

REPORT
PLAQUEMINES COUNCIL ON AGING, INC.
JUNE 30, 2004

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

Release Date 2/2/05

PLAQUEMINES COUNCIL ON AGING, INC.

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INDEPENDENT AUDITOR'S REPORT

November 17, 2004

Plaquemines Council on Aging, Inc.
Chalmette, Louisiana

We have audited the accompanying financial statements of Plaquemines Council on Aging, Inc., as of and for the year ended June 30, 2004, 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, 2004 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, Plaquemines Council on Aging, Inc. adopted the provisions of the Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as of July 1, 2003.

Management's discussion and analysis on pages 3 through 5 and the other required supplementary information on pages 26 through 28 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, 2004 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 29 and 30 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 November 17, 2004 on our consideration of Plaquemines Council on Aging, Inc.'s internal control over financial reporting and on its compliance with laws and regulations. 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.

Duplantier, Hrapmann, Hogan & Maher, LLP

**PLAQUEMINES COUNCIL ON AGING, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

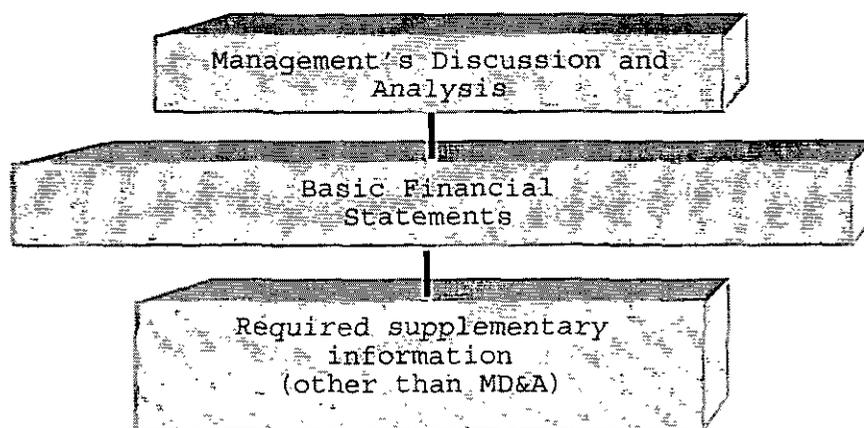
The Management's Discussion and Analysis of Plaquemines Council on Aging, Inc.'s financial performance presents a narrative overview and analysis of Plaquemines Council on Aging, Inc.'s financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting 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 \$214,950 of income from Plaquemines Parish Government for years ending June 30, 2004 and 2003..
- * Plaquemines Council on Aging, Inc. received \$262,844 for funding from the Governor's Office of Elderly Affairs during the fiscal year ended June 30, 2004. Total amount received during the year ended June 30, 2003 was \$277,365.
- * Charges for services increased during the current year by \$2,265 or 42%.
- * Total expenditures increased by \$36,658 or 7.6%. Total expenditures for the year ended June 30, 2004 and 2003 was \$520,895 and \$484,237, 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, 2004

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, 2004

<u>Current Assets:</u>	
Cash	\$ 138,238
Other current assets	8,887
Capital assets	<u>10,384</u>
Total assets	<u>157,509</u>
<u>Liabilities:</u>	
Accounts payable	12,061
Other liabilities	<u>4,356</u>
Total liabilities	<u>16,417</u>
<u>Net Assets:</u>	
Invested in capital assets	10,384
Restricted	4,442
Unrestricted	<u>126,266</u>
Total net assets	<u>\$ 141,092</u>

A comparative Statement of Net Assets will be provided in future years.

**PLAQUEMINES COUNCIL ON AGING, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

**Statement of Activities
For the Year Ended June 30, 2004**

Revenues:	
Program Revenues	\$ 278,294
General Revenues	<u>240,297</u>
Total Revenues	<u>518,591</u>
Direct Program Expenses of the Health, Welfare and Social Services Function:	
Supportive services	\$ 95,077
Nutrition Services	253,434
Utility Assistance	10,477
Disease Prevention and Health Promotion	3,524
National Family Caregiver Support	15,918
Senior Center	17,749
Direct Administration Expenses	<u>124,716</u>
Total Expenses	<u>520,895</u>
Increase (Decrease) in Net Assets	\$ <u>(2,304)</u>

A comparative Statement of Activities will be provided in future years.

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.
- * Internal resources in place to complete planned budgeted programs.

Plaquemines Council on Aging, Inc. expects that next year's results will improve based on the following:

- * Office of Elderly Affairs grants.
- * Personnel in place to complete budgeted programs.
- * Other outside income received from program services.

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 Allison Isaacks (985) 564-3220.

PLAQUEMINES COUNCIL ON AGING, INC.
STATEMENT OF NET ASSETS
JUNE 30, 2004

	<u>Governmental Activities</u>
ASSETS:	
Cash - operating	\$ 94,639
Cash - savings	43,599
Grants and contracts receivable	6,484
Inventories	2,403
Capital assets, net of accumulated depreciation	<u>10,384</u>
Total Assets	<u>157,509</u>
 LIABILITIES:	
Accounts payable	12,061
Payroll taxes withheld and accrued	1,362
Retirement plan payable	<u>2,994</u>
Total Liabilities	<u>16,417</u>
 NET ASSETS:	
Invested in Capital Assets, net of debt	10,384
Restricted for:	
BC/BV/PS Special	2,330
Heating Help	347
Helping Hands	1,765
Unrestricted	
Parish	122,537
Special Funds	<u>3,729</u>
Total Net Assets	<u>\$ 141,092</u>

The accompanying notes are an integral part of this statement.

PLAQUEMINES COUNCIL ON AGING, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

<u>Functions/Programs</u>	<u>Direct Expenses</u>	<u>Indirect Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Increases (Decreases) in Net Assets</u>
			<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Governmental Activities</u>
<u>Governmental Activities</u>						
Health, Welfare & Social Services:						
Supportive Services:						
Information and Assistance	\$ 12,414	\$ 3,140	\$ -	\$ 7,926	\$ -	\$ (7,628)
Legal assistance	3,204	-	-	1,633	-	(1,571)
Outreach	2,641	668	-	1,686	-	(1,623)
Transportation	43,725	11,059	-	27,917	-	(26,867)
Other services	33,093	8,370	187	21,128	-	(20,148)
Disease Prevention and Health Promotion	3,524	831	-	3,462	-	(893)
National Family Caregiver Support:						
Respite	11,498	8,390	-	18,100	-	(1,788)
Other services	4,420	3,225	-	6,958	-	(687)
Nutrition Services:						
Congregate Meals	100,078	23,840	4,360	53,249	-	(66,309)
Home Delivered Meals	153,356	35,768	3,052	80,362	-	(105,710)
Utility Assistance	10,477	-	-	7,445	-	(3,032)
Senior Center	17,749	3,797	-	18,522	-	(3,024)
Administration	124,716	(99,088)	-	22,307	-	(3,321)
Total governmental activities	<u>\$ 520,895</u>	<u>\$ -</u>	<u>\$ 7,599</u>	<u>\$ 270,695</u>	<u>\$ -</u>	<u>\$ (242,601)</u>

General Revenues:

Grants and contributions not restricted to specific programs	240,226
Unrestricted Investment Income	71
Total general revenues	<u>240,297</u>
Increase (Decrease) in net assets	(2,304)
Net assets - beginning of the year	<u>143,396</u>
Net assets - end of the year	<u>\$ 141,092</u>

The accompanying notes are an integral part of this statement.

PLAQUEMINES COUNCIL ON AGING, INC.
 GOVERNMENTAL FUNDS
 BALANCE SHEET
JUNE 30, 2004

	PCOA/ Parish Fund	Title III B	Title III C-1	Title III C-2	Non-Major Funds	Total
ASSETS:						
Cash	\$ 90,197	\$ -	\$ -	\$ -	\$ 4,442	\$ 94,639
Investments	43,599	-	-	-	-	43,599
Grants and contracts receivable	6,484	-	-	-	-	6,484
Inventories	<u>2,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,403</u>
Total Assets	<u>\$ 142,683</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,442</u>	<u>147,125</u>
 LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 12,061	\$ -	\$ -	\$ -	\$ -	12,061
Payroll taxes payable	1,362	-	-	-	-	1,362
Retirement plan payable	<u>2,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,994</u>
Total Liabilities	<u>16,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,417</u>
Fund Balances:						
Reserved for:						
Belle Chasse Special	-	-	-	-	455	455
Boothville Special	-	-	-	-	(24)	(24)
Port Sulphur Special	-	-	-	-	1,899	1,899
Heating Help and Helping Hands	-	-	-	-	2,112	2,112
Unreserved/Undesignated:						
Parish Funds	122,537	-	-	-	-	122,537
Special Funds	<u>3,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,729</u>
Total Fund Balances	<u>126,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,442</u>	<u>130,708</u>
Total Liabilities and Fund Balances	<u>\$ 142,683</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,442</u>	

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

10,384

NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 141,092

The accompanying notes are an integral part of this statement.

PLAQUEMINES COUNCIL ON AGING, INC.
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	PCOA/ Parish Fund	Title III B	Title III C-1	Title III C-2	Non-Major Funds	Total Governmental Funds
REVENUES:						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ -	\$ 56,465	\$ 43,759	\$ 66,151	\$ 96,469	\$ 262,844
State Act 735 Discretionary	21,048	-	-	-	-	21,048
Plaquemines Parish Government Grant	214,950	-	-	-	-	214,950
Public Support:						
Contributions - unrestricted	4,228	-	405	-	-	4,633
Program Income - unrestricted	-	187	4,360	3,052	-	7,599
Support via Utility Company programs - restricted	-	-	-	-	7,445	7,445
Interest Income	-	-	-	-	71	71
Inkind Contributions	-	32,000	30,000	-	4,500	66,500
Total Revenues	240,226	88,652	78,524	69,203	108,485	585,090
EXPENDITURES						
Health, Welfare & Social Services:						
Current:						
Personnel	-	70,571	50,638	71,771	34,636	227,616
Fringe	-	11,599	8,344	11,845	5,482	37,270
Travel	-	22	23	34	30	109
Operating Services	-	21,621	22,591	35,500	24,385	104,097
Operating Supplies	-	8,089	40,712	64,540	9,285	122,626
Full Service Contracts	-	6,412	798	1,197	10,412	18,819
Meals	-	-	-	-	-	-
Utility Assistance	-	-	-	-	-	-
Miscellaneous	1,097	-	-	-	-	1,097
Capital Outlays	4,557	-	-	-	-	4,557
Inkind	-	32,000	30,000	-	4,500	66,500
Total Expenditures	5,654	150,314	153,106	184,887	88,730	582,691
Excess (deficiency) of revenues over expenditures	234,572	(61,662)	(74,582)	(115,684)	19,755	2,399
OTHER FINANCING SOURCES (USES)						
Transfers in	-	61,662	74,582	115,684	7,365	259,293
Transfers out	(232,173)	-	-	-	(27,120)	(259,293)
Total other financing sources and uses	(232,173)	61,662	74,582	115,684	(19,755)	-
Net Increase (Decrease) in fund balances	2,399	-	-	-	-	2,399
FUND BALANCES						
Beginning of the year	123,867	-	-	-	4,442	128,309
End of the year	\$ 126,266	\$ -	\$ -	\$ -	\$ 4,442	\$ 130,708

The accompanying notes are an integral part of this statement.

PLAQUEMINES COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004

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, 2004

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, 2004

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:

For the first time 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.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The Council has elected to implement the general provisions of the GASB Statement 34 in the current year.

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, 2004

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, 2004

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, 2004

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, 2004

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 the 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.

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, 2004

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, 2004

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:

GASB Statement 31 requires 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, 2004

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, 2004

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, 2003, 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 budget for the year ending June 30, 2004, was submitted to and approved by the board of directors on May 8, 2004 and a revised budget was approved on May 12, 2004. 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, 2004

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. CASH:

At June 30, 2004, the Council has cash in interest bearing accounts (book balances) totaling \$ 138,088. 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, 2004, the Council has \$ 144,176 in deposits (collected bank balances). Of the bank balances, \$140,375 was fully secured through federal deposit insurance and \$ 3,801 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>07-01-03</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>06-30-04</u>
Vehicles	\$ 136,716	\$ --	\$ (5,400)	\$ 131,316
Furniture and equipment	<u>48,724</u>	<u>4,557</u>	<u>(2,658)</u>	<u>50,623</u>
Subtotal	<u>185,440</u>	<u>4,557</u>	<u>(8,058)</u>	<u>181,939</u>
Accumulated Depreciation:				
Vehicles	132,478	4,238	(5,400)	131,316
Furniture and equipment	<u>37,875</u>	<u>5,022</u>	<u>(2,658)</u>	<u>40,239</u>
Subtotal	<u>170,353</u>	<u>9,260</u>	<u>(8,058)</u>	<u>171,555</u>
Net Capital Assets	\$ <u>15,087</u>	\$ <u>(4,703)</u>	\$ <u>--</u>	\$ <u>10,384</u>

Depreciation was charged to governmental activities as follows:

Administration	\$ 2,222
Home delivered	4,237
Senior center	1,988
Congregate meals	<u>812</u>
Total depreciation expense for governmental activities	<u>\$ 9,259</u>

PLAQUEMINES COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004

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 \$66,500 in in-kind contributions from the parish government 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.

A summary of the in-kind contributions and their respective values is as follows:

Senior Community Service Projects and related expenses	\$ 11,500
Supplies and miscellaneous expenses	54,000
Rent, repairs and maintenance building equipment	<u>1,000</u>
Total in-kind contributions	<u>\$ 66,500</u>

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, 2004

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, 2004

11. INTERFUND TRANSFERS:

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

	Funds Transferred To								Total
	Title III-B	Title III C-1	Title III C-2	Title III D	Title III E	Senior Center	Supple- mental Senior Center	Helping Hands and Heating Help	
<u>Transfer From</u>									
Parish Fund	\$ 47,313	\$ 65,497	\$ 90,950	\$ 893	\$ 2,475	\$ 965	\$ --	\$ 3,032	\$ 211,125
PCOA 735	<u>10,524</u>	--	<u>10,524</u>	--	--	--	--	--	<u>21,048</u>
Total Parish Fund	<u>57,837</u>	<u>65,497</u>	<u>101,474</u>	<u>893</u>	<u>2,475</u>	<u>965</u>	--	<u>3,032</u>	<u>232,173</u>
Special Revenue Funds:									
Non-Major Funds:									
Supplemental Senior Center	3,825	--	--	--	--	--	--	--	3,825
Nutritional Services Incentive Program	--	<u>9,085</u>	<u>14,210</u>	--	--	--	--	--	<u>23,295</u>
Total Special Revenue Funds	<u>3,825</u>	<u>9,085</u>	<u>14,210</u>	--	--	--	--	--	<u>27,120</u>
Total	<u>\$ 61,662</u>	<u>\$ 74,582</u>	<u>\$ 115,684</u>	<u>\$ 893</u>	<u>\$ 2,475</u>	<u>\$ 965</u>	<u>\$ --</u>	<u>\$ 3,032</u>	<u>\$ 259,293</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.

PLAQUEMINES COUNCIL ON AGING, INC.
 BUDGETARY COMPARISON SCHEDULE - PCOA FUND
FOR THE YEAR ENDED JUNE 30, 2004

	<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>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 21,048	\$ 21,048	\$ 21,048	\$ -
Public Support	-	-	-	-
Contributions	-	-	-	-
Program Income	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	-	-	-	-
Total Revenues	<u>21,048</u>	<u>21,048</u>	<u>21,048</u>	<u>-</u>
EXPENDITURES				
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>21,048</u>	<u>21,048</u>	<u>21,048</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>(21,048)</u>	<u>(21,048)</u>	<u>(21,048)</u>	<u>-</u>
Total other financing sources and uses	<u>(21,048)</u>	<u>(21,048)</u>	<u>(21,048)</u>	<u>-</u>
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
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, 2004

	<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>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 60,290	\$ 60,290	\$ 56,465	\$ (3,825)
Public Support	-	-	-	-
Contributions	-	-	-	-
Program Income	135	185	187	2
Support via Utility Company programs - restricted	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>
Total Revenues	<u>92,425</u>	<u>92,475</u>	<u>88,652</u>	<u>(3,823)</u>
EXPENDITURES				
Current:				
Personnel	70,598	70,587	70,571	(16)
Fringe	10,861	11,328	11,599	271
Travel	188	22	22	-
Operating Services	18,409	22,211	21,621	(590)
Operating Supplies	8,552	8,302	8,089	(213)
Other Costs	-	-	-	-
Full Service Contracts	6,371	6,456	6,412	(44)
Capital Outlays	-	-	-	-
Inkind	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>
Total Expenditures	<u>146,979</u>	<u>150,906</u>	<u>150,314</u>	<u>(592)</u>
Excess (deficiency) of revenues over expenditures	<u>(54,554)</u>	<u>(58,431)</u>	<u>(61,662)</u>	<u>(3,231)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	54,554	58,431	61,662	3,231
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>54,554</u>	<u>58,431</u>	<u>61,662</u>	<u>3,231</u>
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
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 C-1 FUND
FOR THE YEAR ENDED JUNE 30, 2004

	<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>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 43,759	\$ 43,759	\$ 43,759	\$ -
Public Support	-	-	-	-
Contributions	287	372	405	33
Program Income	3,059	4,065	4,360	295
Support via Utility Company programs - restricted	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total Revenues	<u>77,105</u>	<u>78,196</u>	<u>78,524</u>	<u>328</u>
EXPENDITURES				
Current:				
Personnel	48,991	50,634	50,638	4
Fringe	7,545	8,109	8,344	235
Travel	188	22	23	1
Operating Services	18,722	23,023	22,591	(432)
Operating Supplies	35,425	38,994	40,712	1,718
Other Costs	-	-	-	-
Full Service Contracts	765	788	798	10
Capital Outlays	-	-	-	-
Inkind	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total Expenditures	<u>141,636</u>	<u>151,570</u>	<u>153,106</u>	<u>1,536</u>
Excess (deficiency) of revenues over expenditures	<u>(64,531)</u>	<u>(73,374)</u>	<u>(74,582)</u>	<u>(1,208)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	64,531	73,374	74,582	1,208
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>64,531</u>	<u>73,374</u>	<u>74,582</u>	<u>1,208</u>
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
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 C-2 FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 66,151	\$ 66,151	\$ 66,151	\$ -
Public Support	-	-	-	-
Contributions	-	-	-	-
Program Income	2,132	2,592	3,052	460
Support via Utility Company programs - restricted	-	-	-	-
Investment Income	-	-	-	-
Inkind Contributions	-	-	-	-
	68,283	68,743	69,203	460
Total Revenues				
EXPENDITURES				
Current:				
Personnel	71,654	71,440	71,771	331
Fringe	11,037	11,439	11,845	406
Travel	293	33	34	1
Operating Services	29,805	36,104	35,500	(604)
Operating Supplies	59,723	61,164	64,540	3,376
Other Costs	-	-	-	-
Full Service Contracts	1,189	1,176	1,197	21
Meals	-	-	-	-
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
Inkind	-	-	-	-
	173,701	181,356	184,887	3,531
Total Expenditures				
Excess (deficiency) of revenues over expenditures	(105,418)	(112,613)	(115,684)	(3,071)
OTHER FINANCING SOURCES (USES)				
Transfers in	105,418	112,613	115,684	3,071
Transfers out	-	-	-	-
	105,418	112,613	115,684	3,071
Total other financing sources and uses				
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

PLAQUEMINES COUNCIL ON AGING, INC.
SUPPLEMENTAL INFORMATION
SCHEDULE OF NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	Title III C Administrative Services	Title III D Preventive Health	Title III E Caregiver	Senior Center	Senior Center	Supple- mental Senior Center	Nutritional Services Incentive Program	Helping Hands and Heating Help	Audit	Belle Chasse Special	Port Sulphur Special	Boothville Special	Total Governmental Funds
REVENUES:													
Intergovernmental													
Governor's Office of													
Elderly Affairs	\$ 21,227	\$ 3,462	\$ 25,058	\$ 18,522	\$ 3,825	\$ 23,295	\$ -	\$ 1,080	\$ -	\$ -	\$ -	\$ -	\$ 96,469
Slate Act 735 Discretionary	-	-	-	-	-	-	-	-	-	-	-	-	-
Plaquemines Parish	-	-	-	-	-	-	-	-	-	-	-	-	-
Government Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Support	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Income - unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-
Support via Utility Company	-	-	-	-	-	-	7,445	-	-	-	-	-	7,445
Interest Income	-	-	-	71	-	-	-	-	-	-	-	-	71
Inkind Contributions	4,200	300	-	-	-	-	-	-	-	-	-	-	4,500
Total Revenues	<u>25,427</u>	<u>3,762</u>	<u>25,058</u>	<u>18,593</u>	<u>3,825</u>	<u>23,295</u>	<u>7,445</u>	<u>1,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,485</u>

EXPENDITURES:

	Health, Welfare & Social Services	Current:	Personnel	Fringe	Travel	Operating Services	Operating Supplies	Full Service Contracts	Meals	Utility Assistance	Capital Outlays	Total	
Health, Welfare & Social Services													
Current:													
Personnel	8,206	3,036	7,519	15,094	-	-	-	-	781	-	-	34,636	
Fringe	1,307	382	1,297	2,370	-	-	-	-	126	-	-	5,482	
Travel	20	-	4	4	-	-	-	-	2	-	-	30	
Operating Services	9,581	369	2,276	1,713	-	-	-	-	9,366	-	-	24,385	
Operating Supplies	1,402	541	6,959	250	-	-	-	-	133	-	-	9,285	
Full Service Contracts	711	27	9,478	127	-	-	-	-	69	-	-	10,412	
Meals	-	-	-	-	-	-	-	-	-	-	-	-	
Utility Assistance	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Outlays	-	-	-	-	-	-	-	-	-	-	-	-	
Inkind	4,200	300	-	-	-	-	-	-	-	-	-	4,500	
Total Expenditures	<u>25,427</u>	<u>4,655</u>	<u>27,533</u>	<u>19,558</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,477</u>	<u>-</u>	<u>-</u>	<u>88,730</u>	
Excess (deficiency) of revenues over expenditures	-	(893)	(2,475)	(965)	3,825	23,295	(3,032)	-	-	-	-	-	19,755

OTHER FINANCING SOURCES

(USES):	Transfers in	Transfers out	Total other financing sources and uses
Transfers in	893	-	893
Transfers out	-	(3,825)	(3,825)
Total other financing sources and uses	<u>893</u>	<u>(3,825)</u>	<u>(2,932)</u>

Net Increase (Decrease) in fund balances

Net Increase (Decrease) in fund balances	-	-	-	-	-	-	-	-	-	-	-	-	-
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FUND BALANCES

Beginning of the year	-	-	-	-	-	-	2,112	-	-	455	(24)	1,899	4,442
End of the year	<u>\$ -</u>	<u>\$ 2,112</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455</u>	<u>\$ (24)</u>	<u>\$ 1,899</u>	<u>\$ 4,442</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, 2004

	Balance at <u>6/30/2003</u>	<u>Additions</u>	<u>Deletions</u>	Balance at <u>6/30/2004</u>	State Property <u>Deletions</u>	State Inventory <u>Deletions</u>
FIXED ASSETS AT COST:						
Vehicles	\$ 136,716	\$ -	\$ 5,400	\$ 131,316	\$ -	\$ 131,316
Equipment	<u>48,725</u>	<u>4,556</u>	<u>2,658</u>	<u>50,623</u>	<u>2,808</u>	<u>47,815</u>
Total fixed assets at cost	<u>\$ 185,441</u>	<u>\$ 4,556</u>	<u>\$ 8,058</u>	<u>\$ 181,939</u>	<u>\$ 2,808</u>	<u>\$ 179,131</u>
INVESTMENT IN FIXED ASSETS:						
Property acquired prior to 1988 (no records)	\$ 1,675	\$ -	\$ -	\$ 1,675	\$ -	\$ 1,675
Title III C	2,834	-	-	2,834	-	2,834
Parish Funds	155,346	875	8,058	148,163	-	148,163
Private Donations	<u>25,586</u>	<u>3,681</u>	<u>-</u>	<u>29,267</u>	<u>2,808</u>	<u>26,459</u>
	<u>\$ 185,441</u>	<u>\$ 4,556</u>	<u>\$ 8,058</u>	<u>\$ 181,939</u>	<u>\$ 2,808</u>	<u>\$ 179,131</u>



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

November 17, 2004

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, 2004, and have issued our report thereon dated November 17, 2004. 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.

Compliance

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 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 Plaquemines Council on Aging, Inc.'s 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.

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, Hogan & Maher, LLP

PLAQUEMINES COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2004

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. No reportable conditions relating to the audit of the general purpose financial statements are reported in the *Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards*.
3. No instances of noncompliance material to the general purpose financial statements of the Plaquemines Council on Aging, Inc. were disclosed during the audit.

FINDINGS - FINANCIAL STATEMENTS AUDIT:

There were no findings that are required to be reported in this section of the report.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings that are required to be reported in this section of the report.

MANAGEMENT LETTER:

There was no management letter issued with this report

PRIOR YEAR COMMENTS:

There were no comments from prior year's audit.

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November 17, 2004

Legislative Auditor
Engagement Processing
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SCHEDULES AND DATA COLLECTION FORM
SECTION 1: SUMMARY OF AUDITOR'S REPORT

A. FINANCIAL STATEMENT AUDIT OPINION:

We have audited the financial statements of Plaquemines Council on Aging, Inc. as of and for the year ended June 30, 2004 and have issued our report thereon dated November 17, 2004. 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. Our audit of the financial statements as of June 30, 2004 resulted in an unqualified opinion.

B. REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING:

Internal Control:

Material weaknesses – none noted
Reportable conditions – none noted

Compliance:

Noncompliance material to financial statements - none noted

C. FEDERAL AWARDS:

N/A

SECTION 2: FINANCIAL STATEMENT FINDINGS

A. CURRENT YEAR FINDINGS:

None

B. PRIOR YEAR FINDINGS (OTHER MATTERS):

None