

**REGION 8 PLANNING AND
DEVELOPMENT COUNCIL**

FINANCIAL STATEMENTS

June 30, 2010

REGION 8 PLANNING AND DEVELOPMENT COUNCIL

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	3
<u>BASIC FINANCIAL STATEMENTS</u>	
Statement of Net Assets	9
Statement of Activities	10
Balance Sheet – Governmental Funds	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	13
Notes to Financial Statements	14
<u>SUPPLEMENTARY INFORMATION</u>	
Statement of Revenues, Expenditures and Changes in Fund Balance – Unrestricted Operations	19
Statement of Revenues and Expenditures – Administrative Grant Under Appalachian Regional Development Act – January 1, 2009 to December 31, 2009	20
Statement of Revenues and Expenditures – Administrative Grant Under Appalachian Regional Development Act – January 1, 2010 to June 30, 2010	21
Statement of Revenues and Expenditures – Economic Development Administration - Planning	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Loan Programs	23
Statement of Revenues and Expenditures – Rural Business Enterprise Grant – May 1, 2009 to June 30, 2010	24
Statement of Revenues and Expenditures – Title III – October 1, 2008 to September 30, 2009	25
Statement of Revenues and Expenditures – Title III – October 1, 2009 to June 30, 2010	26
Statement of Revenues and Expenditures – LIFE	27
Statement of Revenues and Expenditures – Aging Disabled Resource Center	28

REGION 8 PLANNING AND DEVELOPMENT COUNCIL

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Statement of Revenues and Expenditures – Aging Disabled Resource Center – Region 1	29
Statement of Revenues and Expenditures – VITALS – December 1, 2009 to June 30, 2010	30
Statement of Revenues and Expenditures – In-Home Fuel	31
Statement of Revenues and Expenditures – Senior Health Insurance Program – April 1, 2009 to March 31, 2010	32
Statement of Revenues and Expenditures – Senior Health Insurance Program – April 1, 2010 to June 30, 2010	33
Statement of Revenues and Expenditures – Title V	34
Statement of Revenues and Expenditures – Title V – American Recovery and Reinvestment Act – April 1, 2009 to June 30, 2010	35
Statement of Revenues and Expenditures – Title V – American Recovery and Reinvestment Act – February 1, 2010 to June 30, 2010	36
Statement of Revenues and Expenditures – Foster Grandparent	37
Statement of Revenues and Expenditures – Retired Senior Volunteer Program – January 1, 2009 to December 31, 2009	38
Statement of Revenues and Expenditures – Retired Senior Volunteer Program – January 1, 2010 to June 30, 2010	39
Statement of Revenues and Expenditures – Workforce Investment Board Administration	40
Statement of Revenues and Expenditures – Workforce Investment Board Program	41
Statement of Revenues and Expenditures – Transitional Housing	42
Schedule of Cost Pool Expenses	43
Schedules of Deferred Revenue and Due to Other Agencies	44
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters	45
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance	47
Schedule of Expenditures of Federal Awards	49
Notes to Schedule of Expenditures of Federal Awards	51
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	52



INDEPENDENT AUDITOR'S REPORT

To the Council Members
Region 8 Planning and Development Council
Petersburg, West Virginia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Region 8 Planning and Development Council as of and for the year ended , which collectively comprise Region 8 Planning and Development Council's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Region 8 Planning and Development Council'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 the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Region 8 Planning and Development Council, as of , and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2011, on our consideration of Region 8 Planning and Development Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America., which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Region 8 Planning and Development Council's financial statements taken as a whole. The combining and individual fund financial statements as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Martin, Beachy & Archart, PLLC

April 7, 2011

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2010**

BACKGROUND

The Region 8 Planning and Development Council is one of eleven regional councils created in 1972 under the West Virginia Regional Planning and Development Act. The PDC is a West Virginia special purpose unit of government that is governed by a board of directors comprised of mayors, county commissioners, and private sector representatives. While the Council has no ability to levy taxes, its properly adopted contribution request becomes a mandatory obligation of its member governments. The Council maintains its principal office in the Grant County Industrial Park, Petersburg, WV.

USING THIS ANNUAL REPORT

Content of the Report

The Region 8 PDC has prepared a series of financial statements that it hopes will allow member governments, funding agencies, and the general public to assess the PDC's FY 2010 financial activity and the change in its financial condition during FY 2010. The PDC presents the following major statements:

- **Statement of Net Assets** – This provides a statement of assets and liabilities on an organization wide basis as of June 30, 2010. This provides the simplest display of the PDC financial condition at the end of FY 2010. The statement lacks detail on funds as shown on the balance sheet.
- **Statement of Activities** – This provides a statement of expenses, revenues, and change in net assets by function/program during FY 2010. The net assets as of June 30, 2010 are the result of the activity portrayed on this statement. Unlike the Statement of Revenues and Expenditures, it provides no details on budget line items.
- **Balance Sheet** – This provides the traditional statement of assets and liabilities and provides the total net assets as of June 30, 2010. The information contained in this statement is similar to that on the Statement of Net Assets. However, the balance sheet provides detail by major fund.
- **Statement of Revenues and Expenditures, and Changes in Fund Balances Governmental Funds** – This provides the traditional statement of revenue and expenses by fund for the entire agency. While similar to the Statement of Activities this statement provides details on budget line items instead of functions.

The audit report also presents various notes to the listed statements in an effort to provide detail and clarification.

Statements of Revenues and Expenditures for various programs follow these statements and associated notes. The PDC presents these to allow funding agencies to track the receipt and expenditure of their money.

The FY 2010 audit also contains the auditor's report on internal control over financial reporting and on compliance, the auditor's report on compliance with requirements applicable to each major program, a schedule of expenditures of federal awards, and a schedule of findings and questioned costs.

Reporting the Organization as a Whole

The Statement of Net Assets and Statement of Activities

It is essential that the Council be able to explain the stewardship of financial resources in its care to the public. The PDC presents the Statements of Net Assets and Activities to allow the public to determine if the Council as a whole has the financial ability to sustain the services that it provides. The statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting in the business community. The Statement of Activities provides an accounting of revenue and expenses by program. The statement of cash received or spent reflects accrual for the current year.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2010**

One can assess the PDC's ability to sustain its efforts by examining these statements. Net assets reflect the difference between what the PDC owns and what it owes. The difference between revenues and expenses as reported on the Statement of Activities changes the net assets for the current year. The change in net assets over time is the best indicator of the organization's ability to sustain operations. As with businesses, growth in net assets reflects an increased ability to sustain operations. However, one must pay attention to critical details including the rates of change in revenues and expenses and the mix of assets that comprise the net assets. Finally, the non-financial factors that enter governmental decision-making may cause deviation from the desire of businesses to maximize growth of net assets over the long term. However, the PDC must rationally explain these deviations to the public.

Reporting the Most Significant Funds

Fund Financial Statements

The Region 8 Planning and Development Council accounts for financial resources through three governmental funds:

- **The General Fund** – this fund accounts for resources that the PDC controls without restriction from a funding agency.
- **The Title III Fund** – this fund accounts for resources from the state and federal governments that are restricted to providing service for senior citizens.
- **The Other Government Funds Fund** – this fund accounts for all restricted funds that are not reported in the Title III Fund.

The Balance Sheet as of June 30, 2010 and the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds report detailed information about the PDC's funds as opposed to the Council as a whole. The PDC designates these funds to help it manage resources and comply with various program regulations. The Council only has governmental funds.

The PDC reports its operations in governmental funds that focus on income and expenses and year-end balances. The Council uses modified accrual accounting to account for these funds. Cash and assets readily converted to cash are the principal concern of the accounting system. The fund reports allow one to gain an understanding of how the Council has used resources for given operations and of resources that are available in the near term for given operations or sets of operations. A Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities describes the relationship between governmental activities and governmental funds.

Again, notes provide additional information and clarification to allow a better understanding of the information reported in the statements.

THE ORGANIZATION AS A WHOLE

During FY 2010 the Region 8 PDC expended \$12,593,567 on its governmental activities. These same activities produced revenues of \$12,512,181 during FY 2010. The PDC had a change in total governmental funds of \$(81,386). Offsetting this decrease was a modest increase in net assets as a result of business-type activities of \$4,771 and investment earnings of \$2,971. Overall, the PDC had a change in net assets of \$(73,644) during FY 2010. The PDC had net assets of \$788,960 at the end of FY 2010. This represented an 8.5% decrease in net assets over the end of FY 2009. Table 1 provides additional details including a comparison to FY 2007 and FY 2008.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2010**

Table1 – FY 2010 Expenses and Revenues

	FY 2007	FY 2008	FY 2009	FY 2010	Percent Change	
					FY 08 to 09	FY 09 to 10
Expenses Governmental Activities	7,561,165	9,724,250	12,099,450	12,593,567	24.43%	4.08%
Revenues Governmental Activities	7,500,998	9,695,064	12,062,985	12,512,181	24.42%	3.72%
Change in Net Assets Governmental Activities	(60,167)	(29,186)	(36,465)	(81,386)	24.94%	123.19%
Expenses Business-Type Activities	1,665	1,665	1,451	1,229	-12.85%	-15.30%
Revenues Business-Type Activities	6,000	6,000	6,000	6,000	0.00%	0.00%
Change in Net Assets Business-Type Activities	4,335	4,335	4,549	4,771	4.94%	4.88%
Investment Earnings	7,735	4882	3656	2,971	-25.11%	-18.74%
Change in Net Assets	(48,097)	(19,969)	(28,260)	(73,644)	41.52%	61.63%
Net Assets Beginning	960,342	910,833*	890,864	862,604	-2.19%	-3.17%
Net Assets Ending	912,245	890,864	862,604	788,960	-3.17%	-8.54%

*Difference due to incorporating WIB into the Region 8 accounting system. WIB assets were (\$1,412) at the end of FY 07.

As in the past three fiscal years the PDC experienced a decrease in net assets because of governmental activities. This decrease was caused by 1) the PDC expensing bad debt associated with its business lending programs, 2) revenue shortfalls in general operations, and 3) capital expenditures for the Transitional Housing Center which are being recuperated from the program based on the life of the purchased items. While adjustments have been made within the past several years, some operations continue to struggle financially, mostly due to the increasing liability of contributions to the WV Retiree Health Benefits Trust Fund (RHBT). The Council must accrue liability on a monthly basis for each employee currently covered by the WV PEIA to cover costs of the RHBT. After the initial budget was approved by the Council for FY 2010, the OPEB rates for the fiscal were increased. The PDC could have avoided some of the revenue shortfalls and higher than expected expenses by terminating programs experiencing these issues or by a reduction in the staff. However, the PDC judged this not to be in the interest of the public and chose to continue all programs. Programs that could not endure the entire liability of the OPEB were assisted by the Council assuming an unfunded liability in order to continue operations.

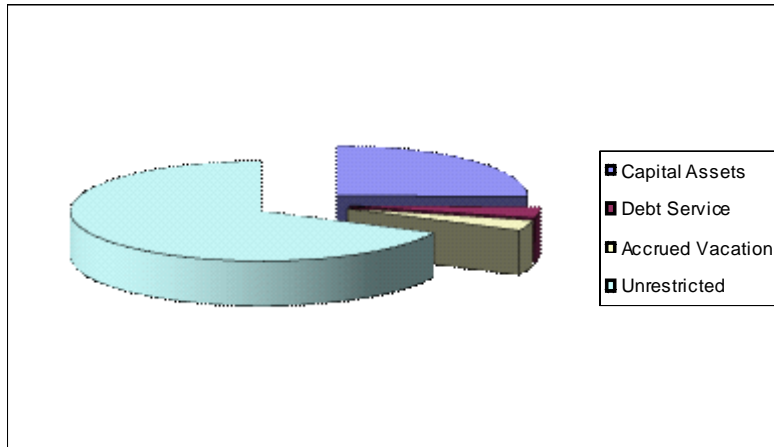
As noted, the PDC ended FY 2010 with net assets of \$788,960. Unrestricted assets comprised two-thirds of the PDC's assets. Capital assets comprised almost 27% of net assets at the end of FY 2010. Assets required for debt service and vacation time owed staff accounted for about 6.2% of net assets. Table 2 and chart 1 provide additional detail.

Table 2 – Distribution of FY 2010 Net Assets

Capital Assets	\$212,621	26.9%
Debt Service	\$32,250	4.1%
Accrued Vacation	\$16,877	2.1%
Unrestricted	\$527,212	66.8%

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2010**

Chart 1 - Distribution of FY 2010 Net Assets



THE ORGANIZATION'S FUNDS

The PDC expended \$130,401 through its General Fund during FY 2010. This included expenditures of \$45,140 for staff (Personnel and Fringe), \$20,975 for grant match, and \$17,130 for allocated costs. Staff cost accounted for 34.62% of all expenditures. In FY 2009 staff cost accounted for 27.7% of all general fund expenditures. The percentage and overall costs for staff expenditures in the general fund increased. The amount listed as expended for grant match decreased nearly 28% from FY 2009. This decrease represents decrease in program overruns during FY 2010. However, there overruns were offset by the Council assuming unfunded liability for Other Post Employment Benefits. Allocated costs accounted for 13.14% of the fund's FY 2010 expenditures. The General Fund had revenue of \$137,817 during FY 2010. About 25% of all General Fund Revenue came from user charges mostly from the use of agency vehicles. Other income totaled \$94,064 in FY 2010 or 68% of all General Fund revenue.

The PDC expended \$3,263,791 through its Other Governmental Funds Fund during FY 2010. This included \$1,403,829 for staff, \$326,946 for allocated costs and \$271,646 for stipends to program participants. Staff costs accounted for 43% of all fund expenditures. In FY 2009 staff costs accounted for 40.4% of all costs. The amount expended for staffing by the fund increased by \$196,923 from FY 2009. The increase reflects the additional program funding received by certain programs that caused increased staffing charges to those programs included in the other governmental funds category. Additionally, the OPEB significantly affected the fringe charged for staffing. Allocated costs and stipends accounted for 10.0% and 8.3% of the costs. Expenditures for these items remained relatively stable. The Other Governmental Funds Fund had revenue of \$3,212,031 during FY 2010. Grants and sub-grants from the Federal Government accounted for 87.06% of all revenue during FY 2010. Administrative fees provided \$54,231 or 1.7% of the fund's income during FY 2010. The fund's expenditures exceed its revenues by \$51,760 during FY 2010.

The PDC expended \$9,268,184 through its Title III Fund during FY 2010. This included \$8,483,157 for sub-grants to local senior citizen programs, \$537,993 for staff, and \$191,785 for allocated costs. Sub-grants accounted for 91.5% of all fund expenditures. In FY 2010 staff costs accounted for 5.8% of all costs. The amount expended for sub-grants by the fund increased by \$162,034 from FY 2009. The increase reflects the state increasing funds available for distribution to local programs. The Title III Fund had revenue of \$9,237,900 during FY 2010. State funds in the amount of \$7,262,039 provided 78.61% of all Title III fund revenue during FY 2010.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2010**

Original versus Final Budget

The Region 8 PDC prepares an organization wide budget, as part of the process required to develop a cost allocation plan. The PDC does not include revenue and expenses related to sub-grants in the cost allocation plan, as their inclusion would cloud the understanding of resources actually under the control of the PDC. Accordingly, the discussion of the proposed budget to actual costs will not include a discussion of pass through sub-grants.

Table 3 – Summary Comparison of FY 2010 Budget to Actual

	FY 2010 Budget	FY 2010 Actual	Variation
Revenue			
Federal	2,179,396	3,027,403	38.91%
State	714,400	611,405	-14.42%
Local – Other	406,532	465,784	14.57%
Total	3,300,328	4,104,592	24.37%
Expenditures			
Staff	1,617,042	1,986,962	22.88%
Allocated Costs	293,092	535,861	82.83%
Stipends & Program	1,073,536	893,749	-16.75%
Bad Debt Expense	0	7,276	
Grant Match Expense	0	20,975	
Other	316,658	734,396	131.92%
Total	3,300,328	4,179,219	26.63%

Table 3 provides a comparison of the proposed budget to actual revenues and expenses. Actual total revenue was 38.91% greater than budgeted. Revenue from federal sources was greater than budgeted, but revenue from State sources was less than budgeted. However, it is important to note the WIB program funds are included in the actual expenses and not the original budget. Actual expenses were 26.63% greater than expected. Again this variation is due mainly to the WIB program expenses being included in the agencies audited expenses. Additionally, some programs did receive additional funding during the year that was not part of the agency's original budget. Further, there was \$7,276 of expenses for bad debt.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

In FY 2009, the PDC began accruing funds to cover expenses for the PEIA annual retirement contribution. The State is currently invoicing the Council based on the number of employees covered by PEIA insurance. Although the State is not requiring payment of the invoices at this time, the Council felt that it was important to begin accruing the costs and placing the funds in an account. Therefore based on the decision of the Council, the accrued funds have been placed into an account and are recognized as a liability of the Council. The amount accrued at the end of FY 2010 is \$322,439.

Debt Administration

The PDC began FY 2010 with total long-term debt of \$98,312. The PDC has a \$32,250 obligation to the West Virginia Economic Development Authority. The debt has no interest charge and will become due on June 30, 2042. The PDC reserves funds from its net assets to retire this debt. The PDC began FY 2010 with a debt of \$66,062 to the Summit Bank. The debt is due November 2013. The PDC made regular monthly payments. Accordingly, the PDC ended FY 2010 owing \$52,532 to the Summit Community Bank.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2010**

ECONOMIC FACTORS

The PDC is highly dependent on the federal and state governments for operational funding. Decisions in Washington and Charleston have great bearing on the PDC's ability to maintain current operations.

The core funding programs that support basic planning and development operations appear stable. The PDC has implemented measures to lessen expenditures and the operating loss appears to have stabilized. The PDC ended FY 2010 with an unrestricted fund balance of \$265,930. Thus although the PDC had a \$11,060 reduction in the unrestricted fund balance, the PDC feels that its position is sound and that it can maintain critical operations.

FURTHER INFORMATION

This financial report provides a general overview of the PDC's finances for all interested organizations and persons. The PDC recognizes that it may need to clarify the information that it has provided and that individuals may have a need for more detailed information. Individuals and organizations having questions or requiring additional information should contact:

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REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF NET ASSETS
June 30, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 1,078,784	\$ -	\$ 1,078,784
Accounts receivable	167,063	-	167,063
Grant funds receivable	1,007,462	-	1,007,462
Notes receivable	167,481	-	167,481
Property and equipment, net of accumulated depreciation	<u>264,853</u>	<u>-</u>	<u>264,853</u>
 TOTAL ASSETS	 <u>\$ 2,685,643</u>	 <u>\$ -</u>	 <u>\$ 2,685,643</u>
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,270,877	\$ -	\$ 1,270,877
Interfund payables	-	-	-
Accrued wages	74,722	-	74,722
Accrued annual leave	69,414	-	69,414
Accrued payroll taxes	38,484	-	38,484
Other accrued liabilities	333,749	-	333,749
Deferred revenue	24,190	-	24,190
Due to other agencies	765	-	765
Mortgage note payable:			
Due within one year	13,813	-	13,813
Due in more than one year	38,419	-	38,419
Note payable	<u>32,250</u>	<u>-</u>	<u>32,250</u>
TOTAL LIABILITIES	<u>1,896,683</u>	<u>-</u>	<u>1,896,683</u>
 FUND BALANCES			
Investment in capital assets, net of related debt	212,621	-	212,621
Restricted for:			
Debt service	32,250	-	32,250
Accrued vacation	16,877	-	16,877
Unrestricted	<u>527,212</u>	<u>-</u>	<u>527,212</u>
TOTAL FUND BALANCES	<u>788,960</u>	<u>-</u>	<u>788,960</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 2,685,643</u>	 <u>\$ -</u>	 <u>\$ 2,685,643</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010

Functions/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
	Expenses	Charges	Operating	Govern-	Business-	Total
		for	Grants	mental	Type	
		Services	-	Activities	Activities	
Governmental activities:						
General operations	\$ 221,360	\$ 68,401	\$ 90,121	\$ (62,838)	\$ -	\$ (62,838)
Appalachian Regional Development	141,310	-	141,310	-	-	-
Economic Development Admin.	100,734	-	100,734	-	-	-
Revolving Loan	72,606	-	57,035	(15,571)	-	(15,571)
Micro Loan	12,986	-	10,009	(2,977)	-	(2,977)
Title III	9,228,704	-	9,228,704	-	-	-
Title V	759,323	-	759,323	-	-	-
Foster Grandparent	473,892	-	473,892	-	-	-
Retired Senior Volunteer Program	80,688	-	80,688	-	-	-
Workforce Investment Board	1,088,879	-	1,088,879	-	-	-
Transitional Housing	413,085	-	413,085	-	-	-
Case Management	-	-	-	-	-	-
Total governmental activities	<u>12,593,567</u>	<u>68,401</u>	<u>12,443,780</u>	<u>(81,386)</u>	<u>-</u>	<u>(81,386)</u>
Business-type activities:						
Office rental	1,229	6,000	-	-	4,771	4,771
Total business-type activities	<u>1,229</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>4,771</u>	<u>4,771</u>
 Total primary government	 <u>\$ 12,594,796</u>	 <u>\$ 74,401</u>	 <u>\$ 12,443,780</u>	 <u>\$ (81,386)</u>	 <u>\$ 4,771</u>	 <u>\$ (76,615)</u>
 General revenues:						
Investment earnings				2,971	-	2,971
Transfers				4,771	(4,771)	-
Total				<u>7,742</u>	<u>(4,771)</u>	<u>2,971</u>
Change in net assets				(73,644)	-	(73,644)
Beginning net assets				<u>862,604</u>	<u>-</u>	<u>862,604</u>
Ending net assets				 <u>\$ 788,960</u>	 <u>\$ -</u>	 <u>\$ 788,960</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2010**

	General	Title III	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 768,896	\$ 386,456	\$ (76,568)	\$ 1,078,784
Accounts receivable	167,063	-	-	167,063
Grant funds receivable	-	752,630	254,832	1,007,462
Notes receivable	-	-	167,481	167,481
TOTAL ASSETS	\$ 935,959	\$ 1,139,086	\$ 345,745	\$ 2,420,790
 LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 138,285	\$ 1,129,092	\$ 3,500	\$ 1,270,877
Accrued wages	74,723	-	-	74,723
Accrued annual leave	52,536	-	-	52,536
Accrued payroll taxes	38,484	-	-	38,484
Other accrued liabilities	333,749	-	-	333,749
Deferred revenue	-	9,994	14,196	24,190
Due to other agencies	-	-	765	765
Note payable	32,250	-	-	32,250
TOTAL LIABILITIES	670,027	1,139,086	18,461	1,827,574
 FUND BALANCES				
Reserved for:				
Debt service	32,250	-	-	32,250
Accrued vacation	16,877	-	-	16,877
Unreserved, reported in:				
General fund	216,805	-	-	216,805
Special revenue fund	-	-	327,284	327,284
TOTAL FUND BALANCES	265,932	-	327,284	593,216
TOTAL LIABILITIES AND FUND BALANCES	\$ 935,959	\$ 1,139,086	\$ 345,745	

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.	264,853
Long-term notes payable are not due and payable in the current period and therefore are not reported in the funds.	(52,232)
Accrued vacation is not due and payable in the current period and therefore is not reported in the funds.	(16,877)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ 788,960

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2010

	General	Title III	Other Governmental Funds	Total Governmental Funds
REVENUES				
Federal grants	\$ -	\$ 230,878	\$ 2,796,525	\$ 3,027,403
State grants	-	523,508	87,897	611,405
Federal subgrant	-	1,744,625	-	1,744,625
State subgrant	-	6,738,531	-	6,738,531
User charge	34,781	-	-	34,781
Administrative fees	-	-	54,231	54,231
Rent income	6,000	-	67,170	73,170
Interest income	2,972	-	11,824	14,796
In-kind	-	-	142,302	142,302
Other	94,064	358	52,082	146,504
Total Revenues	<u>137,817</u>	<u>9,237,900</u>	<u>3,212,031</u>	<u>12,587,748</u>
EXPENDITURES				
Personnel	29,742	346,594	1,062,576	1,438,912
Fringe benefits	15,398	191,399	341,253	548,050
Travel	1,636	26,105	89,440	117,181
Printing and supplies	7,469	6,098	36,021	49,588
Rent	-	2,200	7,109	9,309
Telephone	1,598	12,147	11,392	25,137
Allocated costs	17,130	191,785	326,946	535,861
Insurance	1,692	-	4,370	6,062
Advertising	-	4,082	6,567	10,649
Maintenance	2,073	28	3,093	5,194
Professional fees/contractual	500	-	442,900	443,400
Participant support	-	-	479,801	479,801
Vehicle expense	7,978	-	534	8,512
Stipends	-	-	271,646	271,646
In-kind	-	-	142,302	142,302
Other	9,691	4,589	30,565	44,845
Grant cash match	20,975	-	-	20,975
Subgrants	-	8,483,157	-	8,483,157
Bad debt expense	-	-	7,276	7,276
Loan principal payments	13,813	-	-	13,813
Interest	706	-	-	706
Total Expenditures	<u>130,401</u>	<u>9,268,184</u>	<u>3,263,791</u>	<u>12,662,376</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,416	(30,284)	(51,760)	(74,628)
OTHER FINANCING SOURCES (USES)				
Transfer in (transfer out)	(63,545)	30,284	33,211	(50)
Total Other Financing Sources (Uses)	<u>(63,545)</u>	<u>30,284</u>	<u>33,211</u>	<u>(50)</u>
NET CHANGE IN FUND BALANCES	(56,129)	-	(18,549)	(74,678)
BEGINNING FUND BALANCES	<u>322,061</u>	<u>-</u>	<u>345,833</u>	<u>667,894</u>
ENDING FUND BALANCES	<u>\$ 265,932</u>	<u>\$ -</u>	<u>\$ 327,284</u>	<u>\$ 593,216</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010**

NET CHANGE IN FUND BALANCES \$ (74,678)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of depreciation expense in the current period. (19,583)

Repayment of mortgage principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of principal repayments. 13,830

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 6,787

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (73,644)

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Region 8 Planning and Development Council (the Council) was established under Chapter 8, Article 25 of the Code of West Virginia. The region for which the Council was created and maintained is all of Grant, Hampshire, Hardy, Mineral, and Pendleton Counties in West Virginia.

The purpose of the Council is to plan comprehensively and perform development in the region and to promote and protect through the joint participation of citizens and elected officials, the social, economic, educational, environmental and general welfare of the citizens in the region.

Introduction

The financial statements of the Council conform to generally accepted accounting principles (GAAP) applicable to governmental units promulgated by the Government Accounting Standards Board (GASB). The accounting and reporting framework and the more significant accounting policies of the Council are discussed in subsequent sections of this note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the Council's financial activities for the year ended June 30, 2010.

Government-Wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Council as a whole. Individual funds are not displayed but the statements distinguish governmental activities, generally supported through federal and state grants, from business-type activities, generally supported with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional category. Program revenues include: 1) charges for services; and 2) operating grants which finance annual operating activities.

Fund Financial Statements

Fund financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns with composite columns for non-major funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon thereafter to pay current liabilities. Expenditures are recorded when the related fund liability is incurred.

Allocation of Indirect Expenses

The Council allocates indirect expenses primarily comprised of administrative support services to operating functions and programs benefiting from those services. Allocations are charged to programs based on use of administrative services determined by various allocation methodologies.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Types and Major Funds

The Council reports the following major governmental funds:

General Fund – the general operating fund of the Council. This fund is used to account for all financial resources not reported in other funds.

Title III Fund – accounts for all activities of the Upper Potomac Area Agency on Aging which provides support services for the elderly.

Cash

The Council considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Receivables

Grants receivable represents expenditures incurred and billed for reimbursement but not received, and accounts receivable represents billings for services rendered but not received as of June 30, 2010.

Deferred Revenues

Deferred revenues represent the cumulative excess of cash received over revenues earned.

Due to Other Agencies

These amounts represent the cumulative excess of cash received over expenditures incurred, which must be returned to the grantor agency that funded the program.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are recorded at historical cost and comprehensively reported in the government-wide financial statements. The Council generally capitalizes assets with a cost of \$5,000 or more. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

NOTE B – CASH DEPOSITS

At June 30, 2010, the carrying amount of the Council's cash balances was \$1,078,783. The Council's cash deposits at June 30, 2010 and during the year then ended were entirely covered by FDIC insurance or pledged collateral held by an agent on behalf of the Council's banks.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE C – NOTES RECEIVABLE

Notes receivable consists of the following:

Promissory note from Criterion, Inc. with interest at 4%, due \$759 monthly, including interest. Collateralized by equipment, inventory, accounts receivable, and personal guarantee of the owners.	\$ 36,765
Promissory note from Thermo Gauge Instruments with interest at 4%, due \$838 monthly, including interest. Collateralized by equipment, inventory, accounts receivable, and personal guarantee of the owners.	37,112
Promissory note from Woodline, Inc. with interest at 4.5%, due \$570 monthly, including interest, until May 2010. Collateralized by equipment, inventory, accounts receivable and personal guarantee of the owners. \$15,740 of the original loan balance has been written off as a bad debt. Management expects to collect the remaining balance.	14,380
Seven promissory notes to various businesses with interest rates ranging from 8% to 10%, and maturing on various dates. Collateralized by equipment, inventory, and accounts receivable.	79,224
	\$ 167,481

All loans are made to local businesses using funds from the Title IX (revolving loan) and Micro Loan (Small Business Development) programs.

NOTE D – CAPITAL ASSET ACTIVITY

Capital asset activity for the Council for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Historic Cost:				
Vehicles	\$ 52,174	\$ -	\$ -	\$ 52,174
Buildings and improvements	439,222	-	-	439,222
	491,396	-	-	491,396
Less Accumulated Depreciation	206,960	19,583	-	226,543
Net Capital Assets	\$ 284,436	\$ (19,583)	\$ -	\$ 264,853

All depreciation expense is charged to general operations in the statement of activities.

NOTE E – COMPENSATED ABSENCES

Council employees earn up to 18 vacation days per year and are allowed to carry this time earned over to subsequent fiscal years. Maximum accumulation allowed of vacation days is 30 days. Estimates have been made and an accrued liability recorded in the amount of \$52,537 to reflect accumulated vacation days at June 30, 2010.

Due to restrictions imposed by grant funding sources, the Planning Division has not recorded any accrued liability for vacation days in the governmental fund financial statements, because the amount of accrued liability as of any point in time would not be normally liquidated with current financial resources. The Planning Division's share of the accrued liability, \$16,877, is recorded as a reserved fund balance in the governmental fund financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE F – NOTES PAYABLE

Notes payable consists of the following:

Mortgage note to Summit Community Bank with interest at 4.5%, due \$1,378 monthly, including interest, until November 20, 2013, collateralized by real estate in Petersburg, West Virginia.	\$ 52,532
Promissory note to the West Virginia Economic Development Authority (WVEDA), 0% interest, principal due June 30, 2042, unsecured.	<u>32,250</u>
	<u>\$ 84,782</u>

Maturities of notes payable are as follows:

Year ended June 30,	
2011	\$ 14,457
2012	15,126
2013	15,835
2014	<u>6,834</u>
	<u>\$ 52,252</u>

NOTE G – RETIREMENT PLAN

The Council's retirement plan is administered by the West Virginia Public Employees Retirement System. It is a defined contribution retirement plan which provides retirement benefits for all eligible employees. For the year ended June 30, 2010, the Council contributed approximately \$124,600, an amount equal to 10.5% of eligible employees' gross salaries. Retirement plan expenses are included in fringe benefits expense.

NOTE H – OTHER POST EMPLOYMENT BENEFITS

The Council contributes to the West Virginia Retiree Health Benefits Trust Fund (RHBT), a cost-sharing multiple employer defined benefit postemployment health care plan. RHBT provides medical benefits to retirement employees of the State of West Virginia. Chapter 15 of the Code of the State of West Virginia assigns authority to establish and amend benefit provisions to the RHBT Finance Board.

The Council's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution determined by the RHBT. For the year ending June 30, 2010 the total OPEB expense was \$221,510. As of June 30, 2010, the total accumulated liability was \$322,439.

NOTE I – BUDGETARY COMPARISON REPORTING

Budgetary Comparison Schedules are not included in the financial statements as the Council is not legally required to adopt a budget for each of its funds.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE J – ECONOMIC DEPENDENCE

The Council is economically dependent on the Federal and West Virginia governments for a major portion of its revenues. The amounts of revenues for operations and percentage of total revenues from these sources for the year ended June 30, 2010 are as follows:

	<u>Amount</u>	<u>%</u>
Federal	\$ 4,772,028	37.91
West Virginia	7,349,936	58.39
Other	465,784	3.70
	<u>\$ 12,587,748</u>	<u>100.00</u>

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
UNRESTRICTED OPERATIONS
Year Ended June 30, 2010

REVENUES	
User charge	\$ 45,387
Rent income	6,000
Interest income	2,972
Other	<u>107,966</u>
Total Revenues	<u>162,325</u>
EXPENDITURES	
Personnel	31,538
Fringe benefits	16,042
Contractual	500
Travel	2,019
Training	1,280
Equipment and furniture	17,223
Advertising	1,018
Supplies	2,663
Telephone and utilities	1,599
Insurance	1,692
Publication/dues	77
Meeting expense	10,181
Local cash match	20,975
Other	5,259
Auto expense	10,051
Allocated costs - Petersburg	2,316
Allocated costs - management and general	13,829
Allocated costs - common costs	<u>2,127</u>
Total Expenditures	<u>140,389</u>
EXCESS OF REVENUES OVER EXPENDITURES	21,936
OTHER FINANCING SOURCES (USES)	
Loan principal payments	(13,813)
Interest expense	(706)
Transfer-in	28,047
Transfer-out	<u>(91,593)</u>
	<u>(78,065)</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(56,129)
BEGINNING FUND BALANCE	<u>322,059</u>
ENDING FUND BALANCE	<u>\$ 265,930</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
ADMINISTRATIVE GRANT UNDER APPALACHIAN
REGIONAL DEVELOPMENT ACT
January 1, 2009 to December 31, 2009**

	01/01/09 - 06/30/09	07/01/09 - 12/31/09	Total 01/01/09 - 12/31/09	Budget
REVENUES				
Federal	\$ 55,151	\$ 6,372	\$ 61,523	\$ 61,887
State	-	8,319	8,319	-
Local	68,424	24,593	93,017	132,500
Total Revenues	<u>123,575</u>	<u>39,284</u>	<u>162,859</u>	<u>194,387</u>
EXPENDITURES				
Personnel	59,462	18,227	77,689	99,325
Fringe benefits	24,753	8,607	33,360	33,830
Travel	4,713	1,094	5,807	10,887
Training	1,775	219	1,994	700
Advertising	171	-	171	-
Supplies	13	1	14	-
Telephone	1,000	298	1,298	-
Publications/dues	-	500	500	1,000
Meeting expense	40	-	40	-
Other	194	261	455	-
Allocated costs - Petersburg	3,861	1,879	5,740	5,048
Allocated costs - management and general	22,752	7,369	30,121	31,063
Allocated costs - common costs	4,841	1,725	6,566	12,534
Total Expenditures	<u>123,575</u>	<u>40,180</u>	<u>163,755</u>	<u>194,387</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPE	-	(896)	(896)	-
OTHER FINANCING SOURCES (USES)				
Transfer-in	-	896	896	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
ADMINISTRATIVE GRANT UNDER APPALACHIAN
REGIONAL DEVELOPMENT ACT
January 1, 2010 to June 30, 2010**

	<u>Actual</u>	<u>Budget*</u>
REVENUES		
Federal	\$ 62,250	\$ 62,250
State	-	-
Local	<u>36,865</u>	<u>175,000</u>
Total Revenues	<u>99,115</u>	<u>237,250</u>
 EXPENDITURES		
Personnel	47,022	126,263
Fringe benefits	25,713	47,230
Travel	4,482	11,350
Training	770	950
Supplies	73	-
Telephone	39	-
Publications and dues	-	1,000
Other	129	-
Allocated costs - Petersburg	3,289	7,448
Allocated costs - management and general	16,588	31,970
Allocated costs - common costs	<u>3,026</u>	<u>11,039</u>
Total Expenditures	<u>101,131</u>	<u>237,250</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,016)	-
OTHER FINANCING SOURCES (USES)	<u>2,016</u>	<u>-</u>
 EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>

*Budget is for the twelve month period January 1, 2010 to December 31, 2010.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
ECONOMIC DEVELOPMENT ADMINISTRATION – PLANNING
Year Ended June 30, 2010**

	Actual	Budget
REVENUES		
Federal	\$ 70,189	\$ 70,189
State	30,081	30,081
Local	-	-
	100,270	100,270
EXPENDITURES		
Personnel	45,821	51,302
Fringe benefits	27,519	17,298
Travel	2,470	8,000
Training	600	-
Advertising	190	-
Supplies	189	-
Telephone	211	-
Publication/dues	325	-
Meeting expense	292	-
Allocated costs - Petersburg	3,027	1,400
Allocated costs - management and general	17,308	20,000
Allocated costs - common costs	2,782	2,270
	100,734	100,270
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(464)	-
OTHER FINANCING SOURCES (USES)		
Transfer-in	464	-
	-	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ -	\$ -

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
LOAN PROGRAMS
Year Ended June 30, 2010

	EDA Revolving Loan Fund	Micro Loan	Lightstone Micro Loan
REVENUES			
Interest income	\$ 4,689	\$ 6,205	\$ 930
Local	<u>(367)</u>	<u>1,981</u>	<u>-</u>
Total Revenues	<u>4,322</u>	<u>8,186</u>	<u>930</u>
EXPENDITURES			
Personnel	6,433	3,717	414
Fringe benefits	3,471	1,975	140
Legal	482	281	442
Travel	707	627	-
Telephone	81	-	-
Publication/dues	68	68	-
Other	143	96	-
Allocated costs - Petersburg	675	420	46
Allocated costs - management and general	2,539	1,508	222
Allocated costs - common costs	<u>620</u>	<u>386</u>	<u>42</u>
Total Expenditures	<u>15,219</u>	<u>9,078</u>	<u>1,306</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(10,897)</u>	<u>(892)</u>	<u>(376)</u>
OTHER FINANCING SOURCES (USES)			
Transfer-in	-	892	-
Bad debt recoveries	<u>(4,674)</u>	<u>(2,602)</u>	<u>-</u>
	<u>(4,674)</u>	<u>(1,710)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(15,571)	(2,602)	(376)
BEGINNING FUND BALANCE	<u>204,710</u>	<u>146,116</u>	<u>(1,422)</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 189,139</u>	<u>\$ 143,514</u>	<u>\$ (1,798)</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
RURAL BUSINESS ENTERPRISE GRANT
May 1, 2009 to June 30, 2010**

	05/01/09 - 06/30/09	07/01/09 - 06/30/10	Total 05/01/09 - 06/30/10	Budget*
REVENUES				
State	\$ 503	\$ 49,497	\$ 50,000	\$ 50,000
Local	-	-	-	25,000
Total Revenues	<u>503</u>	<u>49,497</u>	<u>50,000</u>	<u>75,000</u>
EXPENDITURES				
Personnel	95	23,996	24,091	31,000
Fringe benefits	29	13,874	13,903	15,627
Travel	-	824	824	3,373
Advertising	272	-	272	3,000
Supplies	-	23	23	-
Meeting expense	-	145	145	-
Other	-	60	60	-
Allocated costs - Petersburg	5	2,664	2,669	3,000
Allocated costs - management and general	96	8,679	8,775	14,000
Allocated costs - common costs	6	2,448	2,454	5,000
Total Expenditures	<u>503</u>	<u>52,713</u>	<u>53,216</u>	<u>75,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(3,216)	(3,216)	-
OTHER FINANCING SOURCES (USES)				
Transfer-in	-	3,216	3,216	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Budget is for the period May 1, 2009 through June 30, 2010.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
UPPER POTOMAC AREA AGENCY ON AGING
TITLE III
October 1, 2008 to September 30, 2009**

	<u>10/01/2008 - 06/30/2009</u>	<u>07/01/2009 - 09/30/2009</u>	<u>Total</u>	<u>Budget</u>
REVENUES				
Federal	\$ 158,224	\$ 37,276	\$ 195,500	\$ 195,500
State	66,671	-	66,671	64,671
Federal subgrant	1,643,509	318,772	1,962,281	2,591,662
State subgrant	1,000,396	179,800	1,180,196	390,563
Local match	<u>301</u>	<u>-</u>	<u>301</u>	<u>-</u>
Total Revenues	<u>2,869,101</u>	<u>535,848</u>	<u>3,404,949</u>	<u>3,242,396</u>
EXPENDITURES				
Administration:				
Personnel	106,671	22,287	128,958	128,713
Fringe benefits	40,811	10,150	50,961	51,284
Travel	12,853	317	13,170	16,468
Training	547	-	547	-
Advertising	2,287	-	2,287	-
Supplies	2,829	-	2,829	3,839
Telephone	1,490	127	1,617	674
Utilities	254	-	254	-
Maintenance	120	-	120	-
Equipment	714	-	714	-
Meetings	457	31	488	-
Other	27	3	30	-
Allocated costs - Petersburg	6,432	2,229	8,661	5,706
Allocated costs - management and general	40,949	9,588	50,537	43,501
Allocated costs - common costs	8,755	1,321	10,076	9,986
Subgrants				
Title III B subgrant	679,880	129,184	809,064	809,064
Title III C subgrant	679,964	175,573	855,537	1,910,231
Title III D subgrant	21,385	4,104	25,489	27,881
Title III E subgrant	140,111	17,381	157,492	159,834
NSIP subgrant	427,827	2,036	429,863	-
Elder Abuse subgrant	867	2,847	3,714	5,091
LIEAP subgrant	11,000	-	11,000	11,000
Nutrition Supplement subgrant	<u>682,871</u>	<u>167,446</u>	<u>850,317</u>	<u>59,124</u>
Total Expenditures	<u>2,869,101</u>	<u>544,624</u>	<u>3,413,725</u>	<u>3,242,396</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES				
	-	(8,776)	(8,776)	-
OTHER FINANCING SOURCES				
Transfer-in	<u>-</u>	<u>8,776</u>	<u>8,776</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
UPPER POTOMAC AREA AGENCY ON AGING
TITLE III
October 1, 2009 to June 30, 2010**

	<u>Subgrant</u>	<u>Grant</u>	<u>Total</u>	<u>Budget*</u>
REVENUES				
Federal	\$ -	\$ 174,745	\$ 174,745	\$ 196,000
State	-	66,671	66,671	66,671
Federal subgrant	1,425,853	-	1,425,853	1,781,724
State subgrant	1,149,648	-	1,149,648	1,298,535
Local match	-	-	-	-
	<u>2,575,501</u>	<u>241,416</u>	<u>2,816,917</u>	<u>3,342,930</u>
EXPENDITURES				
Administration:				
Personnel	-	107,250	107,250	129,833
Fringe benefits	-	64,751	64,751	54,738
Travel	-	10,004	10,004	7,500
Training	-	165	165	-
Supplies	-	325	325	551
Telephone	-	1,696	1,696	1,466
Publications/dues	-	718	718	700
Utilities	-	108	108	-
Maintenance	-	-	-	-
Meetings	-	340	340	-
Other	-	329	329	39
Allocated costs - Petersburg	-	8,376	8,376	8,893
Allocated costs - management and general	-	39,156	39,156	47,387
Allocated costs - common costs	-	8,426	8,426	11,564
Subgrants	-	-	-	-
Title III B subgrant	683,809	-	683,809	833,868
Title III C subgrant	612,235	-	612,235	691,901
Title III D subgrant	23,806	-	23,806	29,066
Title III E subgrant	130,657	-	130,657	183,349
NSIP subgrant	288,580	-	288,580	406,307
Elder Abuse subgrant	1,929	-	1,929	5,091
LIEAP subgrant	11,000	-	11,000	11,000
Nutrition Supplement subgrant	823,485	-	823,485	919,677
	<u>2,575,501</u>	<u>241,644</u>	<u>2,817,145</u>	<u>3,342,930</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	-	(228)	(228)	-
OTHER FINANCING SOURCES (USES)				
Transfer-in (transfer-out)	-	228	228	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Budget is for the twelve-month period October 1, 2009 to September 30, 2010.

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
UPPER POTOMAC AREA AGENCY ON AGING
LIFE
Year Ended June 30, 2010**

	Total	Budget
REVENUES		
State subgrant	\$ 2,714,330	\$ 2,715,653
Total Revenues	2,714,330	2,715,653
EXPENDITURES		
Life Direct Services subgrant	2,714,330	2,715,653
Total Expenditures	2,714,330	2,715,653
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
UPPER POTOMAC AREA AGENCY ON AGING
AGING DISABLED RESOURCE CENTER
Year Ended June 30, 2010**

	Total	Budget
REVENUES		
State	\$ 240,000	\$ 240,000
Local	-	-
Total Revenues	240,000	240,000
EXPENDITURES		
Administration:		
Salaries	105,379	122,225
Fringe benefits	56,991	51,213
Travel	6,222	7,000
Training	996	-
Advertising	2,205	-
Supplies	1,424	-
Telephone	5,402	-
Rent	1,400	-
Meetings	262	-
Other	7	2,040
Allocated costs - Petersburg	7,511	5,006
Allocated costs - Martinsburg	6,638	5,826
Allocated costs - management and general	40,213	45,421
Allocated costs - common costs	9,618	13,057
Total Expenditures	244,268	251,788
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,268)	(11,788)
OTHER FINANCING SOURCES (USES)		
Transfer-in	4,268	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ -	\$ (11,788)

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
UPPER POTOMAC AREA AGENCY ON AGING
AGING DISABLED RESOURCE CENTER – REGION 1
Year Ended June 30, 2010**

	Total	Budget
REVENUES		
State	\$ 124,000	\$ 124,000
Local	-	816
Total Revenues	124,000	124,816
EXPENDITURES		
Administration:		
Salaries	58,437	61,196
Fringe benefits	30,455	25,651
Travel	4,068	3,125
Training	1,134	310
Advertising	1,006	-
Supplies	3,427	4,155
Telephone	3,891	6,383
Publications/dues	-	-
Rent	800	2,200
Insurance	-	-
Equipment and furniture	673	617
Meetings	252	-
Other	518	580
Allocated costs - Petersburg	1,883	1,956
Allocated costs - management and general	23,338	14,045
Allocated costs - common costs	5,645	4,598
Total Expenditures	135,527	124,816
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,527)	-
OTHER FINANCING SOURCES (USES)		
Transfer-in	11,527	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ -	\$ -

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
UPPER POTOMAC AREA AGENCY ON AGING
VITALS
December 1, 2009 to June 30, 2010**

	Total	Budget
REVENUES		
Federal	\$ 18,857	\$ 45,000
Total Revenues	18,857	45,000
EXPENDITURES		
Administration:		
Salaries	6,806	21,482
Fringe benefits	3,935	8,308
Travel	3,233	6,500
Training	80	3,000
Advertising	427	-
Supplies	96	270
Telephone	103	-
Other	50	-
Allocated costs - Petersburg	236	594
Allocated costs - management and general	3,285	4,101
Allocated costs - common costs	606	745
Total Expenditures	18,857	45,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
IN-HOME FUEL
Year Ended June 30, 2010**

	Total	Budget
REVENUES		
State subgrant	\$ 2,694,754	\$ 2,687,631
Total Revenues	2,694,754	2,687,631
EXPENDITURES		
Subgrant	2,694,754	2,725,631
Total Expenditures	2,694,754	2,725,631
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ (38,000)

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
SENIOR HEALTH INSURANCE PROGRAM
April 1, 2009 to March 31, 2010

	4/01/2009 - 6/30/2009	7/01/2009 - 3/31/2010	Total	Budget
REVENUES				
State	\$ 14,413	\$ 58,087	\$ 72,500	\$ 50,000
Total Revenues	<u>14,413</u>	<u>58,087</u>	<u>72,500</u>	<u>50,000</u>
EXPENDITURES				
Personnel	6,963	27,476	34,439	23,142
Fringe benefits	2,483	15,570	18,053	9,999
Travel	936	1,260	2,196	3,524
Training		49	49	-
Advertising	10	59	69	100
Supplies	-	150	150	-
Telephone	-	259	259	119
Meeting expense	-	-	-	50
Other		17	17	-
Allocated costs - Petersburg	563	2,099	2,662	1,637
Allocated costs - management and general	3,133	9,999	13,132	9,021
Allocated costs - common costs	325	2,259	2,584	2,408
Total Expenditures	<u>14,413</u>	<u>59,197</u>	<u>73,610</u>	<u>50,000</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	-	(1,110)	(1,110)	-
OTHER FINANCING SOURCES				
Transfer-in	-	1,110	1,110	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
SENIOR HEALTH INSURANCE PROGRAM
April 1, 2010 to June 30, 2010

	<u>Actual</u>	<u>Budget</u>
REVENUES		
State	\$ 34,750	\$ 34,750
Local	<u>357</u>	<u>-</u>
Total Revenues	<u>35,107</u>	<u>34,750</u>
EXPENDITURES		
Personnel	18,959	19,465
Fringe benefits	9,546	7,967
Travel	1,001	500
Training	112	-
Advertising	384	-
Supplies	3	-
Telephone	113	-
Other	5	-
Allocated costs - management and general	6,717	5,068
Allocated costs - common costs	<u>2,641</u>	<u>3,000</u>
Total Expenditures	<u>39,481</u>	<u>36,000</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(4,374)	(1,250)
OTHER FINANCING SOURCES		
Transfer-in	<u>4,374</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (1,250)</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
TITLE V
Year Ended June 30, 2010

	<u>Actual</u>	<u>Budget</u>
REVENUES		
Federal	\$ 568,451	\$ 585,767
Local match	8,141	24,480
In-kind	<u>69,900</u>	<u>48,744</u>
Total Revenues	<u>646,492</u>	<u>658,991</u>
EXPENDITURES		
Enrollee costs:		
Salaries	414,027	422,317
Fringe benefits	35,243	40,826
Allocated costs - Petersburg	5,495	-
Allocated costs - Martinsburg	3,540	-
Other enrollee costs:		
Salaries	39,527	46,156
Fringe benefits	22,855	19,456
Travel	4,463	9,871
Advertising	218	1,800
Supplies	530	-
Recognition	-	2,240
Development	775	950
Training	6,637	11,448
Other	430	-
Allocated costs - Petersburg	3,842	10,158
Allocated costs - Martinsburg	-	3,107
Allocated costs - management and general	-	-
Allocated costs - common costs	3,531	4,998
Administrative costs:		
Salaries	9,983	8,668
Fringe benefits	5,437	3,654
Supplies	-	-
Allocated costs - Petersburg	811	604
Allocated costs - management and general	18,503	23,541
Allocated costs - common costs	<u>745</u>	<u>453</u>
Subtotal - Federal Expenditures	576,592	610,247
Non-Federal Expenditures	<u>69,900</u>	<u>48,744</u>
Total Expenditures	<u>646,492</u>	<u>658,991</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
TITLE V - ARRA
April 1, 2009 to June 30, 2010

	4/01/2009 - 6/30/2009	7/01/2009 - 6/30/2010	Total	Budget
REVENUES				
Federal	\$ 18,442	\$ 100,401	\$ 118,843	\$ 118,843
Local match	-	3,698	3,698	4,459
In-kind	-	27,834	27,834	10,470
	<u>18,442</u>	<u>131,933</u>	<u>150,375</u>	<u>133,772</u>
Total Revenues				
EXPENDITURES				
Enrollee costs:				
Salaries	4,057	83,868	87,925	82,421
Fringe benefits	355	7,150	7,505	8,802
Other enrollee costs:				
Salaries	3,868	3,537	7,405	6,796
Fringe benefits	1,499	2,045	3,544	2,754
Travel	412	1,735	2,147	2,491
Advertising	14	-	14	1,000
Supplies	154	17	171	-
Development	50	-	50	345
Training	1,200	418	1,618	5,790
Allocated costs - Petersburg	309	305	614	1,269
Allocated costs - Martinsburg	-	885	885	971
Allocated costs - common costs	359	280	639	819
Administrative costs:				
Salaries	2,478	1,012	3,490	2,939
Fringe benefits	960	585	1,545	1,191
Allocated costs - Petersburg	212	92	304	190
Allocated costs - management and general	2,280	2,085	4,365	5,196
Allocated costs - common costs	235	85	320	328
	<u>18,442</u>	<u>104,099</u>	<u>122,541</u>	<u>123,302</u>
Subtotal - Federal Expenditures				
Non-Federal Expenditures	-	27,834	27,834	10,470
	<u>-</u>	<u>27,834</u>	<u>27,834</u>	<u>10,470</u>
Total Expenditures				
	<u>18,442</u>	<u>131,933</u>	<u>150,375</u>	<u>133,772</u>
EXCESS OF REVENUES OVER EXPENDITURES				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
TITLE V - ARRA
February 1, 2010 to June 30, 2010**

	<u>Actual</u>	<u>Budget</u>
REVENUES		
Federal	\$ 7,878	\$ 193,439
Local match	-	183
In-kind	<u>855</u>	<u>24,017</u>
Total Revenues	<u>8,733</u>	<u>217,639</u>
EXPENDITURES		
Enrollee costs:		
Salaries	1,089	142,425
Fringe benefits	93	14,261
Other enrollee costs:		
Salaries	3,050	11,894
Fringe benefits	1,764	5,376
Travel	-	2,554
Advertising	-	1,250
Development	-	345
Training	-	750
Allocated costs - Petersburg	329	817
Allocated costs - Martinsburg	-	1,155
Allocated costs - management and general	1,073	-
Allocated costs - common costs	238	1,047
Administrative costs:		
Salaries	111	5,148
Fringe benefits	64	2,455
Allocated costs - Petersburg	19	284
Allocated costs - management and general	39	3,497
Allocated costs - common costs	<u>9</u>	<u>364</u>
Subtotal - Federal Expenditures	7,878	193,622
Non-Federal Expenditures	<u>855</u>	<u>24,017</u>
Total Expenditures	<u>8,733</u>	<u>217,639</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
FOSTER GRANDPARENT
Year Ended June 30, 2010

	Actual	Budget
REVENUES		
Federal	\$ 410,326	\$ 410,326
Local	16,931	4,791
In-kind	41,335	40,965
Total Revenues	468,592	456,082
EXPENDITURES		
Administration:		
Personnel	53,423	52,097
Fringe benefits	21,878	21,395
Travel	4,373	5,888
Training	370	-
Advertising	44	250
Supplies	878	1,478
Publication and dues	125	-
Telephone	316	315
Other	390	200
Allocated costs - Petersburg	4,780	3,891
Allocated costs - management and general	18,240	22,250
Allocated costs - common costs	4,763	5,095
Program:		
Recognition	1,802	500
Stipends	271,646	257,294
Subsistence	751	930
Travel	46,088	41,832
Insurance	728	702
Medical exams	1,849	1,000
In-kind	41,335	40,965
Local	113	-
Total Expenditures	473,892	456,082
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,300)	-
OTHER FINANCING SOURCES (USES)		
Transfer-in	5,300	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ -	\$ -

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
RETIRED SENIOR VOLUNTEER PROGRAM
January 1, 2009 to December 31, 2009

	<u>1/01/2009 - 06/30/2009</u>	<u>7/01/2009 - 12/31/2009</u>	<u>Total</u>	<u>Budget</u>
REVENUES				
Federal	\$ 27,068	\$ 22,300	\$ 49,368	\$ 49,368
Local	3,155	1,755	4,910	6,551
In-kind	<u>2,930</u>	<u>23,556</u>	<u>26,486</u>	<u>14,620</u>
Total Revenues	<u>33,153</u>	<u>47,611</u>	<u>80,764</u>	<u>70,539</u>
EXPENDITURES				
Volunteer Support:				
Personnel	12,344	10,379	22,723	22,037
Fringe benefits	4,631	6,001	10,632	8,770
Travel	1,240	1,604	2,844	3,987
Training	200	-	200	-
Advertising	-	348	348	-
Supplies	133	161	294	774
Telephone	-	20	20	186
Publications and dues	125	-	125	-
Insurance	-	-	-	1,322
Professional fees	-	-	-	744
Allocated costs - Petersburg	173	123	296	187
Allocated costs - Martinsburg	2,486	2,213	4,699	3,884
Allocated costs - management and general	6,595	4,128	10,723	9,940
Allocated costs - common costs	1,520	1,215	2,735	-
Volunteer:				
Recognition	-	-	-	2,880
Insurance	755	-	755	1,208
Local:				
Recognition	21	-	21	-
In-kind	<u>2,930</u>	<u>23,556</u>	<u>26,486</u>	<u>14,620</u>
Total Expenditures	<u>33,153</u>	<u>49,748</u>	<u>82,901</u>	<u>70,539</u>
DEFICIENCY OF REVENUES OVER EXPENDITUR	-	(2,137)	(2,137)	-
OTHER FINANCING SOURCES				
Transfer-in	<u>-</u>	<u>2,137</u>	<u>2,137</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
RETIRED SENIOR VOLUNTEER PROGRAM
January 1, 2010 to June 30, 2010

	Total	Budget
REVENUES		
Federal	\$ 24,284	\$ 95,849
Local	-	12,132
In-kind	6,657	28,975
Total Revenues	30,941	136,956
 EXPENDITURES		
Volunteer Support:		
Personnel	9,647	45,136
Fringe benefits	5,579	21,202
Travel	924	6,124
Supplies	81	1,654
Telephone	15	354
Publications and dues	125	-
Insurance	-	2,305
Professional fees	-	1,229
Allocated costs - Petersburg	166	2,676
Allocated costs - Martinsburg	2,213	3,884
Allocated costs - management and general	3,651	13,098
Allocated costs - common costs	1,100	-
Volunteer:		
Recognition	-	6,200
Travel	-	1,779
Insurance	783	2,340
Local:		
In-kind	6,657	28,975
Total Expenditures	30,941	136,956
 EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
WORKFORCE INVESTMENT BOARD ADMINISTRATION
Year Ended June 30, 2010**

REVENUES	
Administration	\$ 52,072
Dislocated Worker	93,978
Youth In-School	8,059
Youth Out-of-School	10,745
Adult Low Income	94,022
Summer Youth Employment Program	<u>3,156</u>
Total Revenues	<u>262,032</u>
EXPENDITURES	
Administration:	
Personnel	31,194
Fringe benefits	16,058
Training	50
Advertising	(674)
Supplies	117
Allocated costs	14,982
Dislocated Worker:	
Personnel	49,321
Fringe benefits	25,188
Allocated costs	25,216
Youth In-School:	
Personnel	2,320
Fringe benefits	1,131
Allocated costs	1,098
Youth Out-of-School:	
Personnel	5,518
Fringe benefits	2,323
Allocated costs	2,523
Adult Low Income:	
Personnel	45,013
Fringe benefits	22,787
Allocated costs	22,997
Food Stamp Employment Training:	
Personnel	1,631
Fringe benefits	753
Allocated costs	<u>772</u>
Total Expenditures	<u>270,318</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(8,286)
OTHER FINANCING SOURCES	
Transfer-in	<u>8,286</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>\$ -</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
WORKFORCE INVESTMENT BOARD PROGRAM
Year Ended June 30, 2010**

	Admin- istration	Dislocated Worker	Adult	Youth In School	Youth Out Of School	Rapid Response	SYEP	Total
REVENUES								
Administration	\$ 122,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,540
Dislocated Worker	-	484,185	-	-	-	-	-	484,185
Youth	-	-	-	67,844	222,418	-	-	290,262
Adult Low Income	-	-	260,749	-	-	-	-	260,749
Rapid Response	-	-	-	-	-	30,044	-	30,044
Summer Youth Employment Program	-	-	-	-	-	-	383	383
Total Revenues	<u>122,540</u>	<u>484,185</u>	<u>260,749</u>	<u>67,844</u>	<u>222,418</u>	<u>30,044</u>	<u>383</u>	<u>1,188,163</u>
EXPENDITURES								
Administration:								
Wages								
Contractual	21,446	412,434	163,321	59,785	205,929	30,044	-	892,959
Travel	10,436	-	-	-	-	-	-	10,436
Advertising	3,706	-	-	-	-	-	-	3,706
Supplies	2,450	-	-	-	-	-	383	2,833
Telephone	1,512	-	-	-	-	-	-	1,512
Publications and dues	76	-	-	-	-	-	-	76
Utilities	1,140	-	-	-	-	-	-	1,140
Insurance	423	-	-	-	-	-	-	423
Vehicle expense	822	-	-	-	-	-	-	822
Meetings	1,072	-	-	-	-	-	-	1,072
Supportive services	-	1,055	-	-	-	-	-	1,055
Other	2,673	-	-	-	5,000	-	-	7,673
Professional development	1,238	-	-	-	-	-	-	1,238
Allocated costs - contractual	56,414	93,978	94,022	8,059	10,745	-	-	263,218
	<u>103,408</u>	<u>507,467</u>	<u>257,343</u>	<u>67,844</u>	<u>221,674</u>	<u>30,044</u>	<u>383</u>	<u>1,188,163</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19,132	(23,282)	3,406	-	744	-	-	-
BEGINNING FUND BALANCE	<u>(5,398)</u>	<u>130,168</u>	<u>(85,864)</u>	<u>(25,752)</u>	<u>(16,726)</u>	<u>-</u>	<u>-</u>	<u>(3,572)</u>
ENDING FUND BALANCE	<u>\$ 13,734</u>	<u>\$ 106,886</u>	<u>\$ (82,458)</u>	<u>\$ (25,752)</u>	<u>\$ (15,982)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,572)</u>

See accompanying notes to financial statements.

REGION 8 PLANNING AND DEVELOPMENT COUNCIL
STATEMENT OF REVENUES AND EXPENDITURES
TRANSITIONAL HOUSING
Year Ended June 30, 2010

	Actual	Budget
REVENUES		
Federal	\$ 335,912	\$ 337,351
Rent	67,170	66,000
Total Revenues	403,082	403,351
 EXPENDITURES		
Personnel	150,500	163,570
Fringe benefits	82,110	68,972
Depreciation	10,606	10,000
Contractual	10,137	14,375
Travel	9,230	11,000
Training	1,243	-
Advertising	1,717	500
Supplies	29,308	23,622
Telephone	5,089	3,972
Publication/dues	500	1,166
Utilities	2,260	2,750
Maintenance	2,806	-
Rent	6,000	6,000
Insurance	2,436	7,945
Equipment and furniture	1,109	4,484
Other	1,555	7,200
Allocated costs - Petersburg	1,753	3,563
Allocated costs - Martinsburg	11,064	9,709
Allocated costs - management and general	70,599	64,523
Allocated costs - common costs	13,063	-
Total Expenditures	413,085	403,351
 EXCESS OF REVENUES OVER EXPENDITURES	(10,003)	-
OTHER FINANCING SOURCES		
Transfer-in	10,003	-
 EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ -	\$ -

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
SCHEDULE OF COST POOL EXPENSES
Year Ended June 30, 2010**

	<u>Petersburg</u>	<u>Martinsburg</u>	<u>Management & General</u>	<u>Common Costs</u>	<u>Total</u>
Personnel	\$ 2,100	\$ 464	\$ 233,327	\$ -	\$ 235,891
Fringe benefits	219	48	116,902	1,670	118,839
Travel	10	-	8,662	1,569	10,241
Training	-	-	595	-	595
Equipment	-	-	-	6,333	6,333
Printing and supplies	4,266	47	-	28,286	32,599
Publications and dues	1,146	143	1,000	2,000	4,289
Telephone and utilities	21,650	4,788	146	1,894	28,478
Insurance	2,424	-	-	31,826	34,250
Advertising	166	-	-	-	166
Maintenance	9,449	494	-	-	9,943
Professional fees/contractual	-	-	-	26,300	26,300
Other	-	-	-	134	134
Interest	2,021	-	-	-	2,021
Rent/depreciation	10,119	15,662	-	-	25,781
	<u>\$ 53,570</u>	<u>\$ 21,646</u>	<u>\$ 360,632</u>	<u>\$ 100,012</u>	<u>\$ 535,860</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
SCHEDULES OF DEFERRED REVENUE AND
DUE TO OTHER AGENCIES
June 30, 2010**

	<u>Deferred Revenue</u>	<u>Due to Other Agencies</u>
Title V - SCSEP	\$ 13,569	\$ -
Elder Abuse	4,539	-
Vitals	5,455	-
Direct Life	60	-
Appalachian Regional Commission	567	-
Aging Disabled Resource Center	-	419
Other	-	346
	<u>\$ 24,190</u>	<u>\$ 765</u>

See accompanying notes to financial statements.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

To the Council Members
Region 8 Planning and Development Council
Petersburg, West Virginia

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Region 8 Planning and Development Council as of and for the year ended , which collectively comprise Region 8 Planning and Development Council's basic financial statements, and have issued our report thereon dated April 7, 2011. 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 Region 8 Planning and Development Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of 's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performed their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Region 8 Planning and Development Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Martin, Beachy & Archart, PLLC

April 7, 2011



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE

To the Council Members
Region 8 Planning and Development Council
Petersburg, West Virginia

Compliance

We have audited the compliance of Region 8 Planning and Development Council with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended . Region 8 Planning and Development Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Region 8 Planning and Development Council's management. Our responsibility is to express an opinion on Region 8 Planning and Development Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Region 8 Planning and Development Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Region 8 Planning and Development Council's compliance with those requirements.

In our opinion, Region 8 Planning and Development Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended . However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2010-1.

Internal Control over Compliance

The management of Region 8 Planning and Development Council is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Region 8 Planning and Development Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on

internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performed their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit 's responses and, accordingly, we express no opinion on the responses.

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

Martin, Beachy & Archart, PLLC

April 7, 2011

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
Department of Commerce			
Economic Development Support for Planning Organizations	11.302	01-83-08492.02	70,189
Economic Adjustment Assistance	11.307	1-39-02963	<u>168,091</u>
Total U.S. Department of Commerce			<u><u>238,280</u></u>
Department of Labor			
Senior Community Service Employment Program	17.235	AD-187537Q-56	568,451
Senior Community Service Employment Program - American Recovery and Reinvestment Act of 2009 Funds	17.235	AD-18411-09-60-A-11-56	100,401
American Recovery and Reinvestment Act of 2009 Funds	17.235	AD-20013-10-60-A-11-56	<u>7,878</u>
			<u>676,730</u>
Workforce Investment Act Cluster:			
Adult Program	17.258	PY08-27-A1; PY09-W7-A1	212,581
Youth Activities	17.259	PY08-27-A1; PY09-W7-A1	247,249
Dislocated Worker	17.260	PY08-W7-A1; PY09-W7-A1 RR-07	<u>383,292</u>
			<u>843,122</u>
Workforce Investment Act Cluster - American Recovery and Reinvestment Act of 2009 Funds:			
Adult Program	17.258	ST-W7-A1	82,855
Youth Activities	17.259	ST-W7-A1	66,120
Dislocated Worker	17.260	ST-W7-A1	<u>196,066</u>
			<u>345,041</u>
Total Department of Labor			<u><u>1,864,893</u></u>
Appalachian Regional Commission			
Appalachian Local Development District Assistance	23.009	WV-4415-C32; WV-4415-C33	<u>68,622</u>
Department of Veterans Affairs			
VA Homeless Providers Grant and Per Diem Program	64.024		<u><u>335,912</u></u>
Department of Health and Human Services			
Title III, part D - Disease Prevention and Health Promotion Services	93.043	21037	18,191
Title III, part D - Disease Prevention and Health Promotion Services	93.043	2937	<u>5,376</u>
			<u>23,567</u>
Title III, Part E - National Family Caregiver Support	93.052	21037	129,594
Title III, Part E - National Family Caregiver Support	93.052	2937	<u>17,433</u>
			<u>147,027</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2010**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
Department of Health and Human Services (Continued)			
Aging Cluster:			
Title III, part B - Grants for Supportive Services and Senior Centers	93.044	21037	551,998
Title III, part B - Grants for Supportive Services and Senior Centers	93.044	2937	<u>155,630</u>
Subtotal			<u>707,628</u>
Title III, part C - Nutrition Services	93.045	21037	612,235
Title III, part C - Nutrition Services	93.045	2937	<u>11,203</u>
Subtotal			<u>623,438</u>
American Recovery and Reinvestment Act of 2009 Funds:			
Aging Home-Delivered Nutrition Services for States	93.705	2937	113,669
Aging Congregate Nutrition Services for States	93.707	2937	<u>50,701</u>
Subtotal			<u>164,370</u>
Nutrition Services Incentive Program	93.053	21037	288,580
Nutrition Services Incentive Program	93.053	2937	<u>2,036</u>
Subtotal			<u>290,616</u>
Total - Aging Cluster			<u>1,786,052</u>
American Recovery and Reinvestment Act of 2009 Funds:			
Special Programs for the Aging Discretionary Projects	93.048	21060	<u>18,857</u>
Total Department of Health and Human Services			<u>1,975,503</u>
Corporation for National Service			
Retired and Senior Volunteer Program	94.002	07SRSWV0005; 10SRSWV0001	46,583
Foster Grandparent Program	94.011	09SFSWV001	<u>410,326</u>
Total Corporation for National Service			<u>456,909</u>
TOTAL FEDERAL EXPEDITURES			<u>\$ 4,940,119</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
June 30, 2010**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Region 8 Planning and Development Council and is presented on the basis of accounting in conformity with practices that are prescribed or permitted by various granting agencies. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

Compliance testing of program requirements was performed for the following major federal programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Expenditures for Year Ended June 30, 2010</u>
Workforce Investment Act Cluster	17.258, 17.259, 17.260	\$ 1,188,163
Senior Community Service Employment Program	17.235	676,730
Aging Cluster	93.044; 93.045; 93.053; 93.705; 93.707	<u>1,786,052</u>
		<u>\$ 3,650,945</u>

NOTE B – SUBRECIPIENTS

Region 8 Planning and Development Council provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Provided</u>
Title III, Part D – Preventive Health Services	93.043	\$ 23,567
Title III, Part B – Supportive Services	93.044	495,607
Title III, Part C – Nutrition Services	93.045	623,438
Title III, Part E – National Family Caregiver Support	93.052	147,027
Nutrition Services Incentive Program	93.053	290,616
Aging Home-Delivered Nutrition Services for States	93.705	113,669
Aging Congregate Nutrition Services for States	93.707	<u>50,701</u>
		<u>\$ 1,744,625</u>

NOTE C – OVERSIGHT AGENCY FOR AUDIT

The Corporation for National Service provides the most direct funding and is therefore the oversight agency for audit.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010**

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Region 8 Planning and Development Council.
2. No instances of noncompliance material to the financial statements of the Region 8 Planning and Development Council were disclosed during the audit.
3. The auditor's report on compliance for the major federal award programs for the Region 8 Planning and Development Council expresses an unqualified opinion on all major programs.
4. See "Notes to Schedule of Expenditures of Federal Awards" for programs tested as major programs.
5. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
6. The threshold for distinguishing between Types A and B programs was \$300,000.
7. Region 8 Planning and Development Council was determined to be a low-risk auditee.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2010-1 Aging Cluster – CFDA NO. 93.044 and 93.045; Grant No. 21037; Grant period – year ended September 30, 2010.

Condition: Cash balance on hand in the program was in excess of what was required.

Cause: Procedures that are in place to minimize the cash balance on hand were not adequately followed.

Effect: Because the established procedures were not followed, the funds on hand grew to an excessive amount.

Recommendation: Procedures that are in place should be followed, and monitored by a senior management official.

Views of Responsible Officials and Planned Corrective Actions: Region 8 Planning and Development Council agrees with the finding and the recommended procedures have been implemented. Corrective action was in place prior to June 30, 2010, and cash on hand at the end of the year was not excessive.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No findings were included in the audit for the year ended June 30, 2009. Therefore, there is no schedule included herein for reporting on the status of prior audit findings.