

**REGION 8 PLANNING AND  
DEVELOPMENT COUNCIL**

*FINANCIAL STATEMENTS*

*June 30, 2012*

# REGION 8 PLANNING AND DEVELOPMENT COUNCIL

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## 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 June 30, 2012, 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 June 30, 2012, 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 March 27, 2013, 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. The accompanying 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 schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis 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*

March 27, 2013

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2012**

**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 2012 financial activity and the change in its financial condition during FY 2012. 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, 2012. This provides the simplest display of the PDC financial condition at the end of FY 2012. 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 2012. The net assets as of June 30, 2012 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, 2012. 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 2012 audit also contains the auditor's report on internal control over financial reporting and on compliance, the auditor's report on compliance with requirements that could have a direct and material effect on 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, 2012**

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, 2012 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 2012 the Region 8 PDC expended \$12,310,795 on its governmental activities. These same activities produced revenues of \$11,975,789 during FY 2012. The PDC had a change in total governmental funds of \$(335,006). Offsetting this decrease was a modest increase in net assets as a result of business-type activities of \$1,256 and investment earnings of \$1,772. Overall, the PDC had a change in net assets of \$(331,978) during FY 2012. The PDC had net assets of \$368,978 at the end of FY 2012. This represented a 47.36% decrease in net assets over the end of FY 2011. Table 1 provides additional details including a comparison to FY 2009 and FY 2010.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2012**

**Table1 – FY 2010 Expenses and Revenues**

	FY 2009	FY 2010	FY 2011	FY 2012	Percent Change	
					FY 10 to 11	FY 11 to 12
Expenses Governmental Activities	12,099,450	12,593,567	12,955,459	12,310,795	2.87%	-4.98%
Revenues Governmental Activities	12,062,985	12,512,181	12,859,921	11,975,789	2.78%	-6.88%
Change in Net Assets Governmental Activities	(36,465)	(81,386)	(95,538)	(335,006)	17.39%	250.65%
Expenses Business-Type Activities	1,451	1,229	1,240	4,744	0.90%	282.58%
Revenues Business-Type Activities	6,000	6,000	6,000	6,000	0.00%	0.00%
Change in Net Assets Business-Type Activities	4,549	4,771	4,760	1,256	-0.23%	-73.61%
Investment Earnings	3,656	2,971	2,725	1,772	-8.28%	-34.97%
Change in Net Assets	(28,260)	(73,644)	(88,053)	(331,978)	19.57%	277.02%
Net Assets Beginning	890,864	862,604	789,009	700,956	-8.53%	-11.16%
Net Assets Ending	862,604	788,960	700,956	368,978	-11.16%	-47.36%

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) accrual of the PEIA OPEB liability. With the passing of Senate Bill 469 by the West Virginia Legislature, the Council agreed to no longer fund the OPEB liability. However, the Council must continue to accrue liability on a monthly basis for each employee currently covered by the WV PEIA to cover costs of the RHBT. While this allows programs to avoid shortfalls, it causes a significant liability for the Council that must remain on the books until the liability has been funded. With the passing of SB 469, the State plans to fund the OPEB liability in full by 2035. The PDC could have chosen to continue to fund the OPEB liability on a partial basis, but this would cause a significant strain on the finances of the PDC's programs. Therefore the PDC assumed additional OPEB liability of \$227,878.

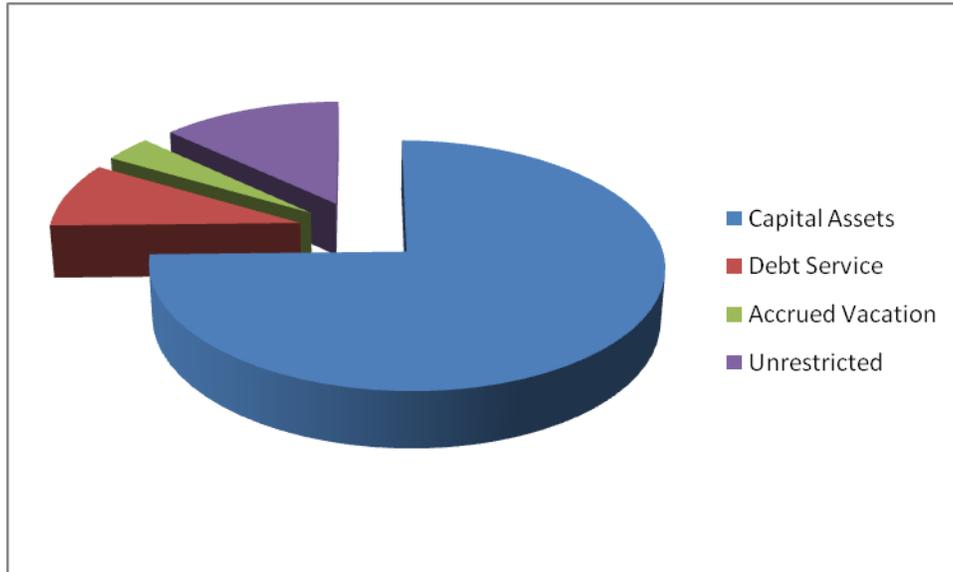
As noted, the PDC ended FY 2012 with net assets of \$368,978. Unrestricted assets comprised about 13% of the PDC's assets. Capital assets comprised almost 75% of net assets at the end of FY 2012. Assets required for debt service and vacation time owed staff accounted for about 12% of net assets. Table 2 and chart 1 provide additional detail.

**Table 2 – Distribution of FY 2012 Net Assets**

Capital Assets	\$275,457	74.7%
Debt Service	\$32,250	8.7%
Accrued Vacation	\$12,837	3.5%
Unrestricted	\$48,434	13.1%

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2012**

**Chart 1 - Distribution of FY 2012 Net Assets**



**THE ORGANIZATION'S FUNDS**

The PDC expended \$985,033 through its General Fund during FY 2012. This included expenditures of \$293,093 for staff (Personnel and Fringe), \$80,342 for grant match, and \$10,457 for allocated costs. Staff cost accounted for 29.75% of all expenditures. In FY 2011 staff cost accounted for 29.66% of all general fund expenditures. The overall costs for staff expenditures in the general fund increased significantly due to the additional OPEB liability for the agency although the percentage increased just slightly. The amount listed as expended for grant match increased nearly 100% from FY 2011. This increase represents increase in program matching requirements for FY 2012. Allocated costs accounted for just 1% of the fund's FY 2012 expenditures. The General Fund had revenue of \$612,273 during FY 2012. About 7.6% of all General Fund Revenue came from user charges mostly from the use of agency vehicles. Other income totaled \$557,875 in FY 2012 or 91.1% of all General Fund revenue. Included in other funds was flow through income for the Energy Efficiency Block Grant Program totaling \$503,005.

The PDC expended \$1,934,030 through its Other Governmental Funds Fund during FY 2012. This included \$979,073 for staff, \$245,009 for allocated costs and \$221,368 for stipends to program participants. Staff costs accounted for 50.6% of all fund expenditures. In FY 2011 staff costs accounted for 43% of all costs and the amount expended for staffing by the fund decreased by \$454,062 from FY 2011. The decrease is due to the OPEB changes enacted by the Council and the reduced staffing due to the loss of the Workforce Investment Board employees. Allocated costs and stipends accounted for 25% and 22.6% of the costs. And, expenditures for these items remained relatively stable. The Other Governmental Funds Fund had revenue of \$1,906,401 during FY 2012. Grants and sub-grants from the Federal Government accounted for 78.6% of all revenue during FY 2012. Administrative fees provided \$16,459 or less than 1% of the fund's income during FY 2012. The fund's expenditures exceed its revenues by \$27,629 during FY 2012.

The PDC expended \$9,859,558 through its Title III Fund during FY 2012. This included \$8,955,878 for sub-grants to local senior citizen programs, \$609,481 for staff, and \$226,293 for allocated costs. Sub-grants accounted for 90.8% of all fund expenditures. In FY 2012 staff costs accounted for 6.2% of all costs. The amount expended for sub-grants by the fund increased by \$204,081 from FY 2011. The increase reflects the state increasing funds available for distribution to local programs. The Title III Fund had revenue of \$9,859,558 during FY 2012. State funds in the amount of \$7,591,343 provided 76.99% of all Title III fund revenue during FY 2012.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2012**

**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 2012 Budget to Actual**

	FY 2012	FY 2012	
	Budget	Actual	Variation
<b>Revenue</b>			
<b>Federal</b>	1,595,285	1,874,113	17.48%
<b>State</b>	639,425	560,902	-12.28%
<b>Local – Other</b>	384,246	505,012	31.43%
<b>Total</b>	2,618,956	2,940,027	12.26%
<b>Expenditures</b>			
<b>Staff</b>	1,240,630	1,881,647	51.67%
<b>Allocated Costs</b>	312,030	481,759	54.40%
<b>Stipends &amp; Program</b>	797,549	499,049	-37.43%
<b>Bad Debt Expense</b>	0	28,578	
<b>Grant Match Expense</b>	0	80,342	
<b>Other</b>	268,747	356,944	32.82%
<b>Total</b>	2,618,956	3,328,319	27.09%

Table 3 provides a comparison of the proposed budget to actual revenues and expenses. Actual total revenue was 12.26% greater than budgeted. Revenue from federal sources was greater than budgeted, but revenue from State sources was less than budgeted. Actual expenses were 27.08% greater than expected. As explained before, much of this over expenditure can be contributed to the additionally OPEB liability assumed by the Council. Further, there was \$28,578 of expenses for bad debt and a greater than expected need to insert local funds for matching programs.

**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 began accruing the costs and placing the funds in an account. Therefore based on the decision of the Council, the accrued funds were placed into an account and are recognized as a liability of the Council. However, in the last fiscal year, the West Virginia State Legislature passed Senate Bill 469. Senate Bill 469 states that the OPEB liability will be eliminated by the year 2035 through the use of a pre-funding source. Therefore, the Region 8 Council agreed to discontinue accruing funds for the OPEB liability during FY 2012 as it was putting a tremendous strain on program budgets. However, the Council must maintain the liability on record and this is reflected in the overall financial status of the agency. The total amount of OPEB liability for the Region 8 Council at the end of FY 2012 is \$786,273. At the end of FY 2012 \$469,689 has been assumed as an unfunded liability of the Council.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2012**

**Debt Administration**

The PDC began FY 2012 with total long-term debt of \$70,025. 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 2012 with a debt of \$37,775 to the Summit Bank. The debt is due November 2013. The PDC made regular monthly payments. Accordingly, the PDC ended FY 2012 owing \$22,666 to the Summit Community Bank.

**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 2012 with an unrestricted fund balance of (\$182,448). Thus although the PDC had a \$376,332 reduction in the unrestricted fund balance, the PDC feels that its position is sound and that it can maintain critical operations. Again, this large reduction and resulting negative balance is due the assumption of the large amount OPEB liability.

**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, 2012**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash	\$ 1,232,681	\$ -	\$ 1,232,681
Accounts receivable	90,707	-	90,707
Grant funds receivable	700,807	-	700,807
Notes receivable	167,995	-	167,995
Property and equipment, net of accumulated depreciation	298,123	-	298,123
 TOTAL ASSETS	 \$ 2,490,313	 \$ -	 \$ 2,490,313
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 839,758	\$ -	\$ 839,758
Interfund payables	-	-	-
Accrued wages	59,164	-	59,164
Accrued annual leave	56,750	-	56,750
Accrued payroll taxes	17,646	-	17,646
Other accrued liabilities	790,385	-	790,385
Deferred revenue	283,253	-	283,253
Due to other agencies	19,463	-	19,463
Mortgage note payable:			
Due within one year	15,835	-	15,835
Due in more than one year	6,831	-	6,831
Note payable	32,250	-	32,250
TOTAL LIABILITIES	2,121,335	-	2,121,335
 <b>FUND BALANCES</b>			
Investment in capital assets, net of related debt	275,457	-	275,457
Restricted for:			
Debt service	32,250	-	32,250
Accrued vacation	12,837	-	12,837
Unrestricted	48,434	-	48,434
TOTAL FUND BALANCES	368,978	-	368,978
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 2,490,313	 \$ -	 \$ 2,490,313

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2012**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
	Expenses	Charges for	Operating	Govern- mental	Business- Type	Total
		Services	Grants	Activities	Activities	
Governmental activities:						
General operations	\$ 927,446	\$ 534,482	\$ 85,585	\$ (307,379)	\$ -	\$ (307,379)
Appalachian Regional Development	118,613	-	118,613	-	-	-
Economic Development Admin.	117,432	-	117,432	-	-	-
Revolving Loan	3,015	-	4,153	1,138	-	1,138
Micro Loan	32,252	-	3,487	(28,765)	-	(28,765)
Title III	9,601,624	-	9,601,624	-	-	-
Title V	556,832	-	556,832	-	-	-
Foster Grandparent	422,302	-	422,302	-	-	-
Retired Senior Volunteer Program	120,016	-	120,016	-	-	-
Transitional Housing	411,263	-	411,263	-	-	-
Total governmental activities	12,310,795	534,482	11,441,307	(335,006)	-	(335,006)
Business-type activities:						
Office rental	4,744	6,000	-	-	1,256	1,256
Total business-type activities	4,744	6,000	-	-	1,256	1,256
Total primary government	\$ 12,315,539	\$ 540,482	\$ 11,441,307	\$ (335,006)	\$ 1,256	\$ (333,750)
General revenues:						
Investment earnings				1,772	-	1,772
Transfers				1,256	(1,256)	-
Total				3,028	(1,256)	1,772
Change in net assets				(331,978)	-	(331,978)
Beginning net assets				700,956	-	700,956
Ending net assets				\$ 368,978	\$ -	\$ 368,978

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2012**

	General	Title III	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 775,151	\$ 395,015	\$ 62,515	\$ 1,232,681
Accounts receivable	90,707	-	-	90,707
Grant funds receivable	23,222	543,804	133,781	700,807
Notes receivable	-	-	167,995	167,995
	<u>\$ 889,080</u>	<u>\$ 938,819</u>	<u>\$ 364,291</u>	<u>\$ 2,192,190</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 108,593	\$ 727,665	\$ 3,500	\$ 839,758
Accrued wages	59,164	-	-	59,164
Accrued annual leave	43,913	-	-	43,913
Accrued payroll taxes	17,646	-	-	17,646
Other accrued liabilities	790,385	-	-	790,385
Deferred revenue	2,655	211,154	69,444	283,253
Due to other agencies	16,921	-	2,542	19,463
Note payable	32,250	-	-	32,250
	<u>1,071,527</u>	<u>938,819</u>	<u>75,486</u>	<u>2,085,832</u>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted:				
Debt service	32,250	-	-	32,250
Accrued vacation	12,837	-	-	12,837
Unassigned:				
General fund	(227,535)	-	-	(227,535)
Special revenue fund	-	-	288,806	288,806
	<u>(182,448)</u>	<u>-</u>	<u>288,806</u>	<u>106,358</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 889,079</u>	<u>\$ 938,819</u>	<u>\$ 364,292</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.	298,123
Long-term notes payable are not due and payable in the current period and therefore are not reported in the funds.	(22,666)
Accrued vacation is not due and payable in the current period and therefore is not reported in the funds.	<u>(12,837)</u>
<b>NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 368,978</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2012**

	General	Title III	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Federal grants	\$ -	\$ 375,982	\$ 1,498,131	\$ 1,874,113
State grants	-	509,021	51,881	560,902
Federal subgrant	-	1,852,878	-	1,852,878
State subgrant	503,005	7,082,322	-	7,585,327
User charge	46,626	-	-	46,626
Administrative fees	-	-	16,459	16,459
Rent income	6,000	-	35,334	41,334
Interest income	1,772	-	7,380	9,152
In-kind	-	-	271,284	271,284
Other	54,870	39,355	25,932	120,157
<b>Total Revenues</b>	<u>612,273</u>	<u>9,859,558</u>	<u>1,906,401</u>	<u>12,378,232</u>
<b>EXPENDITURES</b>				
Personnel	20,371	448,579	789,142	1,258,092
Fringe benefits	272,722	160,902	189,931	623,555
Travel	1,592	33,832	74,458	109,882
Printing and supplies	11,041	14,102	43,214	68,357
Rent	-	5,972	7,153	13,125
Telephone	1,658	8,725	10,119	20,502
Allocated costs	10,457	226,293	245,009	481,759
Insurance	3,628	-	3,495	7,123
Advertising	115	502	3,434	4,051
Maintenance	58,880	289	22,350	81,519
Professional fees/contractual	63	-	14,822	14,885
Participant support	-	-	6,397	6,397
Vehicle expense	10,558	-	-	10,558
Stipends	-	-	221,368	221,368
In-kind	-	-	271,284	271,284
Other	3,702	4,484	3,276	11,462
Grant cash match	80,342	-	-	80,342
Subgrants	494,424	8,955,878	-	9,450,302
Bad debt expense	-	-	28,578	28,578
Loan principal payments	15,110	-	-	15,110
Interest	370	-	-	370
<b>Total Expenditures</b>	<u>985,033</u>	<u>9,859,558</u>	<u>1,934,030</u>	<u>12,778,621</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(372,760)	-	(27,629)	(400,389)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in (transfer out)	(3,572)	-	3,572	-
<b>Total Other Financing Sources (Uses)</b>	<u>(3,572)</u>	<u>-</u>	<u>3,572</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(376,332)	-	(24,057)	(400,389)
<b>BEGINNING FUND BALANCES</b>	<u>193,884</u>	<u>-</u>	<u>312,863</u>	<u>506,747</u>
<b>ENDING FUND BALANCES</b>	<u>\$ (182,448)</u>	<u>\$ -</u>	<u>\$ 288,806</u>	<u>\$ 106,358</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, 2012**

NET CHANGE IN FUND BALANCES \$ (400,389)

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 paid for the purchase of capital assets in the current period. 66,217

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. (18,176)

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. 15,109

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. 5,261

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (331,978)

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2012**

**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, 2012.

**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, 2012**

**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, 2012.

**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.

**Date of Management's Review**

Subsequent events were evaluated through March 27, 2013, which is the date the financial statements were available to be issued.

**NOTE B – CASH DEPOSITS**

The Council maintains cash accounts at four financial institutions. As of June 30, 2012, amounts in excess of insured limits total approximately \$64,000.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2012**

**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.	\$ 19,396
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.	21,968
Promissory note from Capon Bridge Fiber works with interest at 4.0%, due \$658 monthly, including interest, until November 2020. Collateralized by equipment, inventory, and accounts receivable.	55,891
Eight 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.	70,740
	\$ 167,995

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, 2012 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Historic Cost:				
Vehicles	\$ 52,174	\$ -	\$ -	\$ 52,174
Buildings and improvements	439,222	66,217	-	505,439
	491,396	66,217	-	557,613
Less Accumulated Depreciation	241,314	18,176	-	259,490
Net Capital Assets	\$ 250,082	\$ 48,041	\$ -	\$ 298,123

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 \$43,913 to reflect accumulated vacation days at June 30, 2012.

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, \$12,837, 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, 2012**

**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.	\$ 22,666
Promissory note to the West Virginia Economic Development Authority (WVEDA), 0% interest, principal due June 30, 2042, unsecured.	<u>32,250</u>
	<u>\$ 54,916</u>

Maturities of notes payable are as follows:

Year ended June 30,	
2012	\$ 15,835
2013	6,831
Thereafter	<u>32,250</u>
	<u>\$ 54,916</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, 2012, the Council contributed approximately \$156,900, 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, 2012 the total OPEB expense was \$227,878. As of June 30, 2012, the total accumulated liability was \$786,273.

**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, 2012**

**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 and percentage of total revenues from these sources for the year ended June 30, 2012 are as follows:

	<u>Amount</u>	<u>Percentage</u>
Federal	\$ 3,726,991	30.11
West Virginia	8,146,229	65.81
Other	<u>505,012</u>	<u>4.08</u>
	<u>\$ 12,378,232</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, 2012**

REVENUES	
State income	\$ 80,511
User charge	41,574
Rent income	6,000
Interest income	1,772
Other	<u>559,412</u>
Total Revenues	<u>689,269</u>
EXPENDITURES	
Personnel	26,359
Fringe benefits	275,498
Contractual	67,843
Travel	1,670
Equipment and furniture	9,645
Advertising	376
Supplies	24
Telephone and utilities	1,658
Insurance	3,628
Meeting expense	4,027
Building maintenance	55,200
Local cash match	80,342
Other	3,247
Auto expense	10,559
Subgrants	494,424
Allocated costs - Petersburg	3,746
Allocated costs - management and general	10,276
Allocated costs - common costs	<u>1,600</u>
Total Expenditures	<u>1,050,122</u>
EXCESS OF REVENUES OVER EXPENDITURES	(360,853)
OTHER FINANCING SOURCES (USES)	
Loan principal payments	(15,110)
Interest expense	(370)
Transfer-in	12,301
Transfer-out	<u>(12,301)</u>
	<u>(15,480)</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(376,333)
BEGINNING FUND BALANCE	<u>193,833</u>
ENDING FUND BALANCE	<u>\$ (182,500)</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, 2011 to December 31, 2011**

	01/01/11 - 06/30/11	07/01/11 - 12/31/11	Total 01/01/11 - 12/31/11	Budget
<b>REVENUES</b>				
Federal	\$ 45,096	\$ 23,632	\$ 68,728	\$ 62,250
State	-	16,480	16,480	-
Local	<u>20,006</u>	<u>15,565</u>	<u>35,571</u>	<u>50,000</u>
Total Revenues	<u>65,102</u>	<u>55,677</u>	<u>120,779</u>	<u>112,250</u>
<b>EXPENDITURES</b>				
Personnel	28,565	28,097	56,662	54,270
Fringe benefits	16,152	12,038	28,190	22,033
Travel	4,510	879	5,389	8,700
Training	-	-	-	1,000
Supplies	1,260	197	1,457	-
Telephone	512	228	740	-
Publications/dues	103	-	103	1,000
Other	950	2	952	-
Allocated costs - Petersburg	2,263	2,888	5,151	2,816
Allocated costs - management and general	9,385	9,282	18,667	18,230
Allocated costs - common costs	<u>1,402</u>	<u>2,066</u>	<u>3,468</u>	<u>4,201</u>
Total Expenditures	<u>65,102</u>	<u>55,677</u>	<u>120,779</u>	<u>112,250</u>
EXCESS OF REVENUES 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, 2012 to June 30, 2012**

	Actual	Budget*
<b>REVENUES</b>		
Federal	\$ 48,823	\$ 62,250
Local	14,113	75,000
Total Revenues	62,936	137,250
<b>EXPENDITURES</b>		
Personnel	33,342	66,163
Fringe benefits	12,105	27,000
Travel	916	9,250
Training	-	1,200
Advertising	85	-
Supplies	124	250
Telephone	1,268	-
Publications and dues	-	1,000
Allocated costs - Petersburg	4,761	3,087
Allocated costs - management and general	8,950	21,800
Allocated costs - common costs	1,385	7,500
Total Expenditures	62,936	137,250
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>

\*Budget is for the twelve month period January 1, 2012 to December 31, 2012.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
ECONOMIC DEVELOPMENT ADMINISTRATION – PLANNING  
Year Ended June 30, 2012**

	<u>Actual</u>	<u>Budget</u>
<b>REVENUES</b>		
Federal	\$ 70,000	\$ 70,000
State	20,000	20,000
Local	<u>27,432</u>	<u>26,793</u>
Total Revenues	<u>117,432</u>	<u>116,793</u>
 <b>EXPENDITURES</b>		
Personnel	55,871	52,523
Fringe benefits	27,964	30,000
Travel	3,297	4,000
Advertising	496	500
Supplies	1,256	400
Telephone	14	-
Publication/dues	325	325
Meeting expense	570	375
Allocated costs - Petersburg	5,596	6,400
Allocated costs - management and general	18,990	20,000
Allocated costs - common costs	<u>3,053</u>	<u>2,270</u>
Total Expenditures	<u>117,432</u>	<u>116,793</u>
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	 <u>\$ -</u>	 <u>\$ -</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**LOAN PROGRAMS**  
**Year Ended June 30, 2012**

	EDA Revolving Loan Fund	Micro Loan	Lightstone Micro Loan
<b>REVENUES</b>			
Interest income	\$ 4,153	\$ 3,155	\$ 332
Local	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>4,153</u>	<u>3,155</u>	<u>332</u>
<b>EXPENDITURES</b>			
Personnel	1,142	1,363	-
Fringe benefits	293	541	(108)
Legal	522	261	522
Travel	32	3	-
Telephone	92	-	-
Publication/dues	68	68	-
Other	81	97	-
Allocated costs - Petersburg	220	239	-
Allocated costs - management and general	485	473	106
Allocated costs - common costs	<u>80</u>	<u>110</u>	<u>-</u>
Total Expenditures	<u>3,015</u>	<u>3,155</u>	<u>520</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,138</u>	<u>-</u>	<u>(188)</u>
OTHER FINANCING SOURCES (USES)			
Bad debt expense	<u>-</u>	<u>(28,578)</u>	<u>-</u>
	<u>-</u>	<u>(28,578)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	1,138	(28,578)	(188)
BEGINNING FUND BALANCE	<u>190,399</u>	<u>129,326</u>	<u>(3,291)</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 191,537</u>	<u>\$ 100,748</u>	<u>\$ (3,479)</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
UPPER POTOMAC AREA AGENCY ON AGING  
TITLE III  
October 1, 2010 to September 30, 2011**

	<u>10/01/2010 - 06/30/2011</u>	<u>07/01/2011 - 09/30/2011</u>	<u>Total</u>	<u>Budget</u>
<b>REVENUES</b>				
Federal	\$ 123,412	\$ 32,588	\$ 156,000	\$ 156,000
State	111,671	-	111,671	111,671
Federal subgrant	1,472,284	286,644	1,758,928	1,803,107
State subgrant	1,159,693	167,997	1,327,690	1,330,952
Local match	<u>157</u>	<u>5,148</u>	<u>5,305</u>	<u>-</u>
Total Revenues	<u>2,867,217</u>	<u>492,377</u>	<u>3,359,594</u>	<u>3,401,730</u>
<b>EXPENDITURES</b>				
Administration:				
Personnel	102,948	22,427	125,375	135,082
Fringe benefits	72,483	(1,118)	71,365	64,808
Travel	7,943	3,130	11,073	19,651
Supplies	1,570	83	1,653	3,653
Telephone	1,479	398	1,877	3,081
Publications/dues	-	346	346	-
Utilities	108	10	118	-
Meetings	317	123	440	500
Other	1,131	-	1,131	584
Allocated costs - Petersburg	9,786	7,338	17,124	7,374
Allocated costs - management and general	32,090	3,573	35,663	25,247
Allocated costs - common costs	5,385	1,426	6,811	7,691
Subgrants				
Title III B subgrant	687,526	105,415	792,941	805,903
Title III C subgrant	694,049	-	694,049	694,049
Title III D subgrant	19,419	8,870	28,289	28,220
Title III E subgrant	138,096	16,720	154,816	165,745
NSIP subgrant	248,542	151,043	399,585	424,538
Elder Abuse subgrant	1,830	4,596	6,426	5,091
LIEAP subgrant	11,000	-	11,000	11,000
Nutrition Supplement subgrant	<u>831,515</u>	<u>167,997</u>	<u>999,512</u>	<u>999,513</u>
Total Expenditures	<u>2,867,217</u>	<u>492,377</u>	<u>3,359,594</u>	<u>3,401,730</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<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, 2011 to June 30, 2012**

	<u>Subgrant</u>	<u>Grant</u>	<u>Total</u>	<u>Budget*</u>
<b>REVENUES</b>				
Federal	\$ -	\$ 101,061	\$ 101,061	\$ 156,000
State	-	116,671	116,671	116,671
Federal subgrant	1,478,911	-	1,478,911	1,775,018
State subgrant	1,212,264	-	1,212,264	1,359,040
Local match	-	28	28	-
	<u>2,691,175</u>	<u>217,760</u>	<u>2,908,935</u>	<u>3,406,729</u>
<b>EXPENDITURES</b>				
Administration:				
Personnel	-	106,347	106,347	128,456
Fringe benefits	-	45,682	45,682	71,825
Travel	-	10,410	10,410	18,105
Training	-	-	-	300
Supplies	-	1,492	1,492	4,178
Telephone	-	983	983	1,020
Publications/dues	-	371	371	450
Utilities	-	118	118	-
Meetings	-	520	520	500
Other	-	(1)	(1)	750
Allocated costs - Petersburg	-	7,764	7,764	11,200
Allocated costs - management and general	-	36,535	36,535	26,777
Allocated costs - common costs	-	5,945	5,945	8,343
Allocated costs - other	-	1,594	1,594	767
Subgrants				
Title III B subgrant	641,938	-	641,938	805,840
Title III C subgrant	694,049	-	694,049	694,049
Title III D subgrant	18,582	-	18,582	28,283
Title III E subgrant	130,420	-	130,420	165,745
NSIP subgrant	307,961	-	307,961	391,358
Elder Abuse subgrant	1,309	-	1,309	5,091
LIEAP subgrant	11,000	-	11,000	11,000
Nutrition Supplement subgrant	885,916	-	885,916	1,032,692
	<u>2,691,175</u>	<u>217,760</u>	<u>2,908,935</u>	<u>3,406,729</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer-in (transfer-out)	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\*Budget is for the twelve-month period October 1, 2011 to September 30, 2012.

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, 2012**

	Total	Budget
<b>REVENUES</b>		
State subgrant	\$ 2,907,764	\$ 2,945,054
Total Revenues	2,907,764	2,945,054
<b>EXPENDITURES</b>		
Life Direct Services subgrant	2,907,764	2,945,054
Total Expenditures	2,907,764	2,945,054
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	\$ -	\$ -

**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, 2012**

	<u>Total</u>	<u>Budget</u>
<b>REVENUES</b>		
State	\$ 232,500	\$ 232,500
Local	14,410	-
Other	<u>2,110</u>	<u>-</u>
Total Revenues	<u>249,020</u>	<u>232,500</u>
 <b>EXPENDITURES</b>		
Administration:		
Salaries	118,517	110,666
Fringe benefits	46,070	58,368
Travel	8,052	7,210
Training	145	1,715
Advertising	182	1,000
Supplies	5,186	500
Telephone	4,215	6,960
Publication/dues	1,058	100
Rent	3,900	3,600
Meetings	392	800
Other	232	1,125
Allocated costs - Petersburg	7,300	3,845
Allocated costs - Martinsburg	5,446	6,143
Allocated costs - management and general	38,099	24,747
Allocated costs - common costs	8,632	-
Allocated costs - other	<u>1,594</u>	<u>5,721</u>
Total Expenditures	<u>249,020</u>	<u>232,500</u>
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	 <u>\$ -</u>	 <u>\$ -</u>

**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, 2012**

	Total	Budget
<b>REVENUES</b>		
State	\$ 159,850	\$ 159,850
Local	9,525	-
	169,375	159,850
Total Revenues		
 <b>EXPENDITURES</b>		
Administration:		
Salaries	82,309	68,723
Fringe benefits	32,058	40,388
Travel	4,413	7,113
Training	-	1,550
Advertising	94	500
Supplies	5,299	5,954
Telephone	1,792	7,000
Publications/dues	843	225
Rent	2,072	2,400
Meetings	408	240
Other	915	1,625
Allocated costs - Fairmont	4,844	2,200
Allocated costs - Petersburg	997	486
Allocated costs - management and general	26,439	17,245
Allocated costs - common costs	6,892	-
Allocated costs - other	-	4,201
	169,375	159,850
Total Expenditures		
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	\$ -	\$ -

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
UPPER POTOMAC AREA AGENCY ON AGING  
VITALS  
October 1, 2010 to September 30, 2011**

	10/01/2010 - 06/30/2011	07/01/2011 - 09/30/2011	Total	Budget
<b>REVENUES</b>				
Federal	\$ 35,163	\$ 17,500	\$ 52,663	\$ 60,845
Total Revenues	<u>35,163</u>	<u>17,500</u>	<u>52,663</u>	<u>60,845</u>
<b>EXPENDITURES</b>				
Administration:				
Salaries	15,620	7,386	23,006	29,157
Fringe benefits	9,910	5,401	15,311	9,923
Travel	635	195	830	6,145
Training	103	-	103	-
Supplies	954	145	1,099	1,850
Telephone	120	56	176	50
Other	750	-	750	2,500
Allocated costs - Petersburg	(130)	138	8	438
Allocated costs - Martinsburg	1,017	596	1,613	4,095
Allocated costs - management and general	5,233	3,028	8,261	5,457
Allocated costs - common costs	<u>951</u>	<u>555</u>	<u>1,506</u>	<u>1,230</u>
Total Expenditures	<u>35,163</u>	<u>17,500</u>	<u>52,663</u>	<u>60,845</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<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  
VITALS  
October 1, 2011 to June 30, 2012**

	<u>Total</u>	<u>Budget*</u>
REVENUES		
Federal	\$ 19,686	\$ 53,182
Local cash match	<u>-</u>	<u>860</u>
Total Revenues	<u>19,686</u>	<u>54,042</u>
EXPENDITURES		
Administration:		
Salaries	10,657	26,914
Fringe benefits	1,759	9,334
Travel	744	5,732
Training	-	550
Supplies	562	1,000
Telephone	129	100
Other	-	-
Allocated costs - Petersburg	1,607	213
Allocated costs - Martinsburg	1,076	4,095
Allocated costs - management and general	2,452	5,689
Allocated costs - common costs	700	-
Allocated costs - other	<u>-</u>	<u>415</u>
Total Expenditures	<u>19,686</u>	<u>54,042</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>

\*Budget is for the twelve-month period October 1, 2011 to September 30, 2012.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
UPPER POTOMAC AREA AGENCY ON AGING  
CHRONIC DISEASE SELF-MANAGEMENT PROGRAM  
April 1, 2011 to March 31, 2012**

	<u>4/1/2011 - 6/30/2011</u>	<u>7/1/2011 - 3/31/2012</u>	<u>Total</u>	<u>Budget</u>
<b>REVENUES</b>				
Federal	\$ 24,358	\$ 41,257	\$ 65,615	\$ 65,615
Local	<u>          -</u>	<u>      1,411</u>	<u>      1,411</u>	<u>      2,815</u>
Total Revenues	<u>      24,358</u>	<u>      42,668</u>	<u>      67,026</u>	<u>      68,430</u>
<b>EXPENDITURES</b>				
Administration:				
Salaries	8,026	22,418	30,444	29,325
Fringe benefits	6,214	5,851	12,065	15,486
Travel	3,612	3,009	6,621	6,461
Training	-	-	-	-
Advertising	-	50	50	250
Supplies	1,308	518	1,826	1,021
Telephone	42	142	184	263
Other	-	115	115	3,132
Allocated costs - Fairmont	-	568	568	649
Allocated costs - Petersburg	1,059	977	2,036	2,815
Allocated costs - Martinsburg	-	-	-	-
Allocated costs - management and general	3,558	7,100	10,658	9,028
Allocated costs - common costs	<u>      539</u>	<u>      1,920</u>	<u>      2,459</u>	<u>          -</u>
Total Expenditures	<u>      24,358</u>	<u>      42,668</u>	<u>      67,026</u>	<u>      68,430</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u><u>          -</u></u>	<u><u>          -</u></u>	<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  
IN-HOME FUEL  
Year Ended June 30, 2012**

	Total	Budget
REVENUES		
State subgrant	\$ 2,794,298	\$ 2,852,258
Total Revenues	2,794,298	2,852,258
EXPENDITURES		
Subgrant	2,794,298	2,852,258
Total Expenditures	2,794,298	2,852,258
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ -

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
SENIOR HEALTH INSURANCE PROGRAM – REGION 3  
April 1, 2011 to March 31, 2012**

	4/1/2011 - 6/30/2011	7/1/2011 - 3/31/2012	Total	Budget
<b>REVENUES</b>				
Federal	\$ 9,931	\$ 87,326	\$ 97,257	\$ 87,326
Federal subgrant	84,000	19,069	103,069	113,000
Local cash match	-	1,114	1,114	735
	<u>93,931</u>	<u>107,509</u>	<u>201,440</u>	<u>201,061</u>
Total Revenues				
<b>EXPENDITURES</b>				
Personnel	2,487	41,300	43,787	43,797
Fringe benefits	2,154	13,667	15,821	20,988
Travel	-	2,268	2,268	2,100
Training	-	-	-	500
Advertising	-	7	7	50
Supplies	-	715	715	1,062
Telephone	-	354	354	713
Other	375	1	376	-
Allocated costs - Petersburg	7	3,173	3,180	2,397
Allocated costs - Martinsburg	-	314	314	2,048
Allocated costs - management and general	4,740	12,764	17,504	12,031
Allocated costs - common costs	168	3,553	3,721	-
Allocated costs - other	-	393	393	2,375
Subgrant	84,000	29,000	113,000	113,000
	<u>93,931</u>	<u>107,509</u>	<u>201,440</u>	<u>201,061</u>
Total Expenditures				
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<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 – REGION 3  
April 1, 2012 to June 30, 2012**

	<u>Actual</u>	<u>Budget*</u>
REVENUES		
Federal	\$ 14,955	\$ 51,940
Federal subgrant	<u>24,000</u>	<u>60,000</u>
Total Revenues	<u>38,955</u>	<u>111,940</u>
EXPENDITURES		
Personnel	7,143	26,265
Fringe benefits	2,711	10,588
Travel	729	2,150
Training	-	200
Advertising	125	125
Supplies	30	1,743
Telephone	158	575
Publication/dues	55	-
Allocated costs - Petersburg	1,904	2,803
Allocated costs - Martinsburg	48	-
Allocated costs - management and general	1,552	7,195
Allocated costs - common costs	362	-
Allocated costs - other	138	2,733
Subgrant	<u>24,000</u>	<u>60,000</u>
Total Expenditures	<u>38,955</u>	<u>114,377</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (2,437)</u>

\*Budget is for the twelve-month period April 1, 2012 to March 31, 2013.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**SENIOR HEALTH INSURANCE PROGRAM – REGION 1**  
**April 1, 2011 to March 31, 2012**

	4/1/2011 - 6/30/2011	7/1/2011 - 3/31/2012	Total	Budget
<b>REVENUES</b>				
Federal	\$ 10,747	\$ 59,880	\$ 70,627	\$ 59,880
Federal subgrant	42,000	28,253	70,253	81,000
Local cash match	-	5,609	5,609	1,565
<b>Total Revenues</b>	<b>52,747</b>	<b>93,742</b>	<b>146,489</b>	<b>142,445</b>
<b>EXPENDITURES</b>				
Personnel	1,771	30,323	32,094	32,070
Fringe benefits	4,568	7,924	12,492	15,368
Travel	-	651	651	540
Training	-	-	-	300
Advertising	-	44	44	250
Supplies	-	37	37	1,013
Telephone	-	255	255	703
Other	-	-	-	2,266
Allocated costs - Fairmont	-	3,461	3,461	540
Allocated costs - management and general	4,224	8,588	12,812	8,395
Allocated costs - common costs	184	3,459	3,643	-
Subgrant	42,000	39,000	81,000	81,000
<b>Total Expenditures</b>	<b>52,747</b>	<b>93,742</b>	<b>146,489</b>	<b>142,445</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
SENIOR HEALTH INSURANCE PROGRAM – REGION 1  
April 1, 2012 to June 30, 2012**

	<u>Actual</u>	<u>Budget*</u>
<b>REVENUES</b>		
Federal	\$ 1,729	\$ 35,709
Federal subgrant	<u>16,000</u>	<u>44,000</u>
Total Revenues	<u>17,729</u>	<u>79,709</u>
<b>EXPENDITURES</b>		
Personnel	(247)	17,754
Fringe benefits	147	7,157
Travel	230	1,200
Training	-	200
Advertising	-	125
Supplies	35	2,320
Telephone	115	516
Other	-	1,913
Allocated costs - Fairmont	1,984	1,760
Allocated costs - management and general	(181)	5,024
Allocated costs - common costs	(354)	-
Subgrant	<u>16,000</u>	<u>44,000</u>
Total Expenditures	<u>17,729</u>	<u>81,969</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (2,260)</u>

\*Budget is for the twelve-month period April 1, 2012 to March 31, 2013.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**TITLE V**  
**July 1, 2010 to September 30, 2011**

	7/1/2010 - 6/30/2011	7/1/2011 - 9/30/2011	Total	Budget
<b>REVENUES</b>				
Federal	\$ 512,961	\$ 74,057	\$ 587,018	\$ 587,018
Local match	23,491	(21,746)	1,745	17,794
In-kind	107,971	-	107,971	55,584
<b>Total Revenues</b>	<b>644,423</b>	<b>52,311</b>	<b>696,734</b>	<b>660,396</b>
<b>EXPENDITURES</b>				
Enrollee costs:				
Salaries	402,005	24,402	426,407	418,941
Fringe benefits	33,737	2,252	35,989	42,443
Allocated costs - Petersburg	5,430	-	5,430	-
Allocated costs - Martinsburg	4,738	-	4,738	-
Other enrollee costs:				
Salaries	27,340	10,142	37,482	43,157
Fringe benefits	17,514	(2,442)	15,072	20,057
Contractual	-	2,646	2,646	-
Travel	6,482	1,352	7,834	9,871
Advertising	75	5	80	1,800
Supplies	774	175	949	914
Recognition	-	-	-	2,240
Development	270	122	392	950
Training	10,735	-	10,735	12,640
Other	688	194	882	2,969
Allocated costs - Petersburg	2,958	4,325	7,283	8,529
Allocated costs - Martinsburg	-	1,168	1,168	4,095
Allocated costs - management and general	532	-	532	-
Allocated costs - common costs	1,827	1,045	2,872	-
Administrative costs:				
Salaries	6,161	2,455	8,616	13,955
Fringe benefits	3,975	1,742	5,717	6,651
Allocated costs - Petersburg	566	-	566	949
Allocated costs - management and general	10,293	2,548	12,841	13,427
Allocated costs - common costs	352	180	532	1,224
<b>Subtotal - Federal Expenditures</b>	<b>536,452</b>	<b>52,311</b>	<b>588,763</b>	<b>604,812</b>
<b>Non-Federal Expenditures</b>	<b>107,971</b>	<b>-</b>	<b>107,971</b>	<b>55,584</b>
<b>Total Expenditures</b>	<b>644,423</b>	<b>52,311</b>	<b>696,734</b>	<b>660,396</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**TITLE V**  
**Year Ended June 30, 2012**

	Actual	Budget
<b>REVENUES</b>		
Federal	\$ 438,434	\$ 438,434
Local match	14,761	15,172
In-kind	51,326	41,472
Total Revenues	504,521	495,078
<b>EXPENDITURES</b>		
Enrollee costs:		
Salaries	319,362	316,505
Fringe benefits	26,738	32,232
Other enrollee costs:		
Salaries	35,218	35,037
Fringe benefits	12,832	14,585
Contractual	8,201	-
Travel	4,765	6,007
Advertising	1,393	1,800
Supplies	433	-
Recognition	-	1,680
Development	90	750
Training	669	5,034
Other	295	3,477
Allocated costs - Petersburg	8,495	6,847
Allocated costs - Martinsburg	2,091	2,535
Allocated costs - management and general	-	-
Allocated costs - common costs	2,047	-
Administrative costs:		
Salaries	8,766	6,836
Fringe benefits	2,710	2,882
Supplies	-	-
Allocated costs - Petersburg	1,020	188
Allocated costs - management and general	17,558	16,683
Allocated costs - common costs	512	-
Other	-	528
Subtotal - Federal Expenditures	453,195	453,606
Non-Federal Expenditures	51,326	41,472
Total Expenditures	504,521	495,078
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
FOSTER GRANDPARENT  
Year Ended June 30, 2012**

	<u>Actual</u>	<u>Budget</u>
<b>REVENUES</b>		
Federal	\$ 380,190	\$ 416,153
Local	7,092	5,317
In-kind	<u>35,020</u>	<u>40,965</u>
Total Revenues	<u>422,302</u>	<u>462,435</u>
 <b>EXPENDITURES</b>		
Administration:		
Personnel	56,262	56,502
Fringe benefits	23,740	29,262
Travel	4,810	4,535
Advertising	251	250
Supplies	699	2,835
Publication and dues	125	-
Telephone	455	-
Other	137	4,800
Allocated costs - Petersburg	6,990	4,802
Allocated costs - management and general	17,530	15,586
Allocated costs - common costs	3,847	1,752
Program:		
Recognition	1,548	500
Stipends	221,368	257,331
Subsistence	2,911	930
Travel	44,845	40,683
Insurance	759	702
Medical exams	1,005	1,000
In-kind	<u>35,020</u>	<u>40,965</u>
Total Expenditures	<u>422,302</u>	<u>462,435</u>
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	 <u>\$ -</u>	 <u>\$ -</u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**RETIRED SENIOR VOLUNTEER PROGRAM**  
**January 1, 2011 to December 31, 2011**

	<u>1/01/2011 - 06/30/2011</u>	<u>7/01/2011 - 12/31/2011</u>	<u>Total</u>	<u>Budget</u>
<b>REVENUES</b>				
Federal	\$ 47,258	\$ 74,928	\$ 122,186	\$ 125,849
Local	15,554	(15,554)	-	6,086
In-kind	<u>4,700</u>	<u>47,666</u>	<u>52,366</u>	<u>18,000</u>
Total Revenues	<u>67,512</u>	<u>107,040</u>	<u>174,552</u>	<u>149,935</u>
<b>EXPENDITURES</b>				
Volunteer Support:				
Personnel	25,286	31,188	56,474	50,743
Fringe benefits	17,087	6,942	24,029	24,386
Travel	1,722	2,340	4,062	11,778
Training	-	-	-	1,000
Advertising	2,343	29	2,372	8,000
Supplies	846	145	991	5,753
Telephone	17	33	50	329
Publications and dues	225	150	375	-
Insurance	-	-	-	2,079
Other	134	1	135	1,346
Allocated costs - Petersburg	2,244	3,859	6,103	6,449
Allocated costs - Martinsburg	2,063	2,129	4,192	-
Allocated costs - management and general	7,702	8,910	16,612	11,843
Allocated costs - common costs	1,932	3,648	5,580	-
Volunteer:				
Recognition	395	-	395	-
Travel	-	-	-	1,389
Insurance	816	-	816	2,340
Other	-	-	-	4,500
Local:				
In-kind	<u>4,700</u>	<u>47,666</u>	<u>52,366</u>	<u>18,000</u>
Total Expenditures	<u>67,512</u>	<u>107,040</u>	<u>174,552</u>	<u>149,935</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<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, 2012 to June 30, 2012**

	<u>Total</u>	<u>Budget*</u>
<b>REVENUES</b>		
Federal	\$ 12,138	\$ 76,679
Local	837	2,079
In-kind	-	30,830
	<u>12,975</u>	<u>109,588</u>
Total Revenues		
<b>EXPENDITURES</b>		
Volunteer Support:		
Personnel	5,818	36,562
Fringe benefits	1,984	15,514
Travel	869	2,936
Advertising	549	1,000
Supplies	35	237
Telephone	9	396
Other	-	4,218
Allocated costs - Petersburg	140	1,752
Allocated costs - Martinsburg	334	1,835
Allocated costs - management and general	2,409	11,968
Allocated costs - common costs	12	-
Volunteer:		
Insurance	816	2,340
Local:		
In-kind	-	30,830
	<u>12,975</u>	<u>109,588</u>
Total Expenditures		
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>

\*Budget is for the twelve month period January 1, 2012 to December 31, 2012.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
STATEMENT OF REVENUES AND EXPENDITURES  
TRANSITIONAL HOUSING  
Year Ended June 30, 2012**

	<u>Actual</u>	<u>Budget</u>
<b>REVENUES</b>		
Federal	\$ 375,930	\$ 378,655
Rent	<u>35,334</u>	<u>64,000</u>
Total Revenues	<u>411,264</u>	<u>442,655</u>
 <b>EXPENDITURES</b>		
Personnel	169,729	165,169
Fringe benefits	59,731	89,244
Contractual	-	6,154
Travel	10,270	9,000
Training	17	-
Advertising	365	1,000
Supplies	33,834	30,280
Telephone	4,245	6,374
Publication/dues	500	1,263
Utilities	3,399	3,750
Maintenance	22,301	25,000
Rent	6,000	6,000
Insurance	1,920	12,088
Equipment and furniture	7,468	8,360
Other	1,124	5,000
Allocated costs - Petersburg	2,915	2,902
Allocated costs - Martinsburg	9,863	8,332
Allocated costs - management and general	65,049	62,739
Allocated costs - common costs	<u>12,534</u>	<u>-</u>
Total Expenditures	<u>411,264</u>	<u>442,655</u>
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	 <u>\$ -</u>	 <u>\$ -</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
SCHEDULE OF COST POOL EXPENSES  
Year Ended June 30, 2012**

	<u>Petersburg</u>	<u>Martinsburg</u>	<u>Fairmont</u>	<u>Management &amp; General</u>	<u>Common Costs</u>	<u>Other</u>	<u>Total</u>
Personnel	\$ -	\$ -	\$ -	\$ 205,364	\$ -	\$ -	\$ 205,364
Fringe benefits	-	-	-	83,310	-	-	83,310
Travel	3	-	-	749	-	-	752
Training	-	-	-	-	-	-	-
Equipment	6,201	-	-	-	7,325	763	14,289
Printing and supplies	15,094	1,002	2,162	-	3,208	-	21,466
Publications and dues	1,126	300	-	-	4,893	-	6,319
Telephone and utilities	22,349	4,048	3,125	-	1,914	2,710	34,146
Insurance	2,853	-	-	-	28,916	-	31,769
Advertising	-	-	-	-	-	-	-
Maintenance	12,226	522	2,520	-	-	245	15,513
Professional fees/contractual	680	-	-	-	30,000	-	30,680
Other	7	-	-	-	28	-	35
Interest	1,060	-	-	-	2,014	-	3,074
Rent/depreciation	14,797	17,195	3,050	-	-	-	35,042
	<u>\$ 76,396</u>	<u>\$ 23,067</u>	<u>\$ 10,857</u>	<u>\$ 289,423</u>	<u>\$ 78,298</u>	<u>\$ 3,718</u>	<u>\$ 481,759</u>

See accompanying notes to financial statements.

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
SCHEDULES OF DEFERRED REVENUE AND  
DUE TO OTHER AGENCIES  
June 30, 2012**

	<u>Deferred Revenue</u>	<u>Due to Other Agencies</u>
SHIP	\$ 76,893	\$ -
Nutrition	59,394	-
Title III	55,071	-
Transitional Housing	50,978	-
Vitals	18,759	-
Title V	18,466	-
Other	2,655	16,921
Elder Abuse	1,037	-
Revolving Loan Fund	-	1,246
Micro Loan	-	1,296
	<u>\$ 283,253</u>	<u>\$ 19,463</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 June 30, 2012, which collectively comprise Region 8 Planning and Development Council's basic financial statements, and have issued our report thereon dated March 27, 2013. 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

Management of Region 8 Planning and Development Council is responsible for establishing and maintaining effective 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 an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Region 8 Planning and Development Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Region 8 Planning and Development Council'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 performing 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*

March 27, 2013



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 Region 8 Planning and Development Council's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Region 8 Planning and Development Council's major federal programs for the year ended June 30, 2012. 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 June 30, 2012.

Internal Control over Compliance

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 Region 8 Planning and Development Council'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 performing 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.

Region 8 Planning and Development Council's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Region 8 Planning and Development Council'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*

March 27, 2013

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2012**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
<b>Department of Commerce</b>			
Economic Development Support for Planning Organizations	11.302	01-83-08923-01	\$ 70,000
Economic Adjustment Assistance	11.307	1-39-02963	<u>155,339</u>
<b>Total U.S. Department of Commerce</b>			<u><u>225,339</u></u>
<b>Department of Labor</b>			
Senior Community Service Employment Program	17.235	AD-20013-BR-0-56	74,057
Senior Community Service Employment Program	17.235	AD-21841-11-55-A-11-56	<u>438,434</u>
<b>Total Department of Labor</b>			<u><u>512,491</u></u>
<b>Appalachian Regional Commission</b>			
Appalachian Local Development District Assistance	23.009	WV-4415-C35; WV-4415-C36	<u>72,455</u>
<b>Department of Veterans Affairs</b>			
VA Homeless Providers Grant and Per Diem Program	64.024	96-67-WV	<u>375,930</u>
<b>Department of Health and Human Services</b>			
Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	21134	4,596
Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	21234	<u>1,309</u>
			<u>5,905</u>
Title III, part D - Disease Prevention and Health Promotion Services	93.043	21137	12,203
Title III, part D - Disease Prevention and Health Promotion Services	93.043	21237	<u>18,320</u>
			<u>30,523</u>
Title III, Part E - National Family Caregiver Support	93.052	21137	11,525
Title III, Part E - National Family Caregiver Support	93.052	21237	<u>140,557</u>
			<u>152,082</u>
Aging Cluster:			
Title III, part B - Grants for Supportive Services and Senior Centers	93.044	21137	139,865
Title III, part B - Grants for Supportive Services and Senior Centers	93.044	21237	<u>417,777</u>
Subtotal			<u>557,642</u>
Title III, part C - Nutrition Services	93.045	21137	-
Title III, part C - Nutrition Services	93.045	21237	<u>694,049</u>
Subtotal			<u>694,049</u>
Nutrition Services Incentive Program	93.053	21137	151,043
Nutrition Services Incentive Program	93.053	21237	<u>307,961</u>
Subtotal			<u>459,004</u>
<b>Total - Aging Cluster</b>			<u><u>1,710,695</u></u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2012**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
<b>Department of Health and Human Services (Continued)</b>			
American Recovery and Reinvestment Act of 2009 Funds: <b>ARRA-Special Programs for the Aging Discretionary Projects</b>	93.048	21160; 21260	<u>37,186</u>
American Recovery and Reinvestment Act of 2009 Funds: <b>ARRA-Communities Putting Prevention to Work: Chronic Disease Self-Management Program</b>	93.725	8802-891	41,257
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	93.779	21172; 21372	<u>251,213</u>
<b>Total Department of Health and Human Services</b>			<u><u>2,228,861</u></u>
<b>Corporation for National Service</b>			
Retired and Senior Volunteer Program	94.002	10SRSWV001	87,066
Foster Grandparent Program	94.011	09SFSWV001	<u>380,190</u>
<b>Total Corporation for National Service</b>			<u><u>467,256</u></u>
<b>TOTAL FEDERAL EXPENDITURES</b>			<u><u>\$ 3,882,332</u></u>

**REGION 8 PLANNING AND DEVELOPMENT COUNCIL  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS  
June 30, 2012**

**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, 2012</u>
Senior Community Service Employment Program	17.235	\$ 512,491
VA Homeless Providers Grant and Per Diem Program	64.024	375,930
Aging Cluster	93.044; 93.045; 93.053	1,710,695
Foster Grandparent	94.011	380,190
		<u>\$ 2,979,306</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>
Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	\$ 5,905
Title III, Part D – Preventive Health Services	93.043	30,523
Title III, Part B – Supportive Services	93.044	423,993
Title III, Part C – Nutrition Services	93.045	694,049
Title III, Part E – National Family Caregiver Support	93.052	152,082
Nutrition Services Incentive Program	93.053	459,004
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	93.779	87,322
		<u>\$ 1,852,878</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, 2012**

**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 did not qualify as a low-risk auditee.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

NONE