Contributions	-	-	-	-
Program Income	1,837	1,949	2,078	129
Support via Utility Company programs - restricted	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	<u>36,425</u>	<u>36,425</u>	<u>36,425</u>	<u>-</u>
Total Revenues	<u>92,507</u>	<u>92,619</u>	<u>92,748</u>	<u>129</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	67,439	61,057	59,952	1,105
Fringe	11,642	9,816	9,795	21
Travel	1,058	456	457	(1)
Operating Services	38,836	27,684	29,175	(1,491)
Operating Supplies	116,887	84,022	86,508	(2,486)
Other Costs	-	-	-	-
Full Service Contracts	161	358	420	(62)
Meals	-	-	-	-
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
Inkind	<u>36,425</u>	<u>36,425</u>	<u>36,425</u>	<u>-</u>
Total Expenditures	<u>272,448</u>	<u>219,818</u>	<u>222,732</u>	<u>(2,914)</u>
Excess (deficiency) of revenues over expenditures	<u>(179,941)</u>	<u>(127,199)</u>	<u>(129,984)</u>	<u>(2,785)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	179,941	127,199	129,984	2,785
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>179,941</u>	<u>127,199</u>	<u>129,984</u>	<u>2,785</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PLAQUEMINES COUNCIL ON AGING, INC.**  
**SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

	Title III C Administrative Services	Title III D Preventive Health	Title III E Caregiver Center	Senior Center	Senior Center	Supple- mental Senior Center	Nutritional Services Incentive Program	Helping Hands and Heating Help	Audit	Title IV Disaster Grant	Belle Chasse Special	Port Sulphur Special	Boothville Special	Total Governmental Funds
REVENUES:														
Intergovernmental														
Governor's Office of Elderly Affairs	\$ 22,167	\$ 3,559	\$ 17,512	\$ 27,414	\$ 2,308	\$ 7,300	\$ -	\$ 1,196	\$ 4,055	\$ -	\$ -	\$ -	\$ -	\$ 85,511
State Act 735 Discretionary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plaquemines Parish Government Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Support														
Contributions - unrestricted	-	-	-	39	-	-	-	-	-	-	-	-	-	39
Program Income - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support via Utility Company														
programs - restricted	-	-	-	-	-	-	3,269	-	-	-	-	-	-	3,269
Interest Income	-	-	-	687	-	-	-	-	-	-	-	-	-	687
Inkind Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>22,167</u>	<u>3,559</u>	<u>17,512</u>	<u>28,140</u>	<u>2,308</u>	<u>7,300</u>	<u>3,269</u>	<u>1,196</u>	<u>4,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,506</u>

EXPENDITURES:

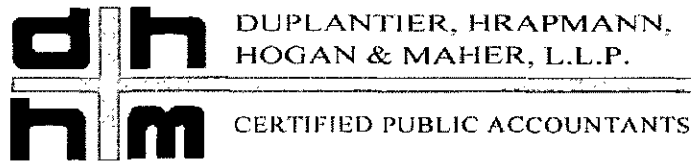
	Title III C Administrative Services	Title III D Preventive Health	Title III E Caregiver Center	Senior Center	Senior Center	Supple- mental Senior Center	Nutritional Services Incentive Program	Helping Hands and Heating Help	Audit	Title IV Disaster Grant	Belle Chasse Special	Port Sulphur Special	Boothville Special	Total Governmental Funds
Health, Welfare & Social Services														
Current:														
Personnel	9,264	6,447	6,743	12,708	-	-	-	-	-	-	-	-	-	35,162
Fringe	1,473	1,001	1,160	1,971	-	-	-	-	-	-	-	-	-	5,605
Travel	78	7	99	12	-	-	-	-	-	-	-	-	-	196
Operating Services	9,573	853	1,944	1,500	-	-	-	-	1,196	-	-	-	-	15,066
Operating Supplies	1,548	980	9,179	244	-	-	-	-	-	-	-	-	-	11,951
Full Service Contracts	231	22	2,082	37	-	-	-	-	-	-	-	-	-	2,372
Meals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inkind	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>22,167</u>	<u>9,310</u>	<u>21,207</u>	<u>16,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,332</u>
Excess (deficiency) of revenues over expenditures	-	(5,751)	(3,695)	11,668	2,308	7,300	3,269	-	4,055	-	-	-	-	19,134

OTHER FINANCING SOURCES (USES):

Transfers in	-	5,751	3,695	-	-	-	-	-	-	-	-	-	-	9,446
Transfers out	-	-	-	(11,668)	(2,308)	(7,300)	(3,269)	-	(4,055)	-	-	-	-	(28,600)
Total other financing sources and uses	-	<u>5,751</u>	<u>3,695</u>	<u>(11,668)</u>	<u>(2,308)</u>	<u>(7,300)</u>	<u>(3,269)</u>	<u>-</u>	<u>(4,055)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,154)</u>
Net Increase (Decrease) in fund balances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES														
Beginning of the year	-	-	-	-	-	-	1,900	-	-	-	455	(24)	1,899	4,230
End of the year	-	-	-	-	-	-	<u>1,900</u>	-	-	-	<u>455</u>	<u>(24)</u>	<u>1,899</u>	<u>4,230</u>

PLAQUEMINES COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS AND  
 CHANGES IN GENERAL FIXED ASSETS  
FOR THE YEAR ENDED JUNE 30, 2008

	Balance at <u>6/30/2007</u>	Additions	Deletions	Balance at <u>6/30/2008</u>
FIXED ASSETS AT COST:				
Vehicles	\$ 102,340	\$ 23,642	\$ -	\$ 125,982
Equipment	<u>44,903</u>	<u>-</u>	<u>-</u>	<u>44,903</u>
Total fixed assets at cost	<u>\$ 147,243</u>	<u>\$ 23,642</u>	<u>\$ -</u>	<u>\$ 170,885</u>
INVESTMENT IN FIXED ASSETS:				
State grant	\$ 27,000	\$ -	\$ -	\$ 27,000
Parish Funds	119,243	23,642	-	142,885
Private Donations	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
	<u>\$ 147,243</u>	<u>\$ 23,642</u>	<u>\$ -</u>	<u>\$ 170,885</u>



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

December 18, 2008

Plaquemines Council on Aging, Inc.  
Plaquemines, Louisiana

We have audited the general purpose financial statements of Plaquemines Council on Aging, Inc., as of and for the year ended June 30, 2008, and have issued our report thereon dated December 18, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Plaquemines Council on Aging, Inc.'s ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Plaquemines Council on Aging, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by the Plaquemines Council on Aging, Inc.'s internal control. We consider the deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we believe the significant deficiency in the accompanying schedule of findings is not a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Plaquemines Council on Aging, Inc.'s general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, 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 one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings.

This report is intended for the information of the Board of Directors of Plaquemines Council on Aging, management and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specified. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Hrapmann, Hagan & Maher, LLP*

PLAQUEMINES COUNCIL ON AGING, INC.  
SCHEDULE OF FINDINGS  
JUNE 30, 2008

SUMMARY OF AUDITOR'S RESULTS:

1. The auditor's report expresses an unqualified opinion on the financial statements of the Plaquemines Council on Aging, Inc.
2. One instance of noncompliance and one significant deficiency to the general purpose financial statements of the Plaquemines Council on Aging, Inc. was disclosed during the audit.

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS:

Internal Control

- 08-01 As a matter of convenience to the Plaquemines Council on Aging, Inc. we prepared the financial statements using the Plaquemines Council on Aging, Inc.'s financial data and with the approval and oversight of Plaquemines Council on Aging, Inc. management. The preparation of financial statements does represent a significant deficiency in Plaquemines Council on Aging, Inc.'s internal controls over financial reporting and increases the risk that errors or misstatements could occur undetected.

RESPONSE

We have determined that it is the most cost effective and prudent use of the Plaquemines Council on Aging, Inc. funds to engage the auditor to prepare Plaquemines Council on Aging, Inc.'s annual financial report. As such we feel no action by the Plaquemines Council on Aging, Inc. is necessary at this time.

Compliance

- 08-02 Louisiana Public Bid Law requires all purchases of supplies or the purchase of materials with a cost greater than \$20,000 to be advertised and let to the lowest bidder meeting specifications. Plaquemines Council on Aging, Inc. purchased one vehicle with a cost greater than \$20,000 and did not advertise and award to the lowest bidder meeting specifications. Not advertising for bids on the purchase of vehicles is in noncompliance with the Louisiana Public Bid Law. We recommend that the Plaquemines Council on Aging, Inc. bid all purchases of materials and supplies greater than \$20,000 and award to the lowest bidder meeting specifications.

RESPONSE:

The van was purchased with monies donated by the parish to replace a van that was lost due to Hurricane Katrina. In the future, we will comply with the provisions of the Louisiana Public Bid Law.



PLAQUEMINES COUNCIL ON AGING, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2008

MANAGEMENT LETTER:

There was no management letter issued with this report.

PRIOR YEAR COMMENTS:

07-01 In the prior year, Plaquemines Council on Aging, Inc. did not advertise for bids on the purchase of two vehicles and as such was not in compliance with the Louisiana Public Bid Law. We recommended that, in the future, Plaquemines Council on Aging, Inc. bid all purchase of materials and supplies greater than \$20,000 and award to the lowest bidder meeting specifications. Management was in agreement that bid laws had not been followed and pledged to remedy the situation in the future, however, the same finding was discovered. see current year comment 08-02.