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# PLAQUEMINES PARISH GOVERNMENT

Pointe a la Hache, Louisiana

Primary Government Financial Statements

As of and for the Year Ended December 31, 2008  
with Supplementary Information Schedules

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

Release Date 10/28/09

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Primary Government Financial Statements**  
**As of and for the Year Ended December 31, 2008**  
**With Supplemental Information Schedules**

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**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Primary Government Financial Statements**  
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## INDEPENDENT AUDITOR'S REPORT

To the Plaquemines Parish Council  
Plaquemines Parish  
Pointe a la Hache, Louisiana

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 Plaquemines Parish Government, as of and for the year ended December 31, 2008, which collectively comprise the basic financial statements of the Parish's primary government as listed in the table of contents. These financial statements are the responsibility of the Parish's management. Our responsibility is to express opinions 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.

The financial statements do not include financial data for the Parish's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Parish's primary government unless the Parish also issues financial statements for the financial reporting entity that include the financial data for its component units. The Parish has not issued such reporting entity financial statements. The effects of this departure from accounting principles generally accepted in the United States of America on the assets, liabilities, net assets, revenues and expenses of the aggregate discretely presented component units are not reasonably determinable.

In our opinion, because of the omission of the discretely presented component units, as discussed above, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of Plaquemines Parish Government as of December 31, 2008, or the changes in financial position thereof for the year then ended.

Also, 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 for the primary government of Plaquemines Parish Government as of December 31, 2008, and the respective changes in financial position and, where applicable, cash flows 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 September 29, 2009 on our consideration of the Parish'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 or on 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.

The management's discussion and analysis and budgetary comparison schedules on pages 5 through 14 and pages 66 through 68, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The other supplementary information on pages 70 through 90 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Parish. The accompanying schedule of expenditures of federal awards on pages 91 and 92 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 basic financial statements of the Parish. The supplementary information and schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
September 29, 2009

# PLAQUEMINES PARISH GOVERNMENT

## Pointe a la Hache, Louisiana

### Management's Discussion and Analysis

#### Unaudited

The discussion and analysis of Plaquemines Parish Government's financial performance provides an overview of the Parish's financial activities for the year ended December 31, 2008. The intent of this discussion and analysis is to look at the Parish's financial performance as a whole. The Parish's financial performance is discussed and analyzed within the context of the accompanying basic financial statements and disclosures following this section.

### **Financial Highlights**

- The Parish's assets exceeded its liabilities by \$311,694,062.
- Total Parish's net assets are comprised of the following:
  - Capital assets, net of related debt, of \$200,227,636 include property and equipment, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets.
  - Restricted assets of \$12,047,476 have constraints imposed from outside the Parish by bond covenants.
  - Unrestricted assets of \$99,418,950 represent the portion available to maintain the Parish's obligations to citizens and creditors.
- The governmental funds total ending fund balance of \$102,636,400 showed a decrease of \$(19,739,695) over the ending balance for 2007.
  - The General Fund ending fund balance of \$108,740,954 showed an increase of \$6,466,907 over the ending balance for 2007.
  - The General Fund ending unreserved/undesignated fund balance of \$20,198,719 showed an increase of \$7,511,337 over the ending balance for 2007.
- The enterprise funds total ending net assets of \$54,691,811 showed an increase of 15,321,705 from the ending balance for 2007.
  - The Port, Harbor and Terminal Fund total ending net assets of \$8,230,243 showed an increase of \$931,263 over the ending balance for 2007.
  - The Water and Sewer Fund total ending net assets of \$39,204,860 showed an increase of 7,293,388 from the ending balance for 2007.

### **Overview of the Financial Statements**

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the Parish as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The Parish's basic financial statements are comprised of the following three components:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements.

In addition to the basic financial statements, this report also contains other supplementary information.

## **Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities (pages 16-17) report information about the overall financial status of the Parish as a whole and present a longer-term view of the Parish's finances. These statements include all assets and liabilities, current and long-term. The statements eliminate or reclassify activities between funds, and use the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Parish's net assets and changes in these assets. You can think of the Parish's net assets (the difference between assets and liabilities) as one way to measure the Parish's financial health, or financial position. Over time, increases or decreases in the Parish's net assets are one indicator of whether its financial health is improving or deteriorating. You will also need to consider other nonfinancial factors to assess the overall health of the Parish, such as changes in the property tax base and the condition of the roads, levees, drainage system, water and sewer systems, etc.

In the Statement of Net Assets and the Statement of Activities, we divide the Parish into two kinds of activities:

- **Governmental activities** - Most of the Parish's basic services are reported here and are funded primarily by taxes, oil and gas royalties, intergovernmental revenues, including federal and state grants, and other shared revenue. Some of the most significant Parish services reported as governmental activities are the following:
  - General government
  - Public safety
  - Public works
  - Health and welfare
  - Culture and recreation
  - Economic development and assistance
  - Transportation
- **Business-type activities** - Activities that are intended to recover all or most of their costs through user fees and charges. The following Parish services are reported as business-type activities:
  - Water and sewer systems
  - Port, harbor and terminal operations
  - Boat harbor, shipyard and boat dock operations
  - Golf course operations

## **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Parish uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, the fund financial statements (pages 19-26) focus on the Parish's most significant funds rather than the Parish as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining schedules in the "Other Supplementary Information" section of this report. The Parish uses three kinds of funds with different account approaches as follows:

- **Governmental funds** - Most of the Parish's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Parish's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Parish's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements. The Parish's major governmental funds are the following:
  - General Fund
  - Road Maintenance Fund
  - Public Health Fund
  - Solid Waste Fund
  - Capital Improvements
  - FEMA Management
- **Proprietary funds** - When the Parish provides services, which are intended to recover all or most of their costs through user fees and charges, they are generally reported in proprietary funds. The only type of proprietary fund used by the parish is the enterprise fund. Enterprise funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Parish's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows. The Parish's major enterprise funds are the following:
  - Water and Sewer Fund
  - Port, Harbor and Terminal Fund
- **Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the Parish. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the Parish's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds. The fiduciary funds used by the parish are the permanent fund and the agency fund.

## **Notes to Basic Financial Statements**

The accompanying notes to the financial statements (pages 28-64) provide information essential to a full understanding of the government-wide and fund financial statements.

## Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Parish's budget presentations. Budgetary comparison schedules (pages 66-68) are included as "Required Supplementary Information" for the General Fund and the major special revenue funds.

As discussed, the Parish reports major funds in the basic financial statements. Combining and individual schedules for non-major and major funds are presented in the "Other Supplementary Information" section of this report.

## Government-Wide Financial Analysis

The Parish's net assets at year-end are \$311,694,062. The following table provides a summary of the Parish's net assets:

	Net Assets							
	Governmental Activities		Business-Type Activities		Total		Percentage of Total	
	2008	2007	2008	2007	2008	2007	2008	2007
<b>Assets:</b>								
Current assets	\$163,377,342	\$150,072,732	\$4,482,615	(\$1,463,131)	\$167,859,957	\$148,609,601	43%	50%
Capital assets and other non-current assets	161,801,991	109,674,401	56,865,646	41,538,480	218,667,637	151,212,881	57%	50%
<b>Total Assets</b>	<b>325,179,333</b>	<b>259,747,133</b>	<b>61,348,261</b>	<b>40,075,349</b>	<b>386,527,594</b>	<b>299,822,482</b>	<b>100%</b>	<b>100%</b>
<b>Liabilities:</b>								
Current liabilities	36,450,798	22,429,052	6,485,941	703,771	42,936,739	23,132,823	57%	43%
Non-current liabilities	31,726,284	30,908,447	170,509	1,472	31,896,793	30,909,919	43%	57%
<b>Total Liabilities</b>	<b>68,177,082</b>	<b>53,337,499</b>	<b>6,656,450</b>	<b>705,243</b>	<b>74,833,532</b>	<b>54,042,742</b>	<b>100%</b>	<b>100%</b>
<b>Net Assets:</b>								
Investment in capital assets, net of debt	141,288,263	85,450,674	58,939,373	43,612,207	200,227,636	129,062,881	64%	53%
Restricted	12,047,476	17,411,367	—	—	12,047,476	17,411,367	4%	7%
Unrestricted (Deficit)	103,666,512	103,547,593	(4,247,562)	(4,242,101)	99,418,950	99,306,492	32%	40%
<b>Total Net Assets</b>	<b>\$257,002,251</b>	<b>\$206,409,634</b>	<b>\$54,691,811</b>	<b>\$39,370,106</b>	<b>\$311,694,062</b>	<b>\$245,779,740</b>	<b>100%</b>	<b>100%</b>

The Parish reported positive balances in net assets for both governmental and business-type activities. Net assets increased \$50,592,617 for governmental activities and increased \$15,321,705 for business-type activities. The Parish's overall financial position improved during fiscal year 2008.

Approximately 64% of the Parish's total net assets are included in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure). Although the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Approximately 55% of the governmental activities' net assets are invested in capital assets. The Parish uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. However, with business-type activities, the Parish has invested all of its net assets on capital. Capital assets in the business-type activities also provide utility services, but they also generate revenues.

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis  
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An additional portion of the Parish's net assets, approximately 4%, represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets, approximately 32%, may be used to meet the Parish's ongoing obligations to citizens and creditors.

The business-type activities reported a deficit in unrestricted net assets of (\$4,247,562). This deficit arose primarily because revenues of the Water and Sewer Fund have not been sufficient to meet the costs. The Parish will need to address this deficit in future years' budgets.

The following table provides a summary of the Parish's changes in net assets:

	Changes in Net Assets							
	Governmental Activities		Business-Type Activities		Total		Percentage of Total	
	2008	2007	2008	2007	2008	2007	2008	2007
<b>Revenues</b>								
Program								
Charges for services	\$3,345,863	\$3,265,762	\$7,474,731	\$5,085,827	\$10,820,594	\$8,351,589	5.7%	7.7%
Operating grants	84,505,308	32,880,022	39,144	24,820	84,544,452	32,904,642	44.5%	30.9%
Capital grants	1,143,508	49,761	17,744,092	2,881,559	18,887,600	2,931,320	9.9%	2.8%
General:								
Property taxes	8,817,653	8,066,128	3,163,335	2,897,716	11,980,988	10,963,844	6.3%	10.3%
Sales taxes	6,243,834	6,401,752	--	--	6,243,834	6,401,752	3.3%	6.0%
Unrestricted grants	33,860,571	22,903,314	8,328	7,832	33,868,899	22,911,146	17.7%	21.5%
Licenses and fees	709,663	710,174	--	--	709,663	710,174	0.4%	0.7%
Parish oil and gas royalties	19,719,580	15,613,955	--	--	19,719,580	15,613,955	10.4%	14.6%
Mineral, surface and other leases	424,981	371,850	78,181	110,268	503,162	482,118	0.3%	0.5%
Investment income	2,661,125	4,581,617	41,409	76,796	2,702,534	4,658,413	1.4%	4.4%
Settlements	135,490	2,000	--	--	135,490	2,000	0.1%	0.0%
Other	196,470	554,472	(138,576)	94,764	57,894	649,236	0.0%	0.6%
<b>Total Revenues</b>	<b>161,764,046</b>	<b>95,400,807</b>	<b>28,410,644</b>	<b>11,179,382</b>	<b>190,174,690</b>	<b>106,580,189</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Program Expenses</b>								
General government	20,092,065	12,330,186	--	--	20,092,065	12,330,186	16.3%	13.1%
Public safety	788,927	38,130,912	--	--	788,927	38,130,912	0.6%	40.9%
Public works	76,277,848	17,167,327	--	--	76,277,848	17,167,327	61.4%	18.4%
Health and welfare	5,816,722	5,216,145	--	--	5,816,722	5,216,145	4.7%	5.6%
Culture and recreation	552,362	1,636,667	--	--	552,362	1,636,667	0.4%	1.8%
Economic development and assistance	288,071	68,333	--	--	288,071	68,333	0.2%	0.1%
Transportation	4,802,052	4,428,291	--	--	4,802,052	4,428,291	3.9%	4.7%
Interest on long-term debt	1,016,618	1,028,299	--	--	1,016,618	1,028,299	0.8%	1.1%
Water and Sewer	--	--	11,092,986	10,518,215	11,092,986	10,518,215	8.9%	11.3%
Port, Harbor and Terminal	--	--	2,668,797	2,320,496	2,668,797	2,320,496	2.1%	2.5%
Port Sulphur Golf Course	--	--	25,383	57,204	25,383	57,204	0.0%	0.1%
Boat Harbors and Shipyards	--	--	838,537	407,237	838,537	407,237	0.7%	0.4%
<b>Total Program Expenses</b>	<b>109,634,655</b>	<b>80,008,160</b>	<b>14,625,703</b>	<b>13,303,152</b>	<b>124,260,368</b>	<b>93,309,312</b>	<b>100.0%</b>	<b>100.0%</b>
Excess (deficiency)	52,129,381	15,394,647	13,784,941	(2,123,770)	65,914,322	13,270,877		
Transfers	(1,536,764)	(5,853,701)	1,536,764	5,853,701	--	--		
Change in Net Assets	50,592,617	9,540,946	15,321,705	3,729,931	65,914,322	13,270,877		
Beginning Net Assets, as restated	206,409,634	196,868,688	39,370,106	36,640,175	245,779,740	232,508,863		
Ending Net Assets	\$257,002,251	\$206,409,634	\$54,691,811	\$39,370,106	\$311,694,062	\$245,779,740		

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis  
 Unaudited

**Governmental Activities**

The Parish is heavily reliant on property taxes, sales taxes, intergovernmental revenue and oil and gas royalties to support governmental operations. Of the total governmental revenues, property taxes provided 5.5%, sales taxes provided 3.9%, intergovernmental revenue provided 73.8%, oil and gas royalties provided 12.2%, and fees and other revenues provided 4.6%.

The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues (the financial burden that was placed on the Parish's taxpayer by each of these functions). The total cost of services and the net cost of services for governmental activities are as follows:

Governmental Activities				
Function	Costs of Services			
	Total		Net (Deficit)	
	2008	2007	2008	2007
General government	\$20,092,065	\$12,330,186	(\$18,632,727)	(\$10,981,125)
Public safety	788,927	38,130,912	(387,168)	(6,323,766)
Public works	76,277,848	17,167,327	9,132,554	(15,900,194)
Health and welfare	5,816,722	5,216,145	(4,474,197)	(3,817,262)
Culture and recreation	552,362	1,636,667	(346,543)	(1,490,972)
Economic development and assistance	288,071	68,333	(288,071)	(68,333)
Transportation	4,802,052	4,428,291	(4,627,216)	(4,220,664)
Interest on long-term debt	1,016,618	1,028,299	(1,016,618)	(1,028,299)
<b>Total</b>	<b>\$109,634,665</b>	<b>\$80,006,160</b>	<b>(\$20,639,986)</b>	<b>(\$43,810,615)</b>

Program revenues cover 81% of governmental operating expenses. This means that the government's taxpayers and the Parish's other general revenues fund 19% of the governmental activities. As a result, the general economy and the local businesses have a major impact on the Parish's governmental revenue streams.

**Business-Type Activities**

Of the total business-type revenues, user charges provided 26.3%, operating grants and contributions provided .1%, capital grants and contributions provided 62.6%, property taxes provided 11.1%, and other revenues provided (.5)%.

The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues (the financial burden that was placed on the Parish's taxpayer by each of these functions). The total cost of services and the net cost of services for business-type activities are as follows:

Business-Type Activities				
Function	Costs of Services			
	Total		Net (Deficit)	
	2008	2007	2008	2007
Water and Sewer	\$11,092,986	\$10,518,215	\$2,480,314	(\$4,532,908)
Port, Harbor and Terminal	2,668,797	2,320,496	1,715,377	(401,498)
Port Sulphur Golf Course	25,383	57,204	(25,383)	(57,204)
Boat Harbors and Shipyards	838,537	407,237	6,461,956	(319,536)
<b>Total</b>	<b>\$14,625,703</b>	<b>\$13,303,152</b>	<b>\$10,632,264</b>	<b>(\$5,311,146)</b>

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis  
 Unaudited

Program revenues cover only 89% of business-type expenses. This means that the government's taxpayers and the Parish's other general revenues fund 11% of the business-type expenses. As a result, the general economy and the local businesses have a major impact on the Parish's revenue streams.

**Financial Analysis of Parish Funds**

**Governmental Funds**

The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Parish's net resources available for spending at the end of the year.

As of December 31, 2008, the Parish's governmental funds reported a combined ending fund balance of \$102,636,400, a decrease of \$(19,739,695) in comparison with the 2007 ending fund balance. Approximately 2% of this total constitutes unreserved/undesignated fund balance, which is available for spending at the Parish's discretion. The remainder of the fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior year or for a variety of other restricted purposes.

The breakdown of governmental fund balance is as follows:

Governmental Fund Balance		
	2008	2007
Reserved	\$22,729,111	\$11,242,934
Designated	78,363,888	96,498,541
Unreserved/Undesignated	1,543,401	14,634,620
Total	\$102,636,400	\$122,376,095

The General Fund ending fund balance for 2008 of \$108,740,954 showed an increase of \$6,466,907 over the ending balance for 2007.

The General Fund ending unreserved/undesignated fund balance for 2008 of \$20,198,719 showed an increase of \$7,511,337 over the ending balance for 2007.

**Enterprise Funds**

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

The business-type activities of the Parish reported a total operating loss (excludes nonoperating revenues and expenditures, capital contributions and transfers) of (\$7,734,660) during 2008, compared to an operating loss of (\$9,362,127) for 2007, a decrease of \$1,627,467 over the prior year.

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Management's Discussion and Analysis  
 Unaudited

The business-type activities reported operating losses compared to the prior year as follows:

	Water and Sewer		Port, Harbor and Terminal		Other Enterprise	
	2008	2007	2008	2007	2008	2007
Operating Revenues						
Charges for services	\$3,680,409	\$3,388,992	\$3,307,416	\$1,552,664	\$138,817	\$52,163
Other	335,999	70,303	123,300	78,000	107,529	110,268
Total Operating Revenues	4,016,408	3,459,295	3,430,716	1,630,664	246,346	162,431
Operating Expenses						
Personal services	410,367	351,956	1,368,312	1,067,819	426,902	340,475
Contractual services, supplies, materials and other	8,195,134	7,509,878	1,579,067	2,078,983	471,208	133,150
Depreciation	2,578,508	2,737,864	336,584	324,974	62,048	69,418
Total Operating Expenses	11,184,009	10,599,698	3,283,963	3,471,776	960,158	543,043
Operating Loss	(\$7,167,601)	(\$7,140,403)	\$146,753	(\$1,841,112)	(\$713,812)	(\$380,612)

The enterprise funds' operating revenue increased by \$2,441,080 from the prior year, totaling \$7,693,470 in fiscal year 2008 and \$5,252,390 in fiscal year 2007. These operating revenue increases are attributable to increases in revenue generating activity.

The enterprise funds' operating expenses increased by \$813,613 from the prior year, totaling \$15,428,130 in fiscal year 2008 and \$14,614,517 in fiscal year 2007. These operating expenses increase was substantially due to increases in contractual service agreements, increased maintenance costs and general inflation.

### **Budgetary Highlights**

In accordance with the Parish Charter and state statute, the Parish Council adopts the annual operating and capital improvement budget for the Parish by the end of the prior year.

Over the course of the year, the Parish Council revises the Parish's budget numerous times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in December 2007). The second category includes changes that the Council made during the mid-year budget review process. The third category involves various amendments based on changing needs and additional information to prevent budget overruns and better meet the needs of the Parish.

Even with the budget adjustments, the General Fund experienced significant budget variances. The expenditure budget had a positive budget variance of \$16,894,143 (expenditures were below the final budget amounts). The most significant positive expenditure variances occurred in the public works and general government functions. The revenue budget had a positive budget variance of \$5,416,869 (actual revenues were above the final budget amounts). The most significant positive revenue variances occurred in state funds and the use of money and property.

The FEMA Management Fund experienced significant budget variances; it was not adopted in accordance with generally accepted accounting principles and did not serve as a functioning budget. The expenditure budget had a negative budget variance of (\$84,378,703) in the public works function (expenditures were above the final budget amounts). The revenue budget had a positive budget variance of \$64,663,613 in the federal grants category (actual revenues were above the final budget amounts).

## **Capital Assets and Debt Administration**

### **Capital Assets**

The Parish's investment in capital assets for governmental and business-type activities as of December 31, 2008, was \$218,667,637 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure.

The change in this net investment was a 48.4% increase for governmental activities and a 35.1% increase for business-type activities. The overall increase was 44.6% for the Parish as a whole. See Note 7 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

As discussed previously, the Parish elected to implement the general provisions of GASB Statement No. 34 in a previous year and implemented the retroactive infrastructure provisions for the year ended December 31, 2008.

The following table provides a summary of capital asset activity:

	Capital Assets					
	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Non-depreciable assets:						
Land	\$7,847,740	\$7,847,740	\$52,000	\$52,000	\$7,899,740	\$7,899,740
Construction in progress	57,467,770	15,559,694	32,116,361	16,247,513	89,584,131	31,807,207
Total non-depreciable assets	65,315,510	23,407,434	32,168,361	16,299,513	97,483,871	39,706,947
Depreciable assets:						
Buildings and improvements	47,206,325	52,407,719	16,379,857	16,739,857	63,586,182	69,147,576
Improvements other than buildings	13,397,035	8,473,756	47,259,363	46,120,837	60,656,398	54,594,593
Machinery & equipment	34,133,445	31,852,074	7,815,573	6,635,145	41,949,018	38,487,219
Infrastructure	194,239,398	188,782,081	--	--	194,239,398	188,782,081
Total depreciable assets	288,976,203	281,515,630	71,454,793	69,495,839	360,430,996	351,011,469
Less accumulated depreciation	(194,563,449)	(197,322,390)	(44,683,781)	(42,183,145)	(239,247,230)	(239,505,535)
Book value-depreciable assets	94,412,754	84,193,240	26,771,012	27,312,694	121,183,766	111,505,934
Percentage depreciated	67%	70%	63%	61%	66%	68%
Book value-all assets	\$159,728,264	\$107,600,674	\$58,939,373	\$43,612,207	\$218,667,637	\$151,212,881

### **Debt Administration**

At year-end, the Parish had total debt outstanding of \$27,340,000 for 2008 and \$31,050,000 for 2007. During the year, the Parish retired \$3,710,000 of the outstanding bonded debt.

In addition to bonded debt, the Parish's long-term obligations include capital leases, and litigation and claims. See Note 17 for additional information on the Parish's long-term obligations.

### **Economic Conditions Affecting the Parish**

The primary revenue streams for the Parish are sales taxes, ad valorem taxes, oil and gas royalties, and parish royalty funds from the state. The Parish's revenues are subject to changes in the economy. Since sales are considered an "elastic" revenue stream, tax collections are higher in a flourishing economy and are lower in a depressed economy. Additionally, fluctuations in oil and gas price and production have a significant impact of the Parish's revenues.

The Parish has taken measures to minimize the impact from fluctuations in the oil and gas market through establishment of a fund balance designation for bond indebtedness. The fund accumulates the oil and gas revenue, over established price levels, to be set aside and used for payment of bonded debt in years where oil and gas revenue projections are low. The fund has a cap of \$10,000,000; the balance at the end of 2008 in the fund balance designation for bond indebtedness is \$7,274,229.

### **Contacting the Parish's Financial Management**

This financial report is designed to provide a general overview of the Parish's finances, comply with finance-related laws and regulations, and demonstrate the Parish's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Parish Finance Manager's office at 8056 Highway 23, Suite 300, Belle Chasse, Louisiana 70037.

## **Government-Wide Financial Statements**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Statement A**

**Statement of Net Assets  
December 31, 2008**

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$10,105,882	\$214,122	\$10,320,004
Investments	59,518,080	819,106	60,337,186
Receivables (net of allowances for uncollectibles)	91,759,051	4,820,578	96,579,629
Internal balances	1,375,136	(1,375,136)	---
Prepaid items	619,193	3,945	623,138
<b>Total Current Assets</b>	<b>163,377,342</b>	<b>4,482,615</b>	<b>167,859,957</b>
<b>Non-Current Assets:</b>			
Internal balances	2,073,727	(2,073,727)	---
Net capital assets	159,728,264	58,939,373	218,667,637
<b>Total Non-Current Assets</b>	<b>161,801,991</b>	<b>56,865,646</b>	<b>218,667,637</b>
<b>Total Assets</b>	<b>\$325,179,333</b>	<b>\$61,348,261</b>	<b>\$386,527,594</b>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Cash overdraft	\$---	\$5,248,891	\$5,248,891
Accounts, salaries and other payables	2,795,030	652,927	3,447,957
Contracts and retainage payable	29,518,883	---	29,518,883
Bonds payable	2,025,000	---	2,025,000
Capital leases payable	37,463	1,471	38,934
Accrued interest payable	893,781	---	893,781
Compensated absences payable	888,611	90,440	979,051
Deposits due others	27,165	---	27,165
Other	264,865	492,212	757,077
<b>Total Current Liabilities</b>	<b>36,450,798</b>	<b>6,485,941</b>	<b>42,936,739</b>
<b>Non-Current Liabilities:</b>			
Claims and litigation payable	2,468,737	---	2,468,737
Capital leases payable	53,337	---	53,337
Notes payable-long term	8,900,000	---	8,900,000
Bonds payable-long term	16,415,000	---	16,415,000
Other post-employment benefits payable	3,889,210	170,509	4,059,719
<b>Total Non-Current Liabilities</b>	<b>31,726,284</b>	<b>170,509</b>	<b>31,896,793</b>
<b>Total Liabilities</b>	<b>68,177,082</b>	<b>6,656,450</b>	<b>74,833,532</b>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	141,288,263	58,939,373	200,227,636
Restricted	12,047,476	---	12,047,476
Unrestricted (Deficit)	103,666,512	(4,247,562)	99,418,950
<b>Total Net Assets</b>	<b>257,002,251</b>	<b>54,691,811</b>	<b>311,694,062</b>
<b>Total Liabilities and Net Assets</b>	<b>\$325,179,333</b>	<b>\$61,348,261</b>	<b>\$386,527,594</b>

The accompanying notes are an integral part of this statement

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Statement B**

**Statement of Activities  
For the Year Ended December 31, 2008**

Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General government:							
Legislative	\$1,447,847	\$—	\$—	\$—	(\$1,447,847)	\$—	(\$1,447,847)
Judicial	3,276,720	380,806	39,326	—	(2,856,588)	—	(2,856,588)
Executive	2,145,219	—	—	—	(2,145,219)	—	(2,145,219)
Elections	120,378	—	—	—	(120,378)	—	(120,378)
Finance and administrative	6,288,605	185,727	—	—	(6,122,878)	—	(6,122,878)
Other	6,813,296	864,479	9,000	—	(5,939,817)	—	(5,939,817)
Public safety	788,827	—	401,759	—	(387,168)	—	(387,168)
Public works	76,277,848	1,009,430	83,257,464	1,143,508	9,132,554	—	9,132,554
Health and welfare	5,816,722	727,371	615,154	—	(4,474,197)	—	(4,474,197)
Culture and recreation	552,382	23,214	182,605	—	(346,543)	—	(346,543)
Economic development and assistance	288,071	—	—	—	(288,071)	—	(288,071)
Transportation	4,602,052	174,836	—	—	(4,627,216)	—	(4,627,216)
Interest on long-term debt	1,016,618	—	—	—	(1,016,618)	—	(1,016,618)
<b>Total Governmental Activities</b>	<b>109,634,665</b>	<b>3,345,863</b>	<b>84,505,308</b>	<b>1,143,508</b>	<b>(20,639,986)</b>	<b>—</b>	<b>(20,639,986)</b>
<b>Business-Type Activities:</b>							
Water and Sewer	11,092,986	3,949,973	39,144	9,584,183	—	2,480,314	2,480,314
Port, Harbor and Terminal	2,668,797	3,385,941	—	998,233	—	1,715,377	1,715,377
Port Sulphur Golf Course	25,383	—	—	—	—	(25,383)	(25,383)
Boat Harbors and Shipyards	838,537	138,817	—	7,161,676	—	6,461,956	6,461,956
<b>Total Business-Type Activities</b>	<b>14,625,703</b>	<b>7,474,731</b>	<b>39,144</b>	<b>17,744,092</b>	<b>—</b>	<b>10,632,264</b>	<b>10,632,264</b>
<b>Total</b>	<b>\$124,260,368</b>	<b>\$10,820,594</b>	<b>\$84,544,452</b>	<b>\$18,887,600</b>	<b>(20,639,986)</b>	<b>10,632,264</b>	<b>(10,007,722)</b>
<b>General Revenues:</b>							
Taxes							
Property taxes					8,817,653	3,163,335	11,980,988
Sales and use taxes					6,243,834	—	6,243,834
Grants and Contributions not Restricted:							
Federal					46,733	8,328	55,061
State					33,813,838	—	33,813,838
Other:							
Subdivision impact fees					76,000	—	76,000
Occupational licenses					633,663	—	633,663
Parish oil royalties					16,797,465	—	16,797,465
Parish gas royalties					2,922,115	—	2,922,115
Mineral and surface leases					382,049	—	382,049
Property leases					42,932	78,181	121,113
Investment income					2,661,125	41,409	2,702,534
Cablevision fee					49,713	—	49,713
Proceeds from sale of assets					117,276	—	117,276
Miscellaneous					29,531	2,159	31,690
Penalties					—	66,435	66,435
Loss on disposal of assets					—	(207,170)	(207,170)
Insurance proceeds					135,440	—	135,440
<b>Transfers</b>					<b>(1,536,764)</b>	<b>1,536,764</b>	<b>—</b>
<b>Total General Revenues and Transfers</b>					<b>71,232,603</b>	<b>4,689,441</b>	<b>75,922,044</b>
<b>Change in Net Assets</b>					<b>50,592,617</b>	<b>15,321,705</b>	<b>65,914,322</b>
<b>Net Assets-Beginning, As Restated</b>					<b>206,409,634</b>	<b>39,370,106</b>	<b>245,779,740</b>
<b>Net Assets-Ending</b>					<b>\$257,002,251</b>	<b>\$54,691,811</b>	<b>\$311,694,062</b>

The accompanying notes are an integral part of this statement.

## **Fund Financial Statements**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Statement C**

**Balance Sheet  
December 31, 2008**

	<b>General Fund</b>	<b>Road Maintenance</b>	<b>Public Health</b>	<b>Solid Waste</b>	<b>FEMA Mgmt</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>							
Cash and cash equivalents	\$5,466,760	\$77,584	\$118,660	\$28,255	\$—	\$4,416,623	\$10,105,882
Investments	48,514,375	21,509	—	156,473	—	\$10,825,723	59,518,080
Receivables (net of allowances for uncollectibles)	13,636,839	1,276,491	785,526	3,207,330	71,863,125	\$989,740	91,759,051
Due from other funds	48,345,847	—	213,010	—	—	\$268,536	48,827,393
Prepaid items	619,193	—	—	—	—	—	619,193
Interfund loan	2,073,727	—	—	—	—	—	2,073,727
<b>Total Assets</b>	<b>\$118,656,741</b>	<b>\$1,375,584</b>	<b>\$1,117,196</b>	<b>\$3,390,058</b>	<b>\$71,863,125</b>	<b>\$16,500,622</b>	<b>\$212,903,326</b>
<b>Liabilities:</b>							
Accounts, salaries and other payables	\$2,426,447	\$82,537	\$82,133	\$169,748	\$—	\$34,165	\$2,795,030
Contracts and retainage payable	3,712,747	—	—	—	25,014,185	791,951	29,518,883
Deferred revenues	2,794,428	1,149,278	780,626	3,029,211	20,805,444	761,128	29,320,115
Compensated absences payable	619,998	68,773	96,072	68,568	—	35,200	888,611
Deposits due others	26,255	—	910	—	—	—	27,165
Due to other funds	247,903	—	—	—	48,848,941	355,413	47,452,257
Other	88,009	35,654	23,613	93,976	—	23,613	264,865
<b>Total Liabilities</b>	<b>9,915,787</b>	<b>1,336,242</b>	<b>983,354</b>	<b>3,361,503</b>	<b>92,668,570</b>	<b>2,001,470</b>	<b>110,266,926</b>
<b>Fund Balances:</b>							
Reserved	22,513,610	39,342	133,842	28,555	—	13,762	22,729,111
Designated	66,028,625	—	—	—	—	12,335,263	78,363,888
Unreserved:							
General Fund	20,198,719	—	—	—	—	—	20,198,719
Special Revenue Funds (Deficit)	—	—	—	—	(20,805,445)	2,150,127	(18,655,318)
<b>Total Fund Balances</b>	<b>108,740,954</b>	<b>39,342</b>	<b>133,842</b>	<b>28,555</b>	<b>(20,805,445)</b>	<b>14,499,152</b>	<b>102,636,400</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$118,656,741</b>	<b>\$1,375,584</b>	<b>\$1,117,196</b>	<b>\$3,390,058</b>	<b>\$71,863,125</b>	<b>\$16,500,622</b>	<b>\$212,903,326</b>

The accompanying notes are an integral part of this statement.

Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds

Statement C

Balance Sheet  
December 31, 2008

Reconciliation of the Governmental Funds Balance Sheets to the  
Government-Wide Financial Statement of Net Assets

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balances of Governmental Funds		<u>\$102,636,400</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		159,728,264
Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest payable	(893,781)	
Claims and litigation	(2,468,737)	
Capital leases	(90,800)	
Notes payable	(8,900,000)	
Bonds payable	(18,440,000)	
Other post-employment benefits payable	<u>(3,889,210)</u>	
		(34,682,528)
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds		<u>29,320,115</u>
Net Assets of Governmental Activities		<u>\$257,002,251</u>

The accompanying notes are an integral part of this statement

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Statement D**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2008**

	<b>General Fund</b>	<b>Road Maintenance</b>	<b>Public Health</b>	<b>Solid Waste</b>	<b>FEMA Mgmt</b>	<b>Capital Improvements</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>								
Taxes								
Ad valorem	\$2,713,579	\$1,116,619	\$742,335	\$2,950,626	\$—	\$—	\$742,292	\$8,265,451
Sales and use	6,243,834	—	—	—	—	—	1,803,219	8,047,053
Other taxes, penalties, interest, etc.	49,713	—	—	—	—	—	—	49,713
Licenses and permits	1,518,426	—	—	—	—	—	—	1,518,426
Intergovernmental revenues								
Federal grants	1,040,718	3,132	16,610	8,276	65,886,213	946,755	2,099	67,903,803
State funds								
Parish transportation funds	—	—	—	—	—	—	367,112	367,112
State revenue sharing	36,688	15,099	10,040	39,892	—	—	10,040	111,759
Parish royalty fund	27,757,045	—	—	—	—	—	2,712,510	30,469,555
Other	1,238,794	182,340	342	—	—	142,800	27,272	1,591,548
Fees, charges and commissions for services	541,078	—	422,745	670,657	—	—	316,527	1,951,007
Fines and forfeitures	—	—	—	—	—	—	369,084	369,084
Use of money and property	22,268,861	9,021	2,565	52,558	—	—	479,084	22,812,089
Other	2,580,743	—	213,010	8,406	—	—	199,201	3,001,360
<b>Total Revenues</b>	<b>65,989,479</b>	<b>1,328,211</b>	<b>1,407,647</b>	<b>3,730,415</b>	<b>65,886,213</b>	<b>1,089,555</b>	<b>7,028,440</b>	<b>146,457,960</b>
<b>Expenditures</b>								
Current								
General government	13,418,675	—	—	—	—	—	21,682	13,440,357
Public safety	1,506,041	—	—	—	—	—	—	1,506,041
Public works	10,704,041	3,652,290	—	4,027,083	84,460,753	21,287,326	6,840,662	130,972,155
Health and welfare	1,221,402	—	4,893,145	—	—	—	482,694	6,597,241
Culture and recreation	1,427,988	—	—	—	—	—	708,227	2,136,215
Economic development and assistance	308,170	—	—	—	—	—	—	308,170
Transportation	4,552,625	—	—	—	—	—	—	4,552,625
Debt service	—	—	—	—	—	—	4,515,729	4,515,729
<b>Total Expenditures</b>	<b>33,138,942</b>	<b>3,652,290</b>	<b>4,893,145</b>	<b>4,027,083</b>	<b>84,460,753</b>	<b>21,287,326</b>	<b>12,568,994</b>	<b>164,028,533</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>32,850,537</b>	<b>(2,328,079)</b>	<b>(3,485,498)</b>	<b>(296,668)</b>	<b>(18,574,540)</b>	<b>(20,197,771)</b>	<b>(5,540,554)</b>	<b>(17,570,573)</b>
<b>Other Financing Sources (Uses)</b>								
Transfers in	354,475	2,326,250	3,244,147	112,528	1,570,400	20,197,771	1,089,192	28,874,783
Transfers out	(30,709,748)	—	—	—	—	—	(504,475)	(31,214,223)
Sale of capital assets	117,276	—	—	—	—	—	—	117,276
Capital leases	53,062	—	—	—	—	—	—	53,062
<b>Net Other Financing Sources (Uses)</b>	<b>(30,184,935)</b>	<b>2,326,250</b>	<b>3,244,147</b>	<b>112,528</b>	<b>1,570,400</b>	<b>20,197,771</b>	<b>584,717</b>	<b>(2,169,122)</b>
<b>Net Change in Fund Balance</b>	<b>2,665,602</b>	<b>171</b>	<b>(241,351)</b>	<b>(184,140)</b>	<b>(17,004,140)</b>	<b>—</b>	<b>(4,975,837)</b>	<b>(19,739,895)</b>
<b>Fund Balances at Beginning of Year, as Restated (Note 23)</b>	<b>106,075,352</b>	<b>39,171</b>	<b>375,193</b>	<b>212,695</b>	<b>(3,801,305)</b>	<b>—</b>	<b>19,474,989</b>	<b>122,376,095</b>
<b>Fund Balances at End of Year</b>	<b>\$108,740,954</b>	<b>\$39,342</b>	<b>\$133,842</b>	<b>\$28,555</b>	<b>(\$20,805,445)</b>	<b>\$—</b>	<b>\$14,499,152</b>	<b>\$102,636,400</b>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Statement D**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2008**

**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities**

**Amounts reported for governmental activities in the Statement of Activities are different because:**

Net Change in Fund Balances of Governmental Funds		<u>(\$19,739,695)</u>
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 and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		52,127,590
Revenues in the Statement of Activities that do not provide current resources are not reported as revenues in the funds.		17,566,747
Proceeds from debt issues (e.g., bonds, leases, notes) are an other financing source in the funds, but a debt issue increases long-term liabilities in the Statement of Net Assets.		(53,062)
Some expense reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Claims and litigation	1,055,930	
Retirement of tax collection	(17,544)	
Other post-employment benefits	<u>(3,889,210)</u>	
		(2,850,824)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Assets.		
Capital leases	42,750	
Bond principal	<u>3,710,000</u>	
		3,752,750
Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding obligations in the Statement of Activities.		<u>(210,889)</u>
<b>Change in Net Assets of Governmental Activities</b>		<u><b>\$50,592,617</b></u>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Funds**

**Statement E**

**Statement of Net Assets  
December 31, 2008**

	Water and Sewer	Port, Harbor and Terminal	Other Proprietary Funds	Total
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$—	\$70,991	\$143,131	\$214,122
Investments	—	819,106	—	819,106
Receivables (net of allowances for uncollectibles)	3,825,581	964,945	\$30,052	4,820,578
Due from other funds	—	1,301	—	1,301
Prepaid items	3,945	—	—	3,945
<b>Total Current Assets</b>	<b>3,829,526</b>	<b>1,856,343</b>	<b>173,183</b>	<b>5,859,052</b>
<b>Non-Current Assets:</b>				
Net Capital Assets	43,731,850	7,669,123	7,538,400	58,939,373
<b>Total Assets</b>	<b>\$47,561,376</b>	<b>\$9,525,466</b>	<b>\$7,711,583</b>	<b>\$64,798,425</b>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Cash overdraft	\$5,248,891	\$—	\$—	\$5,248,891
Accounts payable	542,195	79,279	31,453	652,927
Capital leases payable	—	1,471	—	1,471
Compensated absences payable	11,991	65,027	13,422	90,440
Due to other funds	—	966,437	410,000	1,378,437
Other	479,712	12,500	—	492,212
<b>Total Current Liabilities</b>	<b>6,282,789</b>	<b>1,124,714</b>	<b>454,875</b>	<b>7,862,378</b>
<b>Non-Current Liabilities:</b>				
Interfund loan	2,073,727	—	—	2,073,727
Other post-employment benefits payable	—	170,509	—	170,509
<b>Total Non-Current Liabilities</b>	<b>2,073,727</b>	<b>170,509</b>	<b>—</b>	<b>2,244,236</b>
<b>Total Liabilities</b>	<b>8,356,516</b>	<b>1,295,223</b>	<b>454,875</b>	<b>10,106,614</b>
<b>Net Assets:</b>				
Invested in capital assets, net of related debt	43,731,850	7,669,123	7,538,400	58,939,373
Unrestricted (Deficit)	(4,526,990)	561,120	(281,692)	(4,247,562)
<b>Total Net Assets</b>	<b>39,204,860</b>	<b>8,230,243</b>	<b>7,256,708</b>	<b>54,691,811</b>
<b>Total Liabilities and Net Assets</b>	<b>\$47,561,376</b>	<b>\$9,525,466</b>	<b>\$7,711,583</b>	<b>\$64,798,425</b>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Funds**

**Statement F**

**Statement of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2008**

	Water and Sewer	Port, Harbor and Terminal	Other Proprietary Funds	Total
<b>Operating Revenues</b>				
Charges for services	\$3,680,409	\$3,307,416	\$138,817	\$7,126,642
Other	335,999	123,300	107,529	566,828
<b>Total Operating Revenues</b>	<b>4,016,408</b>	<b>3,430,716</b>	<b>246,346</b>	<b>7,693,470</b>
<b>Operating Expenses</b>				
Personal services	410,367	1,368,312	426,902	2,205,581
Contractual services, supplies, materials and other	8,195,134	1,579,067	471,208	10,245,409
Depreciation	2,578,508	336,584	62,048	2,977,140
<b>Total Operating Expenses</b>	<b>11,184,009</b>	<b>3,283,963</b>	<b>960,158</b>	<b>15,428,130</b>
<b>Operating Income (Loss)</b>	<b>(7,167,601)</b>	<b>146,753</b>	<b>(713,812)</b>	<b>(7,734,660)</b>
<b>Non-Operating Revenues (Expenses)</b>				
Interest revenue	6,533	34,876	—	41,409
Interest expense	—	(269)	—	(269)
Ad valorem taxes	3,202,479	—	—	3,202,479
Other	13,274	(205,714)	(6,402)	(198,842)
<b>Net Non-Operating Revenues (Expenses)</b>	<b>3,222,286</b>	<b>(171,107)</b>	<b>(6,402)</b>	<b>3,044,777</b>
<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>(3,945,315)</b>	<b>(24,354)</b>	<b>(720,214)</b>	<b>(4,689,883)</b>
<b>Capital Contributions</b>	<b>9,584,183</b>	<b>955,617</b>	<b>7,132,328</b>	<b>17,672,128</b>
<b>Transfers In</b>	<b>1,654,520</b>	<b>—</b>	<b>684,940</b>	<b>2,339,460</b>
<b>Changes In Net Assets</b>	<b>7,293,388</b>	<b>931,263</b>	<b>7,097,054</b>	<b>15,321,705</b>
<b>Net Assets-Beginning</b>	<b>31,911,472</b>	<b>7,298,980</b>	<b>159,654</b>	<b>39,370,106</b>
<b>Net Assets-Ending</b>	<b>\$39,204,860</b>	<b>\$8,230,243</b>	<b>\$7,256,708</b>	<b>\$54,691,811</b>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Funds**

**Statement G**

**Statement of Cash Flows  
For the Year Ended December 31, 2008**

**Cash Flows From Operating Activities:**

Cash received from customers  
Cash payments for goods and services  
Cash payments to employees

**Net Cash Provided (Used) by Operating Activities**

**Cash Flows From Non-Capital Financing Activities:**

Ad valorem tax collections  
Other non-operating revenues  
Operating transfers in  
Proceeds/payments on short-term loan from other funds

**Net Cash Provided (Used) by Non-Capital Financing Activities**

**Cash Flows From Capital and Related Financing Activities:**

Acquisition/construction of capital assets  
Increase (Decrease) in intergovernmental receivables  
Cash proceeds from sale of assets  
Interest paid

**Net Cash Provided (Used) by Capital and Related Financing Activities**

**Cash Flows From Investing Activities:**

Interest received on time deposits  
Payments for investments

**Net Cash Provided (Used) by Investing Activities**

**Net Increase (Decrease) In Cash and Cash Equivalents**

**Cash and Cash Equivalents at Beginning of Year**

**Cash and Cash Equivalents at End of Year**

**Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:**

Operating income (loss)  
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities  
Depreciation  
Change in assets and liabilities.  
(Increase) in receivables and other current assets  
Increase in accounts payable  
Increase in other liabilities

**Net Cash Provided (Used) by Operating Activities**

	Water and Sewer	Port, Harbor and Terminal	Other Proprietary Funds	Total
Cash received from customers	\$3,635,672	\$3,027,102	\$216,294	\$6,879,068
Cash payments for goods and services	(2,460,785)	(1,548,040)	(461,871)	(4,470,696)
Cash payments to employees	(408,541)	(1,191,995)	(424,946)	(2,025,482)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>766,346</b>	<b>287,067</b>	<b>(670,523)</b>	<b>382,890</b>
Cash received from customers	3,202,479	—	—	3,202,479
Other non-operating revenues	8,328	—	—	8,328
Operating transfers in	1,654,520	—	684,940	2,339,460
Proceeds/payments on short-term loan from other funds	(4,900,000)	(346,439)	45,000	(5,201,439)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(34,673)</b>	<b>(346,439)</b>	<b>729,940</b>	<b>348,828</b>
Acquisition/construction of capital assets	(889,342)	(16,636)	61,685	(844,293)
Increase (Decrease) in intergovernmental receivables	3,798	(13,684)	—	(9,886)
Cash proceeds from sale of assets	4,946	—	—	4,946
Interest paid	—	(269)	—	(269)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(880,598)</b>	<b>(30,599)</b>	<b>61,685</b>	<b>(849,502)</b>
Interest received on time deposits	6,533	34,876	—	41,409
Payments for investments	—	(815,626)	—	(815,626)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>6,533</b>	<b>(780,750)</b>	<b>—</b>	<b>(774,217)</b>
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	<b>(142,392)</b>	<b>(870,711)</b>	<b>121,102</b>	<b>(892,001)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>142,392</b>	<b>941,702</b>	<b>22,029</b>	<b>1,106,123</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$—</b>	<b>\$70,991</b>	<b>\$143,131</b>	<b>\$214,122</b>
Operating income (loss)	(\$7,167,601)	\$146,753	(\$713,812)	(\$7,734,660)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	2,578,508	336,584	62,048	2,977,140
Change in assets and liabilities.				
(Increase) in receivables and other current assets	(377,131)	(403,614)	(30,052)	(810,797)
Increase in accounts payable	450,592	33,052	10,737	494,381
Increase in other liabilities	5,281,978	174,292	556	5,456,826
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$766,346</b>	<b>\$287,067</b>	<b>(\$670,523)</b>	<b>\$382,890</b>

The accompanying notes are an integral part of this statement.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Fiduciary Funds**

**Statement H**

**Statement of Fiduciary Net Assets  
December 31, 2008**

<b>Assets</b>	
Cash and cash equivalents	\$1,309,405
Investments (fair value)	
Corporate securities	21,107
Corporate bonds	4,977
Other	96
Local government investment pool	409,534
<b>Total Assets</b>	<b>\$1,745,119</b>
<b>Liabilities</b>	
Deposits due others	\$1,117,679
Other	499,073
<b>Total Liabilities</b>	<b>1,616,752</b>
<b>Net Assets</b>	
Held in trust for pension benefits and other purposes	128,367
<b>Total Liabilities and Net Assets</b>	<b>\$1,745,119</b>

The accompanying notes are an integral part of this statement.

## **Notes To Basic Financial Statements**

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**Notes to Basic Financial Statements**  
**December 31, 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. INTRODUCTION**

The Plaquemines Parish Government (the Parish) is the governing authority for Plaquemines Parish and is a political subdivision of the State of Louisiana established in 1807. For administrative and reporting purposes, the Parish is known as the Plaquemines Parish Government. The Parish operates under the President-Council form of government as established by the Charter for Local Self-Government for the Parish of Plaquemines, implemented in 1987. The parish council consists of nine members who are elected to represent each of the nine districts. The parish president, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Parish and for administration of all parish departments, offices and agencies. The parish council and the parish president serve four-year terms, which expire on December 31, 2010.

Plaquemines Parish occupies 1,986 square miles with a population of approximately 22,251. The Parish maintains approximately 148 miles of roads, of which 49 miles are paved, 67 miles are asphalt, and 32 miles are shelled. The Parish has a total of approximately 611 employees. The Parish Council office is located in Pointe a la Hache.

Louisiana Revised Statute 33:1236 gives the Parish various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of those are the powers to make regulations for its own government; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the Parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, various state and federal grants, service charges and royalties from oil and gas.

The Parish's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 that do not conflict with or contradict GASB pronouncements. Although the Parish has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Parish has chosen not to do so. The more significant accounting policies established in GAAP and used by the Parish are discussed below.

**B. REPORTING ENTITY**

As the governing authority of the Parish, for reporting purposes, the Plaquemines Parish Government is the reporting entity for Plaquemines Parish. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Plaquemines Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the parish government to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent upon the parish government.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Parish has determined that the following component units are part of the reporting entity:

Component Unit	Fiscal Year End	Criteria Used	Presentation
Clerk of Court	June 30	2	Discretely
Tax Assessor	December 31	2	Discretely
District Attorney	December 31	2	Discretely
Medical Center	December 31	1a, 1b	Discretely
Economic Development Board	December 31	1a, 1b	Discretely
Port, Harbor and Terminal District	December 31	2, 3	Blended

The Parish has chosen to issue financial statements of the primary government only; therefore, only the blended component units are included in the accompanying financial statements.

Organizations for which the Parish maintains accounting records are considered part of the primary government and include the Twenty-Fifth Judicial District Criminal Court Fund.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but, rather, are intended to reflect only the financial statements of the primary government.

Considered in the determination of component units of the reporting entity were the Plaquemines Parish Sheriff, School Board, and Indigent Defender Board. It was determined that these governmental entities are not component units of the Plaquemines Parish Government reporting entity because they have separately elected governing bodies, are legally separate and are fiscally independent of the Plaquemines Parish Government.

### **C. BASIC FINANCIAL STATEMENT— GOVERNMENT-WIDE STATEMENTS**

The Parish's basic financial statements include both government-wide (reporting the Parish as a whole) and fund financial statements (reporting the Parish's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Parish's public safety, parks, recreation, libraries, public works and general administrative services are classified as governmental activities. The Parish's water and sewer, port, golf course and boat harbor services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Parish's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Parish first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Parish's functions and business-type activities (public safety, public works, etc.). The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, oil and gas royalties, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public works, public safety, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, oil and gas royalties, etc).

This government-wide focus is more on the sustainability of the Parish as an entity and the change in the Parish's net assets resulting from the current year's activities.

### **D. BASIC FINANCIAL STATEMENTS—FUND FINANCIAL STATEMENTS**

#### **1. Fund Types**

The financial transactions of the Parish are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Parish:

a. **Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Parish:

- 1) General fund is the general operating fund of the Parish. It is used to account for all financial resources, except those required to be accounted for in another fund.
- 2) Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- 3) Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- 4) Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

b. **Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Parish:

- 1) Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

c. **Fiduciary Funds:**

- 1) Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Parish programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

The Parish's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

2. **Major and Nonmajor Funds**

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Parish may determine as a major fund any fund whose classification as a nonmajor fund may be misleading to the reader.

The funds classified as major are as follows:

- a. Major Funds:
  - 1) General Fund
  - 2) Special Revenue Funds:
    - (a) Road Maintenance Fund
    - (b) Public Health Fund
    - (c) Solid Waste Fund
    - (d) FEMA Management Fund
  - 3) Capital Projects Fund:
    - (a) Capital Improvements
  - 4) Proprietary Funds:
    - (a) Water and Sewer Fund
    - (b) Port, Harbor and Terminal District Fund
3. Measurement Focus:

Measurement focus refers to the identification of which transactions are recognized in the accounts and recorded within the various financial statements. It relates to the inflow and outflow of resources.

  - a. Government-Wide Financial Statements  
The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Parish are included on the statement of net assets.
  - b. Fund Financial Statements  
All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in revenues, expenses, and net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows reflects how the Parish finances and meets the cash flow needs of its enterprise activities.

## **E. BASIS OF ACCOUNTING**

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

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. Generally, "available" means collectible within the current period or within 60 days after year-end; with the exception of FEMA funds, which are considered available when obligated funds are expended. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided; operating grants and contributions; and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations (charges for services, etc.). Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Parish's policy to use restricted resources first, and then unrestricted resources as they are needed.

## **F. BUDGET PRACTICES**

The proposed budget for the Parish for the year ended December 31, 2008, was completed and made available for public inspection on October 25, 2007. The operating and capital improvement budgets were formally adopted by ordinance 07-288 and ordinance 07-290, dated December 13, 2007.

The budget for the FEMA Management Special Revenue Fund was prepared on a basis not consistent with GAAP. The Capital Projects Funds' budgets were prepared on a project basis and, therefore, are not presented.

Formal budgetary integration is employed as a management control device for the General, Special Revenue, Capital Projects and Enterprise Funds. Budget comparison is used to control the operations of the Parish.

With the exception of a few departments, which are controlled at the department or division level, the Parish exercises budgetary control at the department/function level. Unexpended operating appropriations lapse at year-end and must be reappropriated in the next year's budget to be expended.

The budget comparison schedule included in the accompanying financial statements contains the original adopted budget and all subsequent amendments for the major governmental funds.

Amendments to the operating budget must be adopted by ordinance of the parish council.

#### G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Parish may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

#### H. INVESTMENTS

Investments are limited by R.S.33:2955 and the Parish's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. State law and the Parish's investment policy allow the Parish to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

#### I. PREPAID ITEMS

The Parish establishes prepaid expenditures for liability insurance, payments in advance, travel advances and postage. Payments made for such items that will benefit periods beyond December 31, 2008 are recorded as prepaid items.

#### J. RESTRICTED ASSETS

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset.

#### K. CAPITAL ASSETS

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets, other than land and construction in progress, is provided on the straight-line basis over the following estimated useful lives:

Description	Years Depreciated	Reporting Threshold
Land	N/A	\$1
Land Improvements	20-30	25,000
Buildings	25-40	50,000
Buildings Improvements	7-30	50,000
Infrastructure	20-50	250,000
Machinery and Equipment	5-15	5,000

#### **L. COMPENSATED ABSENCES**

The Parish has the following policy relating to annual leave and sick leave:

1. Annual Leave  
Depending upon length of service, full-time employees of the Parish earned annual leave for each bi-weekly pay period worked for a total of 13 to 26 days per year. The annual leave may be accumulated, up to 30 days per employee at year-end, and is recorded as a current liability as of December 31, 2008.
2. Sick Leave  
Full-time employees of the Parish earned and accumulated sick leave for each bi-weekly pay period worked equivalent to one-half the hours of a regular day with pay. Sick leave does not vest and employees are not compensated for unused sick leave upon termination.

The entire compensated absences liability is reported on the government-wide financial statements and fund financial statements.

#### **M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. Loans and capital leases are recognized as a liability on the fund financial statements when due.

#### **N. NET ASSETS**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Parish or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Parish's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

#### **O. FUND EQUITY**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

#### **P. OPERATING REVENUES AND EXPENSES**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

**Q. INTERFUND ACTIVITY IS REPORTED AS EITHER LOANS, SERVICES PROVIDED, REIMBURSEMENTS OR TRANSFERS.**

Interfund receivables/payables are used to account for amounts owed to a particular fund by another fund. This includes long-term and short-term obligations, such as expenditures that are the legal responsibility of one fund paid by another fund, with the understanding that the latter will be reimbursed by the former fund. Interfund receivables and payables are subject to elimination upon consolidation.

Services provided are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**R. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

## 2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2008:

Parish-Wide Taxes	Authorized Millage	Levied Millage	Expiration Date
Parish (alimony tax)	4.61	3.66	12/31/2009
Road Maintenance	1.89	1.51	12/31/2009
Water	2.52	2	12/31/2009
Library	1.26	1	12/31/2009
Pollution Control	2.52	2	12/31/2009
Public Health	1.26	1	12/31/2009
Waste Disposal	3.75	2.98	12/31/2009
Incineration	1.26	1	12/31/2009
<b>Total</b>	<b>19.07</b>	<b>15.15</b>	

The following are the principal taxpayers for the Parish:

Taxpayer	Type of Business	Assessed Value	Percentage
ConocoPhillips Petroleum Co.	Oil/Gas	\$119,842,015	15.08%
ChevronTexaco/Chevron Chemical/Chevron USA	Oil/Gas & Chemical	52,899,945	6.66%
Kirby Inland Marine, LP	Public Utility	51,708,480	6.51%
Helis Oil & Gas	Oil/Gas	24,367,880	3.07%
US United	Comm/Industrial	22,567,035	2.84%
AEP Elmwood	Comm/Industrial	21,313,295	2.68%
Devon Energy Production	Oil/Gas	19,088,890	2.40%
Hilcorp Energy	Oil/Gas	18,758,795	2.36%
Energy Partners, LTD	Oil/Gas	14,791,370	1.86%
Shell Pipeline/Chemical/Offshore	Public Utility	11,805,100	1.49%
<b>Total</b>		<b>\$357,142,805</b>	<b>44.95%</b>

### 3. CASH AND CASH EQUIVALENTS

At December 31, 2008, the Parish has cash equivalents (book balances) totaling \$11,527,222 as follows:

Demand Deposit and Money Market Accounts	\$8,441,769
Restricted Cash	3,085,453
<b>Total</b>	<b>\$11,527,222</b>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledged securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Restricted cash includes balances for bond indebtedness and escrow accounts.

At December 31, 2008, the Parish has \$12,812,165 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$26,293,452 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 1).

The custodial credit risk is the risk that in the event of a bank failure, the Parish's deposits may not be returned to it. The Parish's policy to ensure there is no exposure to this risk is to require each financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage. These securities must be held in the Government's name. Accordingly, the parish had no custodial credit risk related to its deposits at December 31, 2008.

The Parish employees may participate in a deferred compensation plan (Note 11). At December 31, 2008, the plan administrator held cash and cash equivalents for plan participants valued at \$102,187.

### 4. INVESTMENTS

At December 31, 2008, the parish has investments totaling \$60,746,720 as follows:

Investment Type	Amortized Cost/ Fair Value
Unrestricted:	
U.S. Agency Securities	\$33,025,007
Louisiana Asset Management Pool	12,491,651
<b>Total</b>	<b>45,516,658</b>
Restricted:	
U.S. Agency Securities	\$8,185,095
Louisiana Asset Management Pool	7,044,967
<b>Total</b>	<b>15,230,062</b>
<b>Total Investments</b>	<b>\$60,746,720</b>

The Parish's investments in U.S. Agency Securities were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service at December 31, 2008. The investments above are in U.S. Instrumentalities which are invested in Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and Government National Mortgage Association Securities.

In accordance with the Parish's Investment Policy, investment officers of the Parish are authorized to invest idle monies in the following:

- U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentality obligations, which have a liquid market with a readily determinable market value;
- Investment-grade obligations of state, provincial and local governments and public authorities;
- Repurchase agreements whose underlying purchased securities consist of the foregoing;
- Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities;
- Local government investment pools, either state administered or through joint powers statutes and other intergovernmental agreement legislation;
- Certificates of deposit and other evidences of deposit at financial institutions, bankers' acceptances and commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency

Investments with a maturity value of less than 90 days are classified on the Statement of Net Assets as "Cash and Cash Equivalents" totaling \$11,527,222. All other investments totaling \$60,746,720 are classified on the Statement of Net Assets as "Investments" and are presented at amortized cost/fair value.

As a means of limiting its exposure to fair value losses arising from interest rates (interest rate risk), the parish's investment policy states that the parish will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Monitoring the interest rates at several different financial institutions on a weekly basis to ensure that the proper changes in investments can be made in a timely manner;
- Structuring the investments so that they mature to meet the cash requirements for ongoing operations, thereby avoiding the need to sell the investments prior to maturity;
- Investing funds in primarily shorter-term securities

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Parish minimizes this risk by:

- Limiting investments to the safest types of securities and only those securities which are of the highest quality;
- Insuring that financial institutions doing business with Plaquemines Parish Government comply with prevailing provisions of State Statutes and meet all Plaquemines Parish Government established criteria;
- Maintaining adequate collateralization and diversifying maturities

**PLAQUEMINES PARISH GOVERNMENT**

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For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the parish will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Parish's investment policy requires that all investments be fully collateralized and held by an independent third party with clearly marked evidence of ownership (safekeeping receipt) supplied to the parish and maintained. Accordingly, the Parish has no custodial credit risk related to its investments at December 31, 2008.

Investments held by Plaquemines Parish Government consist of \$19,536,618 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP by Plaquemines Parish Government is not categorized in the three risk categories provided by GASB Codification Section 150.128 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in A Investment grade (A-1/P-1) commercial paper of domestic United States corporations. Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity at LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The Parish employees may participate in a deferred compensation plan (Note 11). At December 31, 2008, the plan administrator held life insurance contract and annuity investments for plan participants valued at \$26,180, these assets are valued at cash surrender value for the life insurance contracts and at fair market value for the annuities.

## 5. RECEIVABLES

At December 31, 2008, the Parish has net receivables totaling \$96,579,629 as follows:

Class of Receivable	Governmental Funds			Business-Type Funds	Total
	General	Special Revenue	Capital Projects	Enterprise	
<b>Taxes:</b>					
Ad Valorem	\$2,908,600	\$5,952,406	\$ --	\$3,178,803	\$12,039,809
Sales	888,116	---	---	---	888,116
Other	70,493	44,241	---	23,624	138,358
<b>Intergovernmental:</b>					
Federal	1,251,528	71,863,125	---	9,848	73,124,501
State	5,984,950	55,672	---	18,337	6,058,959
Local	603,071	64,380	---	---	667,451
Accounts	---	84,043	---	1,910,452	1,994,495
Payroll	41,496	---	---	---	41,496
Other	4,922,088	224,711	17,062	53,812	5,217,473
<b>Gross Receivables</b>	<b>16,670,342</b>	<b>78,288,578</b>	<b>17,062</b>	<b>5,194,676</b>	<b>100,170,658</b>
<b>Less-Allowances for Uncollectibles</b>	<b>(3,033,503)</b>	<b>(183,428)</b>	<b>--</b>	<b>(374,088)</b>	<b>(3,591,029)</b>
<b>Net Receivables</b>	<b>\$13,636,839</b>	<b>\$78,105,150</b>	<b>\$17,062</b>	<b>\$4,820,578</b>	<b>\$96,579,629</b>

## **6. PENSION PLAN**

### Plan Description:

Substantially all employees of the Parish are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Parish are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

### Funding Policy:

Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary, and the Parish is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of annual covered payroll. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Parish are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Parish contributions to the System under Plan A for the years ending December 31, 2008, 2007, and 2006 were \$2,475,382, \$2,051,277 and \$1,977,218 respectively, equal to the required contributions for each year.

Certain employees of the Parish participate in a deferred compensation plan administered by Commonwealth Annuity and Life Insurance Company adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Commonwealth Annuity and Life Insurance Company, 132 Turnpike Road, Suite 210, Southborough, MA 01772.

## 7. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, is as follows:

Description	Beginning Balance	Additions	Deductions	Ending Balance
<b>Governmental Activities:</b>				
Capital assets not being depreciated				
Land	\$7,847,740	\$---	\$---	\$7,847,740
Construction in progress	15,559,694	19,564,073	(2,966,751)	32,157,016
Construction in progress-FEMA Projects	---	25,310,754	---	25,310,754
Total capital assets not being depreciated	23,407,434	44,874,827	(2,966,751)	65,315,510
Capital assets being depreciated				
Buildings and improvements	52,407,719	4,324,650	(9,526,044)	47,206,325
Improvements other than buildings	8,473,756	4,953,599	(30,320)	13,397,035
Machinery and equipment	31,852,074	3,389,229	(1,107,858)	34,133,445
Infrastructure	188,782,081	5,457,317	---	194,239,398
Total capital assets being depreciated	281,515,630	18,124,795	(10,664,222)	288,976,203
Less accumulated depreciation				
Buildings and improvements	(31,289,177)	(828,814)	5,888,162	(26,229,829)
Improvements other than buildings	(188,996)	(66,084)	---	(255,080)
Machinery and equipment	(11,820,911)	(2,126,574)	858,736	(13,088,749)
Infrastructure	(154,023,306)	(966,485)	---	(154,989,791)
Total accumulated depreciation	(197,322,390)	(3,987,957)	6,746,898	(194,563,449)
Total capital assets being depreciated, net	84,193,240	14,136,838	(3,917,324)	94,412,754
<b>Governmental Activities, Net</b>	<b>\$107,600,674</b>	<b>\$59,011,665</b>	<b>(\$6,884,075)</b>	<b>\$159,728,264</b>
<b>Business-Type Activities</b>				
Capital assets not being depreciated				
Land	\$52,000	\$---	\$---	\$52,000
Construction in progress	16,247,513	16,240,405	(371,557)	32,116,361
Total capital assets not being depreciated	16,299,513	16,240,405	(371,557)	32,168,361
Capital assets being depreciated				
Buildings and improvements	16,739,857	---	(360,000)	16,379,857
Improvements other than buildings	46,120,837	1,138,526	---	47,259,363
Machinery and equipment	6,635,145	1,519,288	(338,860)	7,815,573
Total capital assets being depreciated	69,495,839	2,657,814	(698,860)	71,454,793
Less accumulated depreciation				
Buildings and improvements	(9,862,270)	(345,349)	154,286	(10,053,333)
Improvements other than buildings	(29,560,804)	(2,254,531)	---	(31,815,335)
Machinery and equipment	(2,760,071)	(377,260)	322,218	(2,815,113)
Total accumulated depreciation	(42,183,145)	(2,977,140)	476,504	(44,683,781)
Total capital assets being depreciated, net	27,312,694	(319,326)	(222,356)	26,771,012
<b>Business-Type Activities, Net</b>	<b>\$43,612,207</b>	<b>\$15,921,079</b>	<b>(\$593,913)</b>	<b>\$58,939,373</b>

Depreciation expense was charged as follows:

Function	Governmental Funds	Business-Type Funds	Total
General Government	\$1,136,039	\$--	\$1,136,039
Public Safety	177,435	--	177,435
Public Works	1,414,916	--	1,414,916
Health and Welfare	252,563	--	252,563
Culture and Recreation	36,747	--	36,747
Economic Development	3,772	--	3,772
Transportation	966,485	--	966,485
Water and Sewer	---	2,578,508	2,578,508
Port, Harbor and Terminal	---	336,584	336,584
Boat Harbors and Shipyards	---	62,048	62,048
Total	\$3,987,957	\$2,977,140	\$6,965,097

## **8. POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

**Plan Description:** The Parish's medical and life insurance benefits, authorized by Resolution No. 07-369, are provided through insured programs and are made available to employees upon actual retirement. Substantially all of the Parish's employees become eligible for these benefits when they reach normal retirement age while working for the Parish. Benefits are available upon retirement from service for those employed prior to 01/01/2007 according to retirement eligibility provisions as follows: (1) 30 years of service at any age; (2) 10 years of service at age 60; or, (3) 7 years of service at age 65. For those employed on or after 01/01/2007, benefits are available upon retirement from service according to retirement eligibility provisions as follows: (1) 30 years of service at age 55; (2) 10 years of service at age 62; or, (3) 7 years of service at age 67. These benefits for retirees are similar to benefits for active employees provided through an insurance company. Premiums are paid jointly by the Parish and retiree.

Health coverage includes a fully insured group health maintenance plan together with Medicare plans for those eligible. The plan provisions are contained in the official plan documents.

Life insurance coverage is available to retirees in the amount of \$10,000 for retirees and \$5,000 per dependent.

Currently the Parish provides post-employment medical and insurance benefits to 246 retired employees.

**Contribution Rates:** Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Funding Policy:** Until 2008, the Parish recognized the cost of providing post-employment medical and life benefits (the Parish's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2008, the Parish's portion of health care and life funding cost for retired employees totaled \$716,132.

Effective with the Fiscal Year beginning January 1, 2008, the Parish implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB 45).

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
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**Annual Required Contribution:** The Parish's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning January 1, 2008 is \$1,829,576 for post-employment benefits, as set forth below:

Normal cost at year end	\$2,946,275
Amortization of UAL	1,829,576
Annual Required Contribution (ARC)	<u>\$4,775,851</u>

**Net Post-Employment Benefit Obligation:** The table below shows the Parish's Net Other Post-Employment Benefit (OPEB) Obligation for fiscal year ending December 31, 2008:

Annual Required Contribution (ARC)	\$4,775,851
Interest on prior year Net OPEB Obligation	0
Adjustment to ARC	0
Annual OPEB Cost	<u>4,775,851</u>
Contributions Made	<u>(716,132)</u>
Increase in Net OPEB Obligation	\$4,059,719
Net OPEB-January 1, 2008	\$0
Net OPEB-December 31, 2008	\$4,059,719

For the fiscal year ended December 31, 2008, the Parish's annual post-employment benefits (PEB) cost in the amount of \$4,775,851 amounted to 14.99 percent of the annual cost contributed resulting in the unfunded OPEB obligation of \$4,059,719.

**Funded Status and Funding Progress:** In the fiscal year ending December 31, 2008, the Parish made no contributions to its post-employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of December 31, 2008, the first and most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$34,827,396, which is defined as that portion, as determined by a particular actuarial cost method (the Parish uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2008, the entire actuarial accrued liability of \$34,827,396 was unfunded.

**Actuarial Methods and Assumptions:** Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Parish and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Parish and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Parish and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

**Actuarial Cost Method:** The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

**Actuarial Value of Plan Assets:** Since this is the first actuarial valuation, there are not any assets. It is anticipated that in future valuations a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

**Turnover Rate:** A years-of-service related turnover scale based on actual experience as determined by the actuary for the Parochial Employees' Retirement System. The rates for each are below:

<u>Years of Service</u>	<u>% Turnover</u>
1	25%
2	21%
3	15%
5	12%
10	5%
15	2%
20	2%
21	0%

**Post-Employment Benefit Plan Eligibility Requirements:** It is assumed that entitlement to benefits will commence after earliest eligibility to retire. For those employed before 01/01/2007 eligibility for these benefits has been assumed to be the earliest of (1) 30 years of service at any age; (2) 10 years of service at age 60; or, (3) 7 years of service at age 65. For those employed on or after 01/01/2007, eligibility for these benefits has been assumed to be the earliest of: (1) 30 years of service at age 55; (2) 10 years of service at age 62; or, (3) 7 years of service at age 67. Entitlement to benefits continues through Medicare to death.

**Investment Return Assumption (Discount Rate):** GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 3.5% annual investment return has been used in this valuation. This is a conservative estimate of the expected long-term return of a balanced and conservative investment portfolio under professional management

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**Health Care Cost Trend Rate:** The expected rate of increase in medical cost is based on the following projections:

<u>Year</u>	<u>Pre-Medicare</u>	<u>Post Medicare</u>
2009	11%	10%
2010	10%	10%
2011	10%	9%
2012	9%	9%
2013	9%	8%
2014	8%	8%
2015	8%	7%
2016	7%	7%
2017	7%	6%
2018	6%	6%
2019	5%	5%
2020	5%	5%
2021	4%	4%
2022	4%	4%
2023	4%	3%

**Mortality Rate:** The 2008 Applicable Mortality Table separately for males and females is used.

**Method of Determining Value of Benefits:** The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates provided are "blended" rates for active and retired. The blended rates for active and retired were "age" adjusted based on a study published in the North American Actuarial Journal in July 2005 (Petertil factors). Selected factor used to age adjust benefits are as follows:

<u>Age</u>	<u>Factor</u>
50-54	3.3%
55-59	3.6%
60-64	4.2%
65-69	3.0%
70-74	2.5%
75-79	2.0%
80-84	1.0%
85-89	0.5%
90+	0.0%

## **9. ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$3,447,957 at December 31, 2008, are as follows:

Class of Payable	Governmental Funds			Business-Type Funds	Total
	General	Special Revenue	Capital Projects	Proprietary	
Withholdings	\$324,640	\$--	\$--	\$--	\$324,640
Accounts	1,831,134	352,897	15,686	652,927	2,852,644
Other	270,673	---	--	--	270,673
<b>Total</b>	<b>\$2,426,447</b>	<b>\$352,897</b>	<b>\$15,686</b>	<b>\$652,927</b>	<b>\$3,447,957</b>

## **10. OTHER POST-EMPLOYMENT BENEFITS**

In accordance with parish ordinances adopted in 1987 and subject to the availability of budgeted funds, eligible retired parish employees are entitled to receive supplemental retirement pay from the Parish. Eligible employees are defined as those who have worked 40 hours per week for a minimum of 10 years and have reached normal retirement age of 60 while employed and receive less than \$300 per month in Parochial Employees' Retirement System of Louisiana retirement benefits. Eligible retirees receive supplemental benefits at the rate of \$15 per month for each year of service not to exceed 20 years or a maximum amount of \$200 per month. Total amount paid to 2 retirees in 2008 was approximately \$4,605.

## **11. DEFERRED COMPENSATION PLAN**

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. A third party, the Commonwealth Annuity and Life Insurance Company, administers the plan. The plan, which is available to all employees, permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The deferred compensation liability and asset are equal to the total cash balances for each participant's account as of December 31, 2008. The Parish has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Parish intends to honor its moral obligation to the participants implicit in the program. Investments under the plan total \$128,367.

## **12. COMPENSATED ABSENCES**

At December 31, 2008, employees of the Parish have accumulated and vested \$979,051 of annual leave benefits, which is recorded as a current liability in the General Fund, Special Revenue Funds and Enterprise Funds in the amounts of \$619,998, \$268,613 and \$90,440, respectively.

### 13. CAPITAL LEASES

The Parish records items under capital leases as assets and obligations in the accompanying financial statements. The Parish entered into numerous capital lease agreements for copier machines with varying lease terms and amounts.

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 2008:

Description	Governmental Funds	Business-Type Funds	Total
Fiscal year:			
2009	\$45,866	\$1,529	\$47,395
2010	30,566	---	30,566
2011	22,682	---	22,682
2012	7,376	---	7,376
Total minimum lease payments	106,490	1,529	108,019
Less amount representing interest	(15,690)	(58)	(15,748)
Present value of net minimum lease payments	\$90,800	\$1,471	\$92,271

### 14. COMMITMENTS UNDER CONTRACT

In accordance with parish resolution 97-473 dated December 9, 1997, and amended by resolution 99-290 dated August 26, 1999, the Parish entered into a contract with ST Environmental Services, Inc., for the full service contract management, operation, maintenance and repair of its water and sewerage facilities and systems. The contract, which commenced on January 1, 1998, was automatically renewed on December 31, 2002, for a term of five additional years, which ended on December 31, 2007. The contract was automatically renewed on December 31, 2007, for a term of five additional years, ending on December 31, 2012. The contract provides for quarterly maintenance and repair expenditures and monthly fees adjustable annually for changes in the consumer price index. The quarterly maintenance and repair expenditure is \$171,355 and the monthly fee is \$471,178.

In accordance with parish resolution 06-415 dated September 28, 2006, entered into a renewal contract with Environmental Operators, LLC for the transportation and disposal of solid waste from parish compactor stations. The contract commenced in October, 2006, and expires in September, 2011. The contract provides for waste disposal fees of \$44.04 per ton, collection from Belle Chasse and the Eastbank, and \$46.48 per ton, collection from Port Sulphur and Boothville. Fees will be adjustable annually for changes in the consumer price index.

## **15. OTHER COMMITMENTS**

On March 6, 1964, the Parish and the Department of the Army, United States Corps of Engineers entered into an Act of Assurance and Acts of Supplemental Assurance on May 2, 1973, September 10, 1987, and December 21, 1992, for the construction of the New Orleans to Venice, Louisiana Hurricane Protection Project. The Parish's contributions, which may be met through cash or work-in-kind credit, are due at the beginning of the Corps of Engineers' fiscal year, which begins in September, for that year's projected expenditures. At year-end, the Parish establishes a fund balance reserve for the next payment due. Projected contributions for which fund balance reserves have not been established are as follows:

Payment Date	Contribution
September 2011	\$1,899,000
September 2012	946,000
September 2013	1,072,000
Balance to complete	3,842,000
<b>Total</b>	<b>\$7,759,000</b>

In 2003, the Parish and the Department of the Army, United States Corps of Engineers entered into an agreement for the improvements of the Braithwaite Park Hurricane Protection Project. At year-end, the Parish establishes a fund balance reserve for the next payment due. Projected contributions for which fund balance reserves have not been established are as follows:

Payment Date	Contribution
September 2011	\$1,093,750
September 2012	365,400
September 2013	315,000
<b>Total</b>	<b>\$1,774,150</b>

## **16. SELF-INSURANCE COMMITMENTS**

The Parish is self-insured for liability claims relative to commercial liability (automobile and general) up to \$1,000,000 which is supplemented by an excess bumbershoot liability policy of \$6,500,000. Coverage is maintained through an insurer rated at least A- by A.M. Best Rating. The Parish is self-insured for worker's compensation up to \$400,000 supplemented by an excess policy with coverage up to \$5,000,000 on Part A and \$1,000,000 on Part B. Fifty thousand dollars has been set aside for payment in the event of accidental death of a volunteer firefighter. This money is only payable after the accidental death payment has been made under a policy owned by the State Fire Marshall's Office. The Parish maintains all marine coverages through companies rated at least A- by A.M. Best. The Parish maintains vessel pollution coverage up to \$55,000,000 through a combination of primary, bumbershoot and excess coverages. Vessel hull and machinery coverages are subject to varying deductibles and are limited to the vessel's scheduled values. Protection and indemnity for vessels and crew is self-insured by the Parish up to \$1,000,000 and then by bumbershoot and excess policies up to a total of \$51,000,000.

The Parish maintains a fund balance designation for self-insurance as disclosed in Note 24.

**17. LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended December 31, 2008:

Description	Capital Leases	Litigation and Claims	Other Post-Emp Benefits	Bonded Debt	Revenue Anticipation Note	Total
<b>Governmental Activities:</b>						
Long-term obligations payable at beginning of year	\$80,488	\$3,524,667	\$---	\$22,150,000	\$8,900,000	\$34,655,155
Additions	53,062	167,000	3,889,210	---	---	4,109,272
Deductions	(42,750)	(1,222,930)	---	(3,710,000)	---	(4,975,680)
Long-term obligations payable at end of year	\$90,800	\$2,468,737	\$3,889,210	\$18,440,000	\$8,900,000	\$33,788,747
<b>Business-Type Activities:</b>						
Long-term obligations payable at beginning of year	\$3,496	\$---	\$---	\$---	\$---	\$3,496
Additions	---	---	170,509	---	---	---
Deductions	(2,025)	---	---	---	---	(2,025)
Long-term obligations payable at end of year	\$1,471	\$---	\$---	\$---	\$---	\$1,471

The following is a summary of the current (due in one year or less) and long-term (due in more than one year) portions of long-term obligations as of December 31, 2008:

Description	Capital Leases	Litigation and Claims	Other Post-Emp Benefits	Bonded Debt	Revenue Anticipation Note	Total
<b>Governmental Activities:</b>						
Current Portion	\$37,463	\$---	\$---	\$2,025,000	\$---	\$2,062,463
Long-Term Portion	53,337	2,468,737	3,889,210	16,415,000	8,900,000	31,726,284
Total	\$90,800	\$2,468,737	\$3,889,210	\$18,440,000	\$8,900,000	\$33,788,747
<b>Business-Type Activities:</b>						
Current Portion	\$1,471	\$---	\$---	\$---	\$---	\$1,471
Long-Term Portion	---	---	170,509	---	---	170,509
Total	\$1,471	\$---	\$170,509	\$---	\$---	\$171,980

For the governmental activities, capital leases are generally liquidated by the fund incurring the obligation and litigation and claims are settled by the General Fund.

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General Obligation Bonds

The Parish has general obligation bonds outstanding at December 31, 2008, totaling \$2,205,000, with maturities from 2009 to 2011 and interest rates from 4.25% to 4.3%. Bond principal and interest payable in the next fiscal year are \$700,000 and \$94,100, respectively.

General obligation bonds are comprised of the following individual issues:

General Obligation Bonds	Outstanding
\$6,645,000 - Public Improvement Bonds, Series 1999 Due in annual installments ranging from \$65,000 to \$775,000 through August 2011, with interest from 3.45% to 4.3%. Debt retirement payments are made from Public Improvement Bonds, Series 1999, Debt Service Fund.	\$2,205,000
Total General Obligation Bonds	\$2,205,000

The general obligation bonds are secured by and payable from 10 percent of the royalties received by the State of Louisiana from mineral leases on state-owned land located within Plaquemines Parish, from Parish levee district revenues, and from a pledge of the full faith and credit of the Parish.

In accordance with Louisiana Revised Statute 39:562, the Parish is legally restricted from incurring *general obligation bonded debt for any one of the purposes provided by Louisiana Revised Statute 39:562 in excess of 10 percent of the assessed value of taxable property in the Parish.* At December 31, 2008, the statutory limit for each purpose is \$79,470,072.

Revenue Bonds

On April 1, 2009, the Parish issued \$11,850,000 of revenue bonds, Series 2009. The bonds were issued for the purpose of constructing and acquiring drainage and pumping facilities.

The Parish has revenue bonds outstanding at December 31, 2008, totaling \$16,235,000 with maturities from 2009 to 2027 and interest rates from 2.35% to 7.0%. Bond principal and interest payable in the next fiscal year are \$1,325,000 and \$605,273, respectively.

Revenue bonds are comprised of the following individual issues:

Revenue Bonds	Outstanding
\$10,000,000 - Revenue Bonds, Series 2004 Due in annual installments ranging from \$830,000 to \$1,185,000 through March 2014, with interest from 2.35% to 3.2%. Debt retirement payments are made from Revenue Bonds, Series 2004, Debt Service Fund.	\$6,465,000
\$5,300,000 - Revenue Bonds, Series 2005 Due in annual installments ranging from \$105,000 to \$410,000 through March 2025, with interest from 3.625% to 7.0%. Debt retirement payments are made from Revenue Bonds, Series 2005, Debt Service Fund.	4,845,000
\$5,000,000 - Revenue Bonds, Series 2007 Due in annual installments ranging from \$75,000 to \$390,000 through March 2027, with interest from 4.3% to 7.0%. Debt retirement payments are made from Revenue Bonds, Series 2007, Debt Service Fund.	4,925,000
Total Revenue Bonds	\$16,235,000

The revenue bonds are payable solely from the Parish's one percent sales and use tax.

Revenue Anticipation Note

The Parish has a revenue anticipation note outstanding at December 31, 2008, totaling \$8,900,000 with maturity in 2011 and interest rate of 3.0%. Note principal and interest payable are not due in the next fiscal year.

Revenue anticipation note is comprised of the following individual issue:

Revenue Anticipation Note	Outstanding
\$8,900,000 - Revenue Anticipation Note, Series 2006 Due at the end of the loan term in August 2011, with interest of 3.0%. Debt retirement payments are made from Revenue Anticipation Note, Series 2006, Debt Service Fund.	\$8,900,000
<b>Total Anticipation Note</b>	<b>\$8,900,000</b>

The revenue anticipation note is payable solely from the parish's revenues.

Long-Term Debt Summary

During 2008, bond principal and interest payments on all bonded debt totaled \$3,710,000 and \$844,414, respectively. The annual requirements to amortize all bonded debt outstanding at December 31, 2008, are as follows:

Fiscal Year	Principal	Interest	Total
2009	2,025,000	699,373	2,724,373
2010	2,110,000	623,866	2,733,866
2011	11,115,000	1,880,484	12,995,484
2012	1,495,000	461,659	1,956,659
2013	1,565,000	407,564	1,972,564
2014-2018	3,645,000	1,460,761	5,105,761
2019-2023	3,140,000	855,334	3,995,334
2024-2027	2,245,000	175,112	2,420,112
<b>Total</b>	<b>\$27,340,000</b>	<b>\$6,564,153</b>	<b>\$33,904,153</b>

Advance Refundings

On May 1, 1999, the Parish refunded and defeased, in substance, \$6,260,000 of the Public Improvement Bonds Series 1991 (outstanding \$7,600,000) maturing August 1, 2002 to August 1, 2011, with the proceeds from Public Improvement Bonds Series 1999.

The net proceeds of the Public Improvement Bonds Series 1999 were used to purchase U.S. Treasury securities. These sources were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments for the Public Improvement Bonds Series 1991, maturing August 1, 2002 to August 1, 2011. As a result, the Public Improvement, Series 1991 Bonds maturing August 1, 2002 to August 1, 2011, are considered to be defeased, and the liability for the bonds have been removed from the long-term obligation account group. As of December 31, 2008, the amount of defeased debt outstanding but removed from the long-term obligation account group for Public Improvement Bonds Series 1991 was \$2,245,000.

**18. CHANGES IN AGENCY FUNDS**

A summary of changes in agency funds assets and liabilities for the year ended December 31, 2008, is as follows:

Description	Beginning Balance	Additions	Reductions	Ending Balance
<b>Assets:</b>				
Cash	\$1,786,608	\$25,028,401	(\$25,607,791)	\$1,207,218
Investments	1,161	408,373	---	409,534
<b>Total Assets</b>	<b>\$1,787,769</b>	<b>\$25,436,774</b>	<b>(\$25,607,791)</b>	<b>\$1,616,752</b>
<b>Liabilities:</b>				
Interfund Payables	\$---	\$8,830,888	(\$8,830,888)	\$---
Deposits Due Others	1,546,359	15,864,702	(16,293,382)	1,117,679
Other Liabilities	241,410	257,907	(244)	499,073
<b>Total Liabilities</b>	<b>\$1,787,769</b>	<b>\$24,953,497</b>	<b>(\$25,124,514)</b>	<b>\$1,616,752</b>

**19. CRIMINAL COURT FUND**

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end to be transferred to the Parish General Fund. The following details the amount due at December 31, 2008:

Balance due at January 1, 2008	\$339,860
Amount due for 2008	354,475
Total	694,335
Remitted during 2008	(339,860)
Balance due at December 31, 2008	\$354,475

## 20. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables/payables at December 31, 2008, are as follows:

Payable Fund	Receivable Fund				Total
	Governmental Funds			Business-Type Funds	
	General	Public Health	Non-Major	Port, Harbor and Terminal	
<b>Governmental Major Funds:</b>					
General Fund	\$--	\$--	\$246,602	\$1,301	\$247,903
FEMA Management	46,848,941	--	--	--	46,848,941
	46,848,941	--	246,602	1,301	47,096,844
<b>Governmental Non-Major Funds:</b>					
Criminal Court	354,475	--	--	--	354,475
Court Reporter	755	--	--	--	755
DWI Court Administered	1	--	--	--	1
Capital Projects-Sewer System Imp	122	--	--	--	122
Capital Projects-Series 2005	60	--	--	--	60
Total	355,413	--	--	--	355,413
Total Governmental Funds	47,204,354	--	246,602	1,301	47,452,257
<b>Business-Type Major Funds:</b>					
Water and Sewer	2,073,727	--	--	--	2,073,727
Port, Harbor and Terminal	731,493	213,010	21,934	--	966,437
Total	2,805,220	213,010	21,934	--	3,040,164
<b>Business-Type Non-Major Funds:</b>					
Port Sulphur Golf Course	10,000	--	--	--	10,000
Boat Harbors and Shipyards	400,000	--	--	--	400,000
Total	410,000	--	--	--	410,000
Total Business-Type Funds	3,215,220	213,010	21,934	--	3,450,164
<b>Total</b>	<b>\$50,419,574</b>	<b>\$213,010</b>	<b>\$268,536</b>	<b>\$1,301</b>	<b>\$50,902,421</b>

**21. INTERFUND TRANSFERS**

The following is a summary of interfund transfers during 2008:

Transfers Out	Transfers In									Total
	Governmental Funds							Business-Type Funds		
	General	Road Maintenance	Public Health	Solid Waste	FEMA Mgmt	Capital Projects	Non-Major	Water and Sewer	Non-Major	
<b>Governmental Funds</b>										
<b>Major Funds</b>										
General	\$---	\$2,176,250	\$3,244,147	\$112,528	\$1,570,400	\$20,197,771	\$1,069,192	\$1,654,520	\$684,940	\$30,709,748
<b>Non-Major Funds</b>										
Transportation	---	150,000	---	---	---	---	---	---	---	150,000
Criminal Court	354,475	---	---	---	---	---	---	---	---	354,475
<b>Total</b>	<b>354,475</b>	<b>150,000</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>504,475</b>
<b>Total Governmental Funds</b>	<b>\$354,475</b>	<b>\$2,326,250</b>	<b>\$3,244,147</b>	<b>\$112,528</b>	<b>\$1,570,400</b>	<b>\$20,197,771</b>	<b>\$1,069,192</b>	<b>\$1,654,520</b>	<b>\$684,940</b>	<b>\$31,214,223</b>

**22. FUND DEFICITS**

The following individual funds have deficits in fund balance/unrestricted net assets at December 31, 2008:

<b>Governmental-Type Funds:</b>	
FEMA Management	(\$20,805,445)
<b>Business-Type Funds:</b>	
Water and Sewer	(4,526,990)
Boat Harbors and Shipyards	(281,692)

The fund deficit for governmental-type fund will be addressed through Federal Emergency Management Agency funding. The fund deficits for business-type funds will be addressed through transfers from the General Fund or additional revenue sources in each fund.

### 23. FUND BALANCE RESTATEMENT

The December 31, 2007 fund balances for general and FEMA Management special revenue funds have been restated to reflect a separation of FEMA Management funding from the General fund.

Description	General Fund	FEMA Mgmt	Total
Beginning balance, before restatement	\$102,274,047	\$--	\$102,274,047
FEMA Management Adjustments	3,801,305	(3,801,305)	--
Beginning balance, as restated	\$106,075,352	(\$3,801,305)	\$102,274,047

### 24. RESERVED AND DESIGNATED RETAINED EARNINGS/FUND BALANCES

The following is a detail of the composition of fund balance reserves and designations and retained earnings reserves:

Description	Governmental Funds			Total
	General	Special Revenue	Capital Projects	
<b>Fund Balances:</b>				
Reserved:				
Encumbrances	\$1,175,046	\$215,501	\$--	\$1,390,547
Prepaid Items	619,193	--	--	619,193
Capital Projects	17,950,672	--	--	17,950,672
Corp of Engineers	2,768,699	--	--	2,768,699
Total	\$22,513,610	\$215,501	\$--	\$22,729,111
Designated:				
Emergencies	\$1,700,000	\$--	\$--	\$1,700,000
Self-Insurance	3,050,000	--	--	3,050,000
Bond Indebtedness	7,274,229	--	--	7,274,229
Infrastructure	211,988	--	--	211,988
Insurance Premiums	997,900	--	--	997,900
Employee Study Implementation	608,070	--	--	608,070
FEMA Projects	10,500,000	--	--	10,500,000
Capital Projects	41,686,438	287,787	12,047,476	54,021,701
Total	\$66,028,625	\$287,787	\$12,047,476	\$78,363,888

**A. RESERVED FOR ENCUMBRANCES**

The reserve for encumbrances in the amount of \$1,390,547 represents that portion of the applicable appropriation that is committed under purchase order or contract, but which does not constitute expenditures or liabilities.

**B. RESERVED FOR PREPAID ITEMS**

The reserve for prepaid items in the amount of \$619,193 represents payments to vendors for expenditures that will apply to periods after December 31, 2008.

**C. RESERVED FOR CORP OF ENGINEERS**

The reserve for Corp of Engineers in the amount of \$2,768,699 represents the estimated funding requirements for the Parish's contribution to levee projects. Included in this total is \$1,500,000 of estimated funding requirements for the Parish's contribution to the New Orleans to Venice Hurricane Protection Project. Also included in the total is \$1,268,699 of estimated funding requirements for the Parish's contribution to the Braithwaite Park Levee Enlargement Project. These contributions are due in 2010 to fund construction.

**D. DESIGNATED FOR EMERGENCIES**

In accordance with parish resolutions, the Parish has designated funds in the amount of \$1,700,000 for emergency purposes.

**E. DESIGNATED FOR SELF-INSURANCE**

In accordance with parish ordinance 07-288, dated December 13, 2007, the Parish has designated funds in the amount of \$3,050,000 for self-insurance. The Parish is self-insured for commercial liability (automobile and general) up to \$1,000,000, which is supplemented by an excess bumbershoot liability policy of \$6,500,000. Coverage is maintained through an insurer rated at least A- by A.M. Best Rating. The Parish is self-insured for employer's liability (worker's compensation) up to \$400,000 supplemented by an excess policy with coverage up to \$10,000,000 on Part A and \$1,000,000 on Part B. Fifty thousand dollars has been set aside for payment in the event of accidental death of a volunteer firefighter. This money is only payable after the accidental death payment has been made under a policy owned by the State Fire Marshall's Office. The Parish maintains vessel pollution coverage up to \$55,000,000 through a combination of primary, bumbershoot and excess coverages. Vessel hull and machinery coverages are subject to varying deductibles and are limited to the vessel's scheduled values. Protection and indemnity for vessels and crew is self-insured by the Parish up to \$1,000,000 and then by bumbershoot and excess policies up to a total of \$51,000,000.

**F. DESIGNATED FOR BOND INDEBTEDNESS**

In accordance with parish resolution 96-220, dated August 8, 1996, and resolution 00-154, dated April 27, 2000, the Parish has designated funds in the amount of \$7,274,229 for payment of bonded indebtedness.

**G. DESIGNATED FOR INFRASTRUCTURE**

In accordance with parish ordinance 97-143, dated August 28, 1997, the Parish has designated funds in the amount of \$211,988 for the construction, repair, maintenance, upgrading and developing of infrastructure.

**H. DESIGNATED FOR INSURANCE PREMIUMS**

In accordance with parish ordinance 06-196, dated October 26, 2006, the Parish has designated funds in the amount of \$997,900 so insurance can be maintained on Parish buildings.

**I. DESIGNATED FOR EMPLOYEE STUDY IMPLEMENTATION**

In accordance with parish ordinance 07-212, dated August 23, 2007, the Parish has designated funds in the amount of \$608,070 for the availability of funds to implement employee pay plan study.

**J. DESIGNATED FOR FEMA PROJECTS**

In accordance with parish ordinance 08-236, dated October 23, 2008, the Parish has designated funds in the amount of \$10,500,000 in order to have full funding available for the unreimbursed portion of all contracts executed after the "emergency declaration" expired on August 29, 2008 for FEMA projects related to Hurricane Katrina.

**K. DESIGNATED/RESERVED FOR CAPITAL PROJECTS**

The detail of reserves and designations for capital projects is as follows:

Fund/Project	Designated	Reserved
General Fund		
Acquisition of Building-Council on Aging	\$30,000	\$---
Acquisition of Building-Special Needs Citizens	63,000	---
Acquisition of Building-Sheriff's Belle Chasse Office	360,000	---
Acquisition of Building-Woodlawn	450,000	---
Belle Chasse Annex Courtroom	80,000	---
Belle Chasse Land Purchase	3,450,000	---
Coastal Storm Surge and Barrier Protection Plan	20,697	---
Computer System Replacement	638,586	---
Concrete Foundation-PALH Shipyard	300,000	---
Culverts-38948 Hwy 23 Boothville/Venice	100,000	---
Culverts-Davant Pool	125,000	---
Culverts-Georges Lane	40,574	---
Culverts-Wallace Lane	200,000	---
Design/Modeling-Flood Elevations	50,000	---
Development-Housing Plan	75,000	---
Drainage-Belle Chasse	1,241,779	---
Drainage-East 1st, 2nd, 3rd Streets/H-M Avenues	165,605	---
Drainage-Jesuit Bend	665,267	---
Drainage-Woodland/Barriere Canal	27,483	---
Drainage-Woodland School to Scarsdale	300,000	---
Drainage Improvements-Hunt Street	2,449	---
Drainage Improvements-Main Street/Avenue G	1,082,750	---
Dredging-Venice Jump Basin	19,557	---
East Bank Levee Management	250,000	---
Engineering Consulting-District 3	71,060	---
EOC Center	500,000	---
GIS-Development & Implementation	118,108	---
Hazardous Material Remediation-Jefferson Lake	100,000	---
Highway 23 Beautification	13,510	---
Highway 23 Widening-Engineers Road to LaPalco	160,050	---
Hurricane Protection Levee-Braithwaite Park	1,037,900	---
Hurricane Protection Levee-LaReussite	842,500	---
Hurricane Protection Levee-New Orleans to Venice	11,711	---
Levee Improvements-Scarsdale to White Ditch	798,930	---
Mitigation Bank	100,000	---
New Construction-Animal Control Building	781,908	---
New Construction-Buras Fire House	500,000	---
New Construction-Fort Jackson Museum	587,048	---
New Construction-Phoenix Fire House	250,000	---
New Construction-Safe House Pump Station #1	500,000	---
New Shipyard-Empire Boat Harbor	1,492,635	---
Overlay-Buras Boat Harbor	80,000	---

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Notes to Basic Financial Statements  
 December 31, 2008

Fund/Project	Designated	Reserved
General Fund (continued)		
Overlay-Empire Boat Harbor	160,000	--
Overlay-Buras River Road	33,688	--
Overlay-Pointe a la Hache Boat Harbor Road	180,000	--
Overlay-Dead Man's Lane-Highway 23 to River Road	150,000	--
Overlay-North Concord Road	396,362	--
Overlay-Venice Marina Road	1,028,298	--
PPG Building Sign	7,137	--
Parking Lots-Davant/Diamond, PS, BV, Buras Comm Centers	2,545,000	--
Parish Welcome Center	228,308	--
Parks-Blackie Barris	30,000	--
Peters Road Extension Bypass	1,734	--
Plaquemines Parish Navigational Channel	25,000	--
Playground-Port Sulphur	200,000	--
Railroad Crossing	84,582	--
Raising Back Levee-Braithwaite to White Ditch	2,500,000	--
Raising of Tidewater Road	461,841	3,599,809
Renovations-BCHS Football Field	20,217	--
Renovations-Belle Chasse Administrative Bldg-Elevator	150,000	--
Renovations-Belle Chasse Fire Station	250,000	--
Renovations-Braithwaite Fire Station	60,000	--
Renovations-Bulk Heads/Boat Slips Pointe a la Hache	250,000	--
Renovations-Compactor Sites-Solid Waste South	450,000	--
Renovations-Cost Analysis Woodlawn Building	65,000	--
Renovations-Courthouse	99,800	--
Renovations-Hebert Boulevard Field 1	21,711	--
Renovations-Woodlawn Fire Station	100,000	--
Renovations/Improvements-Ollie Pump Station	795,073	12,781,716
Renovations/Repair-Buras Pump Station	619,530	--
Renovations/Repair-Diamond Pump Station	100,000	--
Renovations/Repair-Hayes Pump Station	100,000	--
Repairs-Belair Pump Station	100,000	--
Repairs-Cazalard Street/Lartigue Street	995	17,709
Repairs-Cement/Aprons Hwy 23 to Vista Street	25,000	--
Repairs-Empire Floodgate	551,841	--
Repairs-Ferry Ramps Pointe a la Hache	648,130	--
Repairs-Nu Street & Dr Bowen Drive	10,633	--
Repairs-Pump Stations	1,000,000	--
Repairs-South Concord Road	38,764	181,050
Repairs-Motors Scarsdale Pump Station	2,329,440	--
Replace-Pointe a la Hache Boat Harbor Bldg/Lift	102,000	--
Replace-Venice Boat Harbor Hoist	108,659	2,925
Resurface-Hebert Boulevard	1,225,049	--
Resurface-Highway 15	589,292	--
Road Maintenance-Parish Wide	151,268	--
Rock Armament-Buras Boat Harbor	1,293,824	--

PLAQUEMINES PARISH GOVERNMENT  
 Pointe a la Hache, Louisiana  
 Notes to Basic Financial Statements  
 December 31, 2008

Fund/Project	Designated	Reserved
<b>General Fund (continued)</b>		
Sewerage-Belle Chasse Sewer Treatment Plant to LaReussite	1,894,875	--
Sewer Line- Bourgois	41,312	--
Sewer Line-Lift Station 8 to BC Sewer Treatment Plant	--	21,219
Sewer Plant Relocation-Idlewild	125,000	--
Sewer/Water Line-Martin Lane	750,000	--
Shipyard-Venice Marina	184,855	--
Street & Curb Repairs-District 4	45,031	--
Temporary Pumps-Ollie Pump Station	10,500	--
Upgrade-Disaster Communication System	168,652	--
Walking Track-Medal of Honor Park	200,000	--
Walking Track & Recreation Field-Empire	80,000	--
Waterline-Lake Hermitage	284,011	1,178,393
Waterline-St. Thomas/Port Sulphur	130,036	--
Waterline Replacement-Braithwaite/Phoenix	800,000	--
West First Street	883	167,851
<b>Total General Fund</b>	<b>41,686,438</b>	<b>17,950,672</b>
<b>Special Revenue Funds</b>		
Road Maintenance Parish Wide	287,787	--
<b>Capital Improvements Fund</b>		
1999 - 6 Million General Obligation Bonds Water & Sewer Improvements	293,753	--
2004 General Obligation Bonds Sewer System Improvements-Parish Wide	11,112,818	--
2005 General Obligation Bonds West First Street Drainage Canal Improvements	640,905	--
<b>Total Capital Improvements Funds</b>	<b>12,047,476</b>	<b>--</b>
<b>Total Designations &amp; Reserves</b>	<b>\$54,021,701</b>	<b>\$17,950,672</b>

## 25. ENTERPRISE FUNDS (Segment Information)

In accordance with GASB Codification Section 2500, the segment information for the Parish's enterprise funds as of and for the year ended December 31, 2008, is as follows:

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors and Shipyards	Total
<b>Condensed Statement of Net Assets</b>					
Assets:					
Current assets	\$3,829,526	\$1,856,343	\$10,000	\$163,183	\$5,859,052
Capital assets	43,731,850	7,669,123	—	7,538,400	58,939,373
Total assets	47,561,376	9,525,466	10,000	7,701,583	64,798,425
Liabilities:					
Interfund payables	—	966,437	10,000	400,000	1,376,437
Other current liabilities	6,282,789	158,277	—	44,875	6,485,941
Noncurrent liabilities	2,073,727	170,509	—	—	2,244,236
Total liabilities	8,356,516	1,295,223	10,000	444,875	10,106,614
Net assets:					
Invested in capital assets, net of related debt	43,731,850	7,669,123	—	7,538,400	58,939,373
Unrestricted	(4,526,990)	561,120	—	(281,892)	(4,247,562)
Total net assets	\$39,204,860	\$8,230,243	\$—	\$7,256,708	\$54,691,811
<b>Condensed Statement of Revenues, Expenses, and Changes in Net Assets</b>					
Operating revenues	\$4,016,408	\$3,430,716	\$—	\$246,346	\$7,693,470
Depreciation expense	(2,578,508)	(336,584)	—	(62,048)	(2,977,140)
Other operating expenses	(8,605,501)	(2,947,379)	(31,072)	(867,038)	(12,450,990)
Operating income (loss)	(7,167,601)	146,753	(31,072)	(682,740)	(7,734,660)
Nonoperating revenues (expenses):					
Investment income	6,533	34,876	—	—	41,409
Interest expense	—	(269)	—	—	(269)
Ad valorem taxes	3,202,479	—	—	—	3,202,479
Other	13,274	(205,714)	(5,247)	(1,155)	(198,842)
Capital contributions	9,584,183	955,617	—	7,132,328	17,672,128
Net transfers	1,654,520	—	36,319	648,621	2,339,460
Change in net assets	7,293,388	931,263	—	7,097,054	15,321,705
Beginning net assets	31,911,472	7,298,980	—	159,654	39,370,106
Ending net assets	\$39,204,860	\$8,230,243	\$—	\$7,256,708	\$54,691,811
<b>Condensed Statement of Cash Flows</b>					
Net cash provided by (used by):					
Operating activities	\$766,346	\$287,067	(\$31,651)	(\$638,872)	\$382,890
Non capital financing activities	(34,673)	(346,439)	41,319	688,621	348,828
Capital and related financing activities	(880,598)	(30,589)	—	61,685	(849,502)
Investing activities	6,533	(780,750)	—	—	(774,217)
Net increase (decrease) in cash and cash equivalents	(142,392)	(870,711)	9,668	111,434	(892,001)
Cash and cash equivalents at beginning of year	142,392	941,702	332	21,897	1,106,123
Cash and cash equivalents at end of year	\$—	\$70,991	\$10,000	\$133,131	\$214,122

## **26. LITIGATION AND CLAIMS**

The Parish's legal representatives have reviewed all litigation and claims in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate of the amount of potential loss to the Parish. At December 31, 2008, as a result of this review, in the opinion of the Parish's legal representatives, an unfavorable outcome is probable in cases involving exposure assessed at an aggregate amount of approximately \$2,468,737. Each general, auto, employer's and vessel protection and indemnity liability claim up to \$1,000,000 each is covered by the self-insurance program, as described in Note 16 and Note 24. Each general, auto and employer's claim exceeding the self-insurance program limits is covered by an umbrella liability policy up to \$6,000,000. Each vessel protection and indemnity liability claim exceeding the self-insurance program limits is covered by an umbrella liability policy up to \$51,000,000. The Parish is responsible for replenishing its designation of self-insurance to cover additional claims. A long-term liability in the amount of \$2,468,737 has been established for claims, which, in the opinion of the Parish's legal counsel, will probably result in an unfavorable outcome. The obligations are recorded in the General Fund as a current liability when the amount is determinable and funds are appropriated. No provisions have been made in the financial statements for loss contingencies that in the opinion of the Parish's legal representatives, an unfavorable outcome is less than probable.

## **27. FOOD DISTRIBUTION PROGRAM**

The Parish operates the Food Distribution Program under an agreement with the Louisiana Department of Agriculture. Under this program, the Parish is responsible for the issuance of donated food commodities for use in feeding persons in needy households. The value of the donated food commodities received and issued for the year totaled \$7,088 and is not recorded in the accompanying financial statements.

## **28. EMERGENCY 911 SERVICE**

During 2008, the Parish collected service charges of \$304,627 for emergency 911 operations and expended \$482,694 for operations of the system. The Parish's wireless emergency 911 system is operational and phase I compliant.

## **Required Supplementary Information**

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Schedule 1**

**Budgetary Comparison Schedule  
For the Year Ended December 31, 2008**

	General Fund			Road Maintenance			Public Health		
	Budget		Actual	Budget		Actual	Budget		Actual
	Original	Final		Original	Final		Original	Final	
<b>Revenues</b>									
Taxes									
Ad valorem	\$2,629,000	\$2,629,000	\$2,713,579	\$1,081,820	\$1,081,820	\$1,116,619	\$719,200	\$719,200	\$742,335
Sales and use	5,151,000	5,151,000	6,243,834	—	—	—	—	—	—
Other taxes, penalties, interest, etc	49,000	49,720	49,713	—	—	—	—	—	—
Licenses and permits	1,036,100	1,209,100	1,518,426	—	—	—	—	—	—
Intergovernmental revenues:									
Federal grants	824,460	1,024,350	1,040,718	2,900	2,900	3,132	2,000	16,520	16,610
State funds									
State revenue sharing	37,500	22,500	36,688	15,400	15,400	15,099	10,500	6,150	10,040
Parish royalty fund	16,784,000	25,165,170	27,757,045	—	—	—	—	—	—
Other	1,103,400	1,145,800	1,238,794	165,470	182,340	182,340	—	—	342
Fees, charges and commissions for services	611,700	612,680	541,076	—	—	—	404,000	405,000	422,745
Use of money and property	15,396,280	20,812,740	22,268,961	10,000	10,000	8,021	1,000	1,000	2,565
Other	2,970,950	2,750,550	2,580,743	—	—	—	503,620	217,350	213,010
<b>Total Revenues</b>	<b>46,593,390</b>	<b>60,572,810</b>	<b>65,989,479</b>	<b>1,275,590</b>	<b>1,292,460</b>	<b>1,326,211</b>	<b>1,640,320</b>	<b>1,365,220</b>	<b>1,407,647</b>
<b>Expenditures</b>									
Current									
General government	15,239,157	17,509,335	13,418,675	—	—	—	—	—	—
Public safety	1,472,240	2,589,490	1,508,041	—	—	—	—	—	—
Public works	8,714,813	21,005,700	10,704,041	3,241,492	4,052,670	3,652,290	—	—	—
Health and welfare	1,131,594	1,357,620	1,221,402	—	—	—	5,214,672	5,658,870	4,893,145
Culture and recreation	1,578,317	1,693,430	1,427,988	—	—	—	—	—	—
Economic development and assistance	237,940	336,960	308,170	—	—	—	—	—	—
Transportation	4,926,625	5,540,550	4,552,625	—	—	—	—	—	—
<b>Total Expenditures</b>	<b>33,300,686</b>	<b>50,033,085</b>	<b>33,138,942</b>	<b>3,241,492</b>	<b>4,052,670</b>	<b>3,652,290</b>	<b>5,214,672</b>	<b>5,658,870</b>	<b>4,893,145</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>13,292,704</b>	<b>10,539,525</b>	<b>32,850,537</b>	<b>(1,965,902)</b>	<b>(2,760,210)</b>	<b>(2,326,079)</b>	<b>(3,574,352)</b>	<b>(4,293,650)</b>	<b>(3,485,498)</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	322,390	331,900	354,475	1,926,560	2,722,710	2,326,250	3,440,510	3,918,460	3,244,147
Transfers out	(19,192,300)	(86,110,370)	(30,709,748)	—	—	—	—	—	—
Capital leases	20,000	20,000	53,082	—	—	—	—	—	—
Sale of capital assets	10,000	80,000	117,276	—	—	—	—	—	—
<b>Net Other Financing Sources (Uses)</b>	<b>(18,839,910)</b>	<b>(85,678,470)</b>	<b>(30,184,935)</b>	<b>1,926,560</b>	<b>2,722,710</b>	<b>2,326,250</b>	<b>3,440,510</b>	<b>3,918,460</b>	<b>3,244,147</b>
<b>Net Change in Fund Balance</b>	<b>(5,547,206)</b>	<b>(75,138,945)</b>	<b>2,665,602</b>	<b>(39,342)</b>	<b>(37,500)</b>	<b>171</b>	<b>(133,842)</b>	<b>(375,190)</b>	<b>(241,351)</b>
<b>Fund Balances at Beginning of Year, as Restated (Note 23)</b>	<b>106,075,350</b>	<b>106,075,350</b>	<b>106,075,352</b>	<b>39,170</b>	<b>39,170</b>	<b>39,171</b>	<b>375,190</b>	<b>375,190</b>	<b>375,193</b>
<b>Fund Balances at End of Year</b>	<b>\$100,528,144</b>	<b>\$30,936,405</b>	<b>\$108,740,954</b>	<b>(\$172)</b>	<b>\$1,670</b>	<b>\$39,342</b>	<b>\$241,338</b>	<b>(\$10)</b>	<b>\$133,842</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Funds**

**Schedule 1**

**Budgetary Comparison Schedule  
For the Year Ended December 31, 2008**

	Solid Waste			FEMA Management			Capital Improvements		
	Budget		Actual	Budget		(Non-GAAP Basis) Actual	Budget		Actual
	Original	Final		Original	Final		Original	Final	
<b>Revenues</b>									
Taxes:									
Ad valorem	\$2,858,660	\$2,858,660	\$2,950,626	\$---	\$---	\$---	\$---	\$---	\$---
Sales and use	---	---	---	---	---	---	---	---	---
Other taxes, penalties, interest, etc.	---	---	---	---	---	---	---	---	---
Licenses and permits	---	---	---	---	---	---	---	---	---
Intergovernmental revenues									
Federal grants	7,700	7,700	6,276	100,000	1,222,600	1,355,409	---	4,902,490	946,755
State funds:									
State revenue sharing	40,700	24,470	39,892	---	---	---	---	---	---
Parish royalty fund	---	---	---	---	---	---	---	---	---
Other	---	---	---	---	---	---	---	2,796,690	142,600
Fees, charges and commissions for services	573,000	573,000	670,657	---	---	---	---	---	---
Use of money and property	30,000	30,000	52,558	---	---	---	---	---	---
Other	9,000	9,500	8,406	---	---	---	---	500,250	---
<b>Total Revenues</b>	<b>3,519,060</b>	<b>3,503,330</b>	<b>3,730,415</b>	<b>100,000</b>	<b>1,222,600</b>	<b>1,355,409</b>	<b>---</b>	<b>8,199,430</b>	<b>1,089,555</b>
<b>Expenditures</b>									
Current:									
General government	---	---	---	---	---	---	---	---	---
Public safety	---	---	---	---	---	---	---	---	---
Public works	4,140,515	4,725,000	4,027,083	---	82,050	9,336	7,781,000	69,175,730	21,287,326
Health and welfare	---	---	---	---	---	---	---	---	---
Culture and recreation	---	---	---	---	---	---	---	---	---
Economic development and assistance	---	---	---	---	---	---	---	---	---
Transportation	---	---	---	---	---	---	---	---	---
<b>Total Expenditures</b>	<b>4,140,515</b>	<b>4,725,000</b>	<b>4,027,083</b>	<b>---</b>	<b>82,050</b>	<b>9,336</b>	<b>7,781,000</b>	<b>69,175,730</b>	<b>21,287,326</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(821,455)</b>	<b>(1,221,670)</b>	<b>(296,668)</b>	<b>100,000</b>	<b>1,140,550</b>	<b>1,346,073</b>	<b>(7,781,000)</b>	<b>(60,976,300)</b>	<b>(20,197,771)</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	592,900	1,008,970	112,528	---	---	1,570,400	7,781,000	60,976,300	20,197,771
Transfers out	---	---	---	---	---	---	---	---	---
Capital leases	---	---	---	---	---	---	---	---	---
Sale of capital assets	---	---	---	---	---	---	---	---	---
<b>Net Other Financing Sources (Uses)</b>	<b>592,900</b>	<b>1,008,970</b>	<b>112,528</b>	<b>---</b>	<b>---</b>	<b>1,570,400</b>	<b>7,781,000</b>	<b>60,976,300</b>	<b>20,197,771</b>
<b>Net Change in Fund Balance</b>	<b>(28,555)</b>	<b>(212,700)</b>	<b>(184,140)</b>	<b>100,000</b>	<b>1,140,550</b>	<b>2,916,473</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Fund Balances at Beginning of Year, as Restated (Note 23)</b>	<b>212,700</b>	<b>212,700</b>	<b>212,695</b>	<b>---</b>	<b>---</b>	<b>(3,901,305)</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Fund Balances at End of Year</b>	<b>\$184,145</b>	<b>\$---</b>	<b>\$28,555</b>	<b>\$100,000</b>	<b>\$1,140,550</b>	<b>(\$884,832)</b>	<b>\$---</b>	<b>\$---</b>	<b>\$---</b>

**PLAQUEMINES PARISH GOVERNMENT  
Pointe a la Hache, Louisiana**

**Notes to Budgetary Comparison Schedule  
For the Year Ended December 31, 2008**

**BASIS OF ACCOUNTING**

The accompanying budgetary comparison schedule is not adopted on a basis consistent with generally accepted accounting principles (GAAP). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

**NON-GAAP REPORTING RECONCILIATION**

Budgetary amounts adopted by the Parish do not include public assistance disaster grant revenue from the United States Federal Emergency Management Agency nor the related expenditures. Actual amounts are reconciled on a non-GAAP basis for comparison as follows:

<b>FEMA Management</b>			
	<b>As Reported</b>	<b>Adjustment to Budgetary Basis</b>	<b>Non-GAAP Basis</b>
<b>Revenues</b>			
Federal Grants	\$65,886,213	\$64,530,804	\$1,355,409
<b>Expenditures</b>			
Public Safety	\$84,460,753	\$84,451,417	\$9,336

## **Other Supplementary Information**

Plaquemines Parish Government  
 Pointe a la Hache, Louisiana  
 All Fund Types

Schedule 2

Combined Balance Sheet  
 December 31, 2008

	Governmental Fund Types			Proprietary Fund Type	Fiduciary Fund Type		Total
	General	Special Revenue	Capital Projects	Enterprise	Agency	Permanent	Memorandum Only
<b>Assets:</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	\$5,466,760	\$2,044,794	\$2,594,328	\$214,122	\$1,207,218	\$102,187	\$11,629,409
Investments	48,514,375	1,006,402	9,997,303	819,106	409,534	26,180	60,772,900
Receivables (net of allowances for uncollectibles)	13,636,839	78,105,150	17,062	4,820,578	—	—	96,579,829
Due from other funds	48,345,847	234,944	246,602	1,301	—	—	48,828,694
Prepaid items	619,193	—	—	3,945	—	—	623,138
<b>Total Current Assets</b>	<b>116,583,014</b>	<b>81,391,290</b>	<b>12,855,295</b>	<b>5,859,052</b>	<b>1,618,752</b>	<b>128,367</b>	<b>218,433,770</b>
<b>Non-Current Assets:</b>							
Interfund loan	2,073,727	—	—	—	—	—	2,073,727
Land, buildings and equipment (net, where applicable, of accumulated depreciation)	—	—	—	58,939,373	—	—	58,939,373
<b>Total Non-Current Assets</b>	<b>2,073,727</b>	<b>—</b>	<b>—</b>	<b>58,939,373</b>	<b>—</b>	<b>—</b>	<b>61,013,100</b>
<b>Total Assets</b>	<b>\$118,656,741</b>	<b>\$81,391,290</b>	<b>\$12,855,295</b>	<b>\$64,798,425</b>	<b>\$1,618,752</b>	<b>\$128,367</b>	<b>\$279,448,870</b>
<b>Liabilities:</b>							
<b>Current Liabilities:</b>							
Cash overdraft	\$ —	\$ —	\$ —	\$5,248,891	\$ —	\$ —	\$5,248,891
Accounts, salaries and other payables	2,426,447	352,897	15,688	852,927	—	—	3,447,957
Contracts and retainage payable	3,712,747	25,014,185	791,951	—	—	—	29,518,883
Capital leases payable	—	—	—	1,471	—	—	1,471
Deferred revenues	2,794,428	28,525,887	—	—	—	—	29,320,115
Compensated absences payable	619,998	268,613	—	90,440	—	—	979,051
Deposits due others	26,255	910	—	—	1,117,679	—	1,144,844
Due to other funds	247,903	47,204,172	182	1,376,437	—	—	48,828,694
Other	88,009	176,858	—	492,212	499,073	—	1,256,150
<b>Total Current Liabilities</b>	<b>9,915,787</b>	<b>99,543,320</b>	<b>807,819</b>	<b>7,862,378</b>	<b>1,618,752</b>	<b>—</b>	<b>119,746,056</b>
<b>Non-Current Liabilities:</b>							
Interfund loan	—	—	—	2,073,727	—	—	2,073,727
Other post-employment benefits	—	—	—	170,509	—	—	170,509
<b>Total Non-Current Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,244,236</b>	<b>—</b>	<b>—</b>	<b>2,244,236</b>
<b>Total Liabilities</b>	<b>9,915,787</b>	<b>99,543,320</b>	<b>807,819</b>	<b>10,106,614</b>	<b>1,618,752</b>	<b>—</b>	<b>121,990,292</b>
<b>Net Assets and Fund Balances:</b>							
<b>Net Assets:</b>							
Invested in capital assets, net of related debt	—	—	—	58,939,373	—	—	58,939,373
Held in trust for pension benefits and other purposes	—	—	—	—	—	128,367	128,367
Unrestricted (Deficit)	—	—	—	(4,247,562)	—	—	(4,247,562)
<b>Fund Balances:</b>							
Reserved	22,513,610	215,501	—	—	—	—	22,729,111
Unreserved:							
Designated	66,028,625	287,787	12,047,476	—	—	—	78,363,888
Undesignated (Deficit)	20,198,719	(18,655,318)	—	—	—	—	1,543,401
<b>Total Net Assets and Fund Balances</b>	<b>108,740,954</b>	<b>(18,152,030)</b>	<b>12,047,476</b>	<b>54,691,811</b>	<b>—</b>	<b>128,367</b>	<b>157,456,578</b>
<b>Total Liabilities, Net Assets and Fund Balances</b>	<b>\$118,656,741</b>	<b>\$81,391,290</b>	<b>\$12,855,295</b>	<b>\$64,798,425</b>	<b>\$1,618,752</b>	<b>\$128,367</b>	<b>\$279,448,870</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Governmental Fund Types**

**Schedule 3**

**Combined Schedule of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2008**

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Memorandum Only
<b>Revenues</b>					
Taxes:					
Ad valorem	\$2,713,579	\$5,551,872	\$ —	\$ —	\$8,265,451
Sales and use	6,243,834	—	1,803,219	—	8,047,053
Other taxes, penalties, interest, etc	49,713	—	—	—	49,713
Licenses and permits	1,518,426	—	—	—	1,518,426
Intergovernmental revenues:					
Federal grants	1,040,718	65,916,330	—	946,755	67,903,803
State funds:					
Parish transportation funds	—	367,112	—	—	367,112
State revenue sharing	36,688	75,071	—	—	111,759
Parish royalty fund	27,757,045	—	2,712,510	—	30,469,555
Other	1,238,794	209,954	—	142,800	1,591,548
Fees, charges and commissions for services	541,078	1,409,929	—	—	1,951,007
Fines and forfeitures	—	369,084	—	—	369,084
Use of money and property	22,268,861	135,649	—	407,579	22,812,089
Other	2,580,743	420,617	—	—	3,001,360
<b>Total Revenues</b>	<b>65,989,479</b>	<b>74,455,618</b>	<b>4,515,729</b>	<b>1,497,134</b>	<b>148,457,960</b>
<b>Expenditures</b>					
General government:					
Legislative	1,453,151	—	—	—	1,453,151
Judicial	3,276,805	21,682	—	—	3,298,487
Executive	2,198,918	—	—	—	2,198,918
Elections	136,774	—	—	—	136,774
Finance and administrative	3,282,702	—	—	—	3,282,702
Other	3,070,325	—	—	—	3,070,325
Public safety	1,506,041	—	—	—	1,506,041
Public works	10,704,041	92,140,126	—	28,127,988	130,972,155
Health and welfare	1,221,402	5,375,839	—	—	6,597,241
Culture and recreation	1,427,988	708,227	—	—	2,136,215
Economic development and assistance	308,170	—	—	—	308,170
Transportation	4,552,625	—	—	—	4,552,625
Debt service	—	—	4,515,729	—	4,515,729
<b>Total Expenditures</b>	<b>33,138,942</b>	<b>98,245,874</b>	<b>4,515,729</b>	<b>28,127,988</b>	<b>164,028,533</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>32,850,537</b>	<b>(23,790,256)</b>	<b>—</b>	<b>(26,630,854)</b>	<b>(17,570,573)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	354,475	7,253,325	—	21,266,963	28,874,763
Transfers out	(30,709,748)	(504,475)	—	—	(31,214,223)
Sale of capital assets	117,276	—	—	—	117,276
Capital leases	53,062	—	—	—	53,062
<b>Net Other Financing Sources (Uses)</b>	<b>(30,184,935)</b>	<b>6,748,850</b>	<b>—</b>	<b>21,266,963</b>	<b>(2,169,122)</b>
<b>Net Change in Fund Balance</b>	<b>2,665,602</b>	<b>(17,041,406)</b>	<b>—</b>	<b>(5,363,891)</b>	<b>(19,739,695)</b>
<b>Fund Balances at Beginning of Year, as Restated (Note 23)</b>	<b>108,075,352</b>	<b>(1,110,624)</b>	<b>—</b>	<b>17,411,367</b>	<b>122,376,095</b>
<b>Fund Balances at End of Year</b>	<b>\$108,740,954</b>	<b>(\$18,152,030)</b>	<b>\$ —</b>	<b>\$12,047,476</b>	<b>\$102,636,400</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Fund Type-Enterprise Funds**

**Schedule 4**

**Combined Schedule of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2008**

<b>Operating Revenues</b>	
Charges for services	\$7,126,642
Other	566,828
<b>Total Operating Revenues</b>	<b>7,693,470</b>
<b>Operating Expenses</b>	
Personal services	2,205,581
Contractual services, supplies, materials and other	10,245,409
Depreciation	2,977,140
<b>Total Operating Expenses</b>	<b>15,428,130</b>
<b>Operating Loss</b>	<b>(7,734,660)</b>
<b>Non-Operating Revenues (Expenses)</b>	
Interest revenue	41,409
Interest expense	(269)
Ad valorem taxes	3,202,479
Other	(198,842)
<b>Net Non-Operating Revenues</b>	<b>3,044,777</b>
<b>Net Loss Before Contributions and Transfers</b>	<b>(4,689,883)</b>
<b>Capital Contributions</b>	<b>17,672,128</b>
<b>Transfers In</b>	<b>2,339,460</b>
<b>Changes In Net Assets</b>	<b>15,321,705</b>
<b>Net Assets-Beginning</b>	<b>39,370,106</b>
<b>Net Assets-Ending</b>	<b>\$54,691,811</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Proprietary Fund Type-Enterprise Funds**

**Schedule 5**

**Combined Schedule of Cash Flows  
For the Year Ended December 31, 2008**

<b>Cash Flows From Operating Activities:</b>	
Cash received from customers	\$6,879,068
Cash payments for goods and services	(4,470,696)
Cash payments to employees	(2,025,482)
<b>Net Cash Provided by Operating Activities</b>	<b>382,890</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>	
Ad valorem tax collections	3,202,479
Other non-operating revenues	8,328
Operating transfers in	2,339,460
Payments on short-term loan from other funds	(5,201,439)
<b>Net Cash Provided by Non-Capital Financing Activities</b>	<b>348,828</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>	
Acquisition/construction of capital assets	(844,293)
Decrease in intergovernmental receivables	(9,886)
Cash proceeds from sale of assets	4,946
Interest paid	(269)
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(849,502)</b>
<b>Cash Flows From Investing Activities:</b>	
Interest received on time deposits	41,409
Payments for investments	(815,626)
<b>Net Cash Used by Investing Activities</b>	<b>(774,217)</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(892,001)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>1,106,123</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$214,122</b>
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities</b>	
Operating loss	(\$7,734,660)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	2,977,140
Change in assets and liabilities:	
(Increase) in receivables and other current assets	(810,797)
Increase in accounts payable	494,381
Increase in other liabilities	5,456,826
<b>Net Cash Provided by Operating Activities</b>	<b>\$382,890</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2008**

**SPECIAL REVENUE FUNDS**

**ROAD MAINTENANCE FUND**

The Road Maintenance Fund accounts for the expenditures in connection with the maintenance and upkeep of the Parish's road system. Revenues of this fund are derived principally from ad valorem taxes and a state mowing and litter collection agreement as well as transfers from the General Fund.

**PUBLIC HEALTH FUND**

The Public Health Fund accounts for the expenditures in connection with the health and welfare of parish residents. Revenues of this fund are derived principally through ad valorem taxes and fees collected from Ambulance Services and Animal Control as well as transfers from the General Fund.

**SOLID WASTE FUND**

The Solid Waste Fund accounts for the operation of a parish-wide system for the collection and disposal of solid waste. Revenues of this fund are derived principally from ad valorem taxes and sanitation fees as well as transfers from the General Fund.

**LIBRARY FUND**

The Library Fund accounts for the costs of operating parish libraries, which are located in Buras, Port Sulphur and Belle Chasse. Revenues of this fund are derived principally from ad valorem taxes and library fines and fees.

**TRANSPORTATION FUND**

The Transportation Fund accounts for expenditures in connection with the maintenance and upkeep of the Parish's road system. Revenues of this fund are derived from the State of Louisiana through the Parish Transportation Fund. Use of this fund is restricted by Louisiana Revised Statute 48:753.

**CRIMINAL COURT FUND**

The Criminal Court Fund for the Twenty-Fifth Judicial District was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provide that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases, be transferred to the parish treasurer and deposited into a special account to be used for the expenses of the Criminal Court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges.

**JUDICIAL COURT REPORTER FUND**

The Judicial Court Reporter Fund accounts for judicial fees collected by the Clerk of Court and remitted to the Parish for payment of court reporter costs.

**DWI COURT ADMINISTERED FUND**

The DWI Court Administered Fund accounts for fines collected by the sheriff's office and remitted to the Parish for the administration of a substance abuse center.

**911 FUND**

The 911 Fund accounts for the operations of a parish-wide 911 emergency system. Financing for this fund is derived primarily from fees collected from parish residents.

**FEMA MANAGEMENT FUND**

The FEMA Management Fund accounts for Federal Emergency Management Agency funds related to disaster recovery efforts.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Special Revenue Funds**

**Schedule 6**

**Combining Balance Sheet  
December 31, 2008**

	Road Maintenance	Public Health	Solid Waste	Library	Transportation	Criminal Court	Judicial Court Reporter	DWI Court Admin.	911	FEMA Mgmt	Total
<b>Assets:</b>											
Cash and cash equivalents	\$77,584	\$116,660	\$26,255	\$996,603	\$277,533	\$452,267	\$—	\$64,719	\$31,173	\$—	\$2,044,794
Investments	21,509	—	156,473	544,815	65,489	213,283	—	—	4,833	—	1,006,402
Receivables (net of allowances for uncollectibles)	1,276,491	785,528	3,207,330	822,425	55,672	43,550	755	400	49,876	71,863,125	78,105,150
Due from other funds	—	213,010	—	—	—	—	—	—	21,934	—	234,944
<b>Total Assets</b>	<b>\$1,375,584</b>	<b>\$1,117,196</b>	<b>\$3,390,058</b>	<b>\$2,363,843</b>	<b>\$398,694</b>	<b>\$709,100</b>	<b>\$755</b>	<b>\$65,119</b>	<b>\$107,818</b>	<b>\$71,863,125</b>	<b>\$81,391,290</b>
<b>Liabilities:</b>											
Accounts, salaries and other payables	\$82,537	\$82,133	\$169,748	\$17,989	—	\$150	\$—	\$—	\$340	\$—	\$352,897
Contracts and retainage payable	—	—	—	—	—	—	—	—	—	25,014,185	\$25,014,185
Deferred revenues	1,149,278	780,626	3,029,211	761,128	—	—	—	—	—	20,805,444	26,525,687
Compensated absences payable	88,773	96,072	68,568	19,794	—	—	—	—	15,406	—	288,613
Deposits due others	—	910	—	—	—	—	—	—	—	—	910
Due to other funds	—	—	—	—	—	354,475	755	1	—	48,848,941	47,204,172
Other	35,654	23,613	93,976	23,613	—	—	—	—	—	—	176,856
<b>Total Liabilities</b>	<b>1,336,242</b>	<b>983,354</b>	<b>3,361,503</b>	<b>822,524</b>	<b>—</b>	<b>354,625</b>	<b>755</b>	<b>1</b>	<b>15,746</b>	<b>92,668,570</b>	<b>99,543,320</b>
<b>Fund Balances:</b>											
Reserved:											
Encumbrances	39,342	133,842	28,555	2,483	—	—	—	—	11,279	—	215,501
Unreserved:											
Designated for capital projects	—	—	—	—	287,787	—	—	—	—	—	287,787
Undesignated (Deficit)	—	—	—	1,538,836	110,907	354,475	—	65,118	90,791	(20,805,445)	(18,655,318)
<b>Total Fund Balances</b>	<b>39,342</b>	<b>133,842</b>	<b>28,555</b>	<b>1,541,319</b>	<b>398,694</b>	<b>354,475</b>	<b>—</b>	<b>65,118</b>	<b>92,070</b>	<b>(20,805,445)</b>	<b>(18,152,030)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,375,584</b>	<b>\$1,117,196</b>	<b>\$3,390,058</b>	<b>\$2,363,843</b>	<b>\$398,694</b>	<b>\$709,100</b>	<b>\$755</b>	<b>\$65,119</b>	<b>\$107,818</b>	<b>\$71,863,125</b>	<b>\$81,391,290</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Special Revenue Funds**

**Schedule 7**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2008**

	Road Maintenance	Public Health	Solid Waste	Library	Transpor- tation	Criminal Court	Judicial Court Reporter	DWI Court Admin.	911	FEMA Mgmt	Total
<b>Revenues</b>											
Taxes											
Ad valorem	\$1,116,619	\$742,335	\$2,850,626	\$742,292	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$5,551,872
Intergovernmental revenues:											
Federal grants	3,132	16,610	8,276	2,099	--	--	--	--	--	65,888,213	65,916,330
State funds:											
Parish transportation funds	--	--	--	--	367,112	--	--	--	--	--	367,112
State revenue sharing	15,099	10,040	39,892	10,040	--	--	--	--	--	--	75,071
Other	182,340	342	--	27,272	--	--	--	--	--	--	209,954
Fees, charges and commissions for services	--	422,745	670,657	--	--	--	11,900	--	304,627	--	1,409,929
Fines and forfeitures	--	--	--	2,624	--	363,910	--	2,550	--	--	369,084
Use of money and property	9,021	2,565	52,558	47,647	6,311	14,778	184	928	1,856	--	135,649
Other	--	213,010	8,406	155,333	--	--	--	--	43,868	--	420,617
<b>Total Revenues</b>	<b>1,326,211</b>	<b>1,407,647</b>	<b>3,730,415</b>	<b>987,307</b>	<b>373,423</b>	<b>378,688</b>	<b>12,084</b>	<b>3,479</b>	<b>350,151</b>	<b>65,888,213</b>	<b>74,455,618</b>
<b>Expenditures</b>											
General government:											
Judicial	--	--	--	--	--	9,598	12,084	--	--	--	21,882
Public works	3,652,290	--	4,027,083	--	--	--	--	--	--	84,460,753	92,140,128
Health and welfare	--	4,893,145	--	--	--	--	--	--	482,894	--	5,375,839
Culture and recreation	--	--	--	708,227	--	--	--	--	--	--	708,227
<b>Total Expenditures</b>	<b>3,652,290</b>	<b>4,893,145</b>	<b>4,027,083</b>	<b>708,227</b>	<b>--</b>	<b>9,598</b>	<b>12,084</b>	<b>--</b>	<b>482,894</b>	<b>84,460,753</b>	<b>98,245,874</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(2,326,079)</b>	<b>(3,485,498)</b>	<b>(296,668)</b>	<b>279,080</b>	<b>373,423</b>	<b>369,090</b>	<b>--</b>	<b>3,479</b>	<b>(132,543)</b>	<b>(18,574,540)</b>	<b>(23,790,256)</b>
<b>Other Financing Sources (Uses)</b>											
Transfers in	2,326,250	3,244,147	112,528	--	--	--	--	--	--	1,570,400	7,253,325
Transfers out	--	--	--	--	(150,000)	(354,475)	--	--	--	--	(504,475)
<b>Net Other Financing Sources (Uses)</b>	<b>2,326,250</b>	<b>3,244,147</b>	<b>112,528</b>	<b>--</b>	<b>(150,000)</b>	<b>(354,475)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1,570,400</b>	<b>8,748,850</b>
<b>Net Change in Fund Balance</b>	<b>171</b>	<b>(241,351)</b>	<b>(184,140)</b>	<b>279,080</b>	<b>223,423</b>	<b>14,615</b>	<b>--</b>	<b>3,479</b>	<b>(132,543)</b>	<b>(17,004,140)</b>	<b>(17,041,406)</b>
<b>Fund Balances at Beginning of Year, as Restated (Note 23)</b>	<b>39,171</b>	<b>375,193</b>	<b>212,695</b>	<b>1,262,239</b>	<b>175,271</b>	<b>339,860</b>	<b>--</b>	<b>61,639</b>	<b>224,613</b>	<b>(3,801,305)</b>	<b>(1,110,624)</b>
<b>Fund Balances at End of Year</b>	<b>\$39,342</b>	<b>\$133,842</b>	<b>\$28,555</b>	<b>\$1,541,319</b>	<b>\$398,694</b>	<b>\$354,475</b>	<b>\$ --</b>	<b>\$65,118</b>	<b>\$92,070</b>	<b>(\$20,805,445)</b>	<b>(\$18,152,030)</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2008**

**DEBT SERVICE FUNDS**

**PUBLIC IMPROVEMENT BONDS, SERIES 1999 FUND**

The Public Improvement Bonds, Series 1999 Fund accumulates monies for the Series 1999 Public Improvement Bonds dated May 1, 1999. Funding is provided by royalties from the State of Louisiana from mineral leases on state-owned land located within Plaquemines Parish.

**PUBLIC IMPROVEMENT BONDS, SERIES 2001 FUND**

The Public Improvement Bonds, Series 2001 Fund accumulates monies for the Series 2001 Public Improvement Bonds dated June 14, 2001. Funding is provided by royalties from the State of Louisiana from mineral leases on state-owned land located within Plaquemines Parish.

**REVENUE BONDS, SERIES 2004 FUND**

The Revenue Bonds, Series 2004 Fund accumulates monies for the Series 2004 Revenue Bonds dated March 1, 2004. Funding is provided by the proceeds of the special one per cent sales and use tax being levied and collected pursuant to an election held in Plaquemines Parish on October 29, 1977.

**REVENUE BONDS, SERIES 2005 FUND**

The Revenue Bonds, Series 2005 Fund accumulates monies for the Series 2005 Revenue Bonds dated July 1, 2005. Funding is provided by the proceeds of the special one per cent sales and use tax being levied and collected pursuant to an election held in Plaquemines Parish on October 29, 1977.

**REVENUE BONDS, SERIES 2007 FUND**

The Revenue Bonds, Series 2007 Fund accumulates monies for the Series 2007 Revenue Bonds dated September 1, 2007. Funding is provided by the proceeds of the special one per cent sales and use tax being levied and collected pursuant to an election held in Plaquemines Parish on October 29, 1977.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Debt Service Funds**

**Schedule 8**

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2008**

	Public Improvement Bonds		Revenue Bonds			Total
	Series 1999	Series 2001	Series 2004	Series 2005	Series 2007	
<b>Revenues</b>						
Sales and use tax	\$ --	\$ --	\$1,130,862	\$389,200	\$283,157	\$1,803,219
Intergovernmental revenue						
State funds:						
Parish royalty fund	798,585	1,913,925	--	--	--	2,712,510
<b>Total Revenues</b>	<b>798,585</b>	<b>1,913,925</b>	<b>1,130,862</b>	<b>389,200</b>	<b>283,157</b>	<b>4,515,729</b>
<b>Expenditures</b>						
Debt service:						
Principal retirement	675,000	1,840,000	940,000	180,000	75,000	3,710,000
Interest	122,450	73,600	190,086	208,205	207,956	802,297
Other	1,135	325	776	995	201	3,432
<b>Total Expenditures</b>	<b>798,585</b>	<b>1,913,925</b>	<b>1,130,862</b>	<b>389,200</b>	<b>283,157</b>	<b>4,515,729</b>
<b>Excess of Revenues Over Expenditures</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances at Beginning of Year</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances at End of Year</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2008**

**CAPITAL PROJECTS FUNDS**

**1999 GENERAL OBLIGATION BOND CONSTRUCTION FUND (WATER AND SEWER PROJECTS)**

The 1999 General Obligation Bond Construction Fund, Water and Sewer Projects is used for parishwide water and sewer improvements. Financing is being provided from the unexpended proceeds of the \$10,000,000 in general obligation bonds issued on December 11, 1991.

**2004 REVENUE BOND CONSTRUCTION FUND (SEWER PROJECTS)**

The 2004 Revenue Bond Construction Fund, Sewer Projects is used for parishwide sewer improvements. Financing is being provided from the unexpended proceeds of the \$10,000,000 in revenue bonds issued on March 1, 2004.

**2005 / 2007 REVENUE BOND CONSTRUCTION FUND (WEST FIRST STREET CANAL PROJECT)**

The 2005 / 2007 Revenue Bond Construction Fund is used for the West First Street Canal Drainage project. Financing is being provided from the unexpended proceeds of the \$10,300,000 in revenue bonds.

**LCDBG POINTE A LA HACHE TO BOHEMIA SEWER PROJECT**

The LCDBG Pointe a la Hache to Bohemia Sewer Fund is used to account for the rehabilitation of sewer lines from Pointe a la Hache to Bohemia. Financing is being provided through the Louisiana Community Development Block Grant federal award and through transfers from the General and Water and Sewer Funds.

**CAPITAL IMPROVEMENTS FUND**

The Capital Improvements Fund is used to account for the purchase or construction of various major capital facilities or equipment, which are being financed from the General Fund.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Capital Projects Funds**

Schedule 9

**Combining Balance Sheet  
December 31, 2008**

	GO Bonds	Revenue Bonds		Total
	Series 1999 Waterworks & Sewer Projects	Series 2004 Sewer Projects	Series 2005/2007 Canal Imp	
<b>Assets:</b>				
Cash and cash equivalents	\$5,361	\$1,403,728	\$1,185,239	\$2,594,328
Investments	328,852	9,668,451	—	9,997,303
Receivables (net of allowances for uncollectibles)	—	17,062	—	17,062
Due from other funds	—	35,860	210,742	246,602
<b>Total Assets</b>	<b>\$334,213</b>	<b>\$11,125,101</b>	<b>\$1,395,981</b>	<b>\$12,855,295</b>
<b>Liabilities:</b>				
Accounts, salaries and other payables	\$ —	\$ —	\$15,686	\$15,686
Contracts and retainage payable	40,460	12,161	739,330	791,951
Deferred revenues	—	—	—	—
Due to other funds	—	122	60	182
<b>Total Liabilities</b>	<b>40,460</b>	<b>12,283</b>	<b>755,076</b>	<b>807,819</b>
<b>Fund Balances:</b>				
Unreserved:				
Designated for capital projects	293,753	11,112,818	640,905	12,047,476
<b>Total Fund Balances</b>	<b>293,753</b>	<b>11,112,818</b>	<b>640,905</b>	<b>12,047,476</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$334,213</b>	<b>\$11,125,101</b>	<b>\$1,395,981</b>	<b>\$12,855,295</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Capital Projects Funds**

Schedule 10

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2008**

	GO Bonds	Revenue Bonds		LCDBG Proj	Capital Improvements	Total
	Series 1999 Waterworks & Sewer Projects	Series 2004 Sewer Projects	Series 2005/2007 Canal Imp	PALH to Bohemia Sewerline		
<b>Revenues</b>						
Intergovernmental revenue						
Federal grants	\$ --	\$ --	\$ --	\$ --	\$946,755	\$946,755
State funds					142,800	142,800
Other	6,486	306,141	94,952	--	--	407,579
Use of money and property						
Other	--	--	--	--	--	--
<b>Total Revenues</b>	6,486	306,141	94,952	--	1,089,555	1,497,134
<b>Expenditures</b>						
Public works	--	184,930	6,617,807	37,925	21,287,326	28,127,988
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	6,486	121,211	(6,522,855)	(37,925)	(20,197,771)	(26,630,854)
<b>Other Financing Sources</b>						
Transfers in	--	--	1,031,267	37,925	20,197,771	21,266,963
<b>Net Change in Fund Balance</b>	6,486	121,211	(5,491,588)	--	--	(5,363,891)
<b>Fund Balances at Beginning of Year</b>	287,267	10,991,607	6,132,493	--	--	17,411,367
<b>Fund Balances at End of Year</b>	\$293,753	\$11,112,818	\$640,905	\$ --	\$ --	\$12,047,476

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2008**

**ENTERPRISE FUNDS**

**WATER AND SEWER FUND**

The Water and Sewer Fund accounts for the operations of the water and sewer systems of the Parish. Water and sewer plants are located at various locations throughout the parish.

**PORT HARBOR AND TERMINAL DISTRICT FUND**

The Port, Harbor and Terminal District Fund accounts for the operations of the Parish's Port, Harbor and Terminal District.

**GOLF COURSE FUND**

The Golf Course Fund accounts for the operations of the Parish's golf course located in Port Sulphur.

**BOAT HARBORS AND SHIPYARDS FUND**

The Boat Harbors and Shipyards Fund accounts for the maintenance and upkeep of the Parish's boat harbors, boatways, shipyards and oyster docks. Boat Harbors are located at Buras, Venice, Pointe a la Hache, and Empire. Shipyards are located at Empire and Pointe a la Hache. Oyster docks are located in Empire, Buras and Pointe a la Hache.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Enterprise Funds**

**Schedule 11**

**Combining Schedule of Net Assets  
December 31, 2008**

	<b>Water and Sewer</b>	<b>Port, Harbor and Terminal</b>	<b>Golf Course</b>	<b>Boat Harbors &amp; Shipyards</b>	<b>Total</b>
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$---	\$70,991	\$10,000	\$133,131	\$214,122
Investments	---	819,106	---	---	819,106
Receivables (net of allowance for uncollectibles)	3,825,581	964,945	---	30,052	4,820,578
Due from other funds	---	1,301	---	---	1,301
Prepaid items	3,945	---	---	---	3,945
<b>Total Current Assets</b>	<b>3,829,526</b>	<b>1,856,343</b>	<b>10,000</b>	<b>163,183</b>	<b>5,859,052</b>
<b>Non-Current Assets:</b>					
Land	52,000	---	---	---	52,000
Buildings	11,452,802	4,927,055	---	---	16,379,857
Improvements other than buildings	46,379,136	435,421	---	444,806	47,259,363
Machinery and equipment	2,519,173	4,657,571	---	638,829	7,815,573
Construction in progress	24,603,631	554,622	---	6,958,108	32,116,361
Less accumulated depreciation	(41,274,892)	(2,905,546)	---	(503,343)	(44,683,781)
<b>Total Non-Current Assets</b>	<b>43,731,850</b>	<b>7,669,123</b>	<b>---</b>	<b>7,538,400</b>	<b>58,939,373</b>
<b>Total Assets</b>	<b>\$47,561,376</b>	<b>\$9,525,466</b>	<b>\$10,000</b>	<b>\$7,701,583</b>	<b>\$64,798,425</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Cash overdraft	\$5,248,891	\$---	\$---	\$---	\$5,248,891
Accounts payable	542,195	79,279	---	31,453	652,927
Contracts and retainage payable	---	---	---	---	0
Capital leases payable	---	1,471	---	---	1,471
Compensated absences payable	11,991	65,027	---	13,422	90,440
Due to other funds	---	966,437	10,000	400,000	1,376,437
Other	479,712	12,500	---	---	492,212
<b>Total Current Liabilities</b>	<b>6,282,789</b>	<b>1,124,714</b>	<b>10,000</b>	<b>444,875</b>	<b>7,862,378</b>
<b>Non-Current Liabilities:</b>					
Interfund loan	2,073,727	---	---	---	2,073,727
Other post-employment benefits payable	---	170,509	---	---	170,509
<b>Total Non-Current Liabilities</b>	<b>2,073,727</b>	<b>170,509</b>	<b>---</b>	<b>---</b>	<b>2,244,236</b>
<b>Total Liabilities</b>	<b>8,356,516</b>	<b>1,295,223</b>	<b>10,000</b>	<b>444,875</b>	<b>10,106,614</b>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	43,731,850	7,669,123	---	7,538,400	58,939,373
Unrestricted (Deficit)	(4,526,990)	561,120	---	(281,692)	(4,247,562)
<b>Total Net Assets</b>	<b>39,204,860</b>	<b>8,230,243</b>	<b>---</b>	<b>7,256,708</b>	<b>54,691,811</b>
<b>Total Liabilities and Net Assets</b>	<b>\$47,561,376</b>	<b>\$9,525,466</b>	<b>\$10,000</b>	<b>\$7,701,583</b>	<b>\$64,798,425</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Enterprise Funds**

**Schedule 12**

**Combining Schedule of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2008**

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors & Shipyards	Total
<b>Operating Revenues</b>					
Charges for services	\$3,680,409	\$3,307,416	\$---	\$138,817	\$7,126,642
Other	335,999	123,300	---	107,529	566,828
<b>Total Operating Revenues</b>	4,016,408	3,430,716	---	246,346	7,693,470
<b>Operating Expenses</b>					
Personal services	410,367	1,368,312	25,384	401,518	2,205,581
Contractual services, supplies, materials and other	8,195,134	1,579,067	5,688	465,520	10,245,409
Depreciation	2,578,508	336,584	---	62,048	2,977,140
<b>Total Operating Expenses</b>	11,184,009	3,283,963	31,072	929,086	15,428,130
<b>Operating Income (Loss)</b>	(7,167,601)	146,753	(31,072)	(682,740)	(7,734,660)
<b>Non-Operating Revenues (Expenses)</b>					
Interest revenue	6,533	34,876	---	---	41,409
Interest expense	---	(269)	---	---	(269)
Ad valorem taxes	3,202,479	---	---	---	3,202,479
Other	13,274	(205,714)	(5,247)	(1,155)	(198,842)
<b>Net Non-Operating Revenues (Expenses)</b>	3,222,286	(171,107)	(5,247)	(1,155)	3,044,777
<b>Net Income (Loss) Before Contributions and Transfers</b>	(3,945,315)	(24,354)	(36,319)	(683,895)	(4,689,883)
<b>Capital Contributions</b>	9,584,183	955,617	---	7,132,328	17,672,128
<b>Transfers In</b>	1,654,520	---	36,319	648,621	2,339,460
<b>Changes in Net Assets</b>	7,293,388	931,263	---	7,097,054	15,321,705
<b>Net Assets-Beginning</b>	31,911,472	7,298,980	---	159,654	39,370,106
<b>Net Assets-Ending</b>	\$39,204,860	\$8,230,243	\$---	\$7,256,708	\$54,691,811

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Enterprise Funds**

**Schedule 13**

**Combining Schedule of Cash Flows  
For the Year Ended December 31, 2008**

	Water and Sewer	Port, Harbor and Terminal	Golf Course	Boat Harbors & Shipyards	Total
<b>Cash Flows From Operating Activities:</b>					
Cash received from customers	\$3,835,672	\$3,027,102	\$--	\$216,294	\$6,879,068
Cash payments for goods and services	(2,460,785)	(1,548,040)	(6,287)	(455,604)	(4,470,696)
Cash payments to employees	(408,541)	(1,191,995)	(25,384)	(399,562)	(2,025,482)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>766,346</b>	<b>287,067</b>	<b>(31,651)</b>	<b>(638,872)</b>	<b>382,890</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>					
Ad valorem tax collections	3,202,479	--	--	--	3,202,479
Other non-operating revenues	8,328	--	--	--	8,328
Operating transfers in	1,654,520	--	36,319	648,621	2,339,460
Proceeds/payments of short-term loan from other funds	(4,900,000)	(346,439)	5,000	40,000	(5,201,439)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(34,673)</b>	<b>(346,439)</b>	<b>41,319</b>	<b>688,621</b>	<b>348,828</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Acquisition/construction of capital assets	(889,342)	(16,636)	--	61,685	(844,293)
Increase (Decrease) in intergovernmental receivables	3,798	(13,684)	--	--	(9,886)
Cash proceeds from sale of assets	4,946	--	--	--	4,946
Interest paid	--	(269)	--	--	(269)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(880,598)</b>	<b>(30,589)</b>	<b>--</b>	<b>61,685</b>	<b>(849,502)</b>
<b>Cash Flows From Investing Activities:</b>					
Interest received on time deposits	6,533	34,876	--	--	41,409
Payments for investments	--	(815,626)	--	--	(815,626)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>6,533</b>	<b>(780,750)</b>	<b>--</b>	<b>--</b>	<b>(774,217)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(142,392)</b>	<b>(870,711)</b>	<b>9,668</b>	<b>111,434</b>	<b>(892,001)</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>142,392</b>	<b>941,702</b>	<b>332</b>	<b>21,697</b>	<b>1,106,123</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$--</b>	<b>\$70,991</b>	<b>\$10,000</b>	<b>\$133,131</b>	<b>\$214,122</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating loss	(\$7,167,601)	\$146,753	(\$31,072)	(\$682,740)	(\$7,734,660)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,578,508	336,584	--	62,048	2,977,140
Change in assets and liabilities:					
(Increase) in receivables and other current assets	(377,131)	(403,614)	--	(30,052)	(810,797)
Increase (decrease) in accounts payable	450,592	33,052	(579)	11,316	494,381
Increase in other liabilities	5,281,978	174,292	--	556	5,456,826
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$766,346</b>	<b>\$287,067</b>	<b>(31,651)</b>	<b>(638,872)</b>	<b>\$382,890</b>

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULE**  
**As of December 31, 2008**

**FIDUCIARY FUNDS**

**AGENCY FUNDS**

**SALES TAX FUND**

The Sales Tax Fund accounts for the collection and distribution of the Plaquemines Parish's 3 percent sales and use tax. Two percent of these funds is dedicated to the Plaquemines Parish School Board. The Parish is the collecting agent for the tax and remits to the School Board its pro rata share of the tax less two-thirds of the collection expenses. The Parish's sales tax ordinance provides that the proceeds can be used for general governmental expenses and for providing public services and facilities in the parish.

**PERMANENT FUNDS**

**DEFERRED COMPENSATION FUND**

The Deferred Compensation Fund accounts for the contributions and withdrawals by parish employees who participate in the deferred compensation plan created and organized in accordance with Internal Revenue Code Section 457. The plan is administered by a third party—the Commonwealth Annuity and Life Insurance Company. The plan, which is available to all employees, permits employees to defer the income tax on a portion of their salaries until future years.

Plaquemines Parish Government  
 Pointe a la Hache, Louisiana  
 Fiduciary Funds

Schedule 14

Combining Schedule of Fiduciary Net Assets  
 December 31, 2008

	Sales Tax	Deferred Compensation	Total
<b>Assets</b>			
Cash and cash equivalents	\$1,207,218	\$102,187	\$1,309,405
Investments (fair value)			
Corporate securities	—	21,107	21,107
Corporate bonds	—	4,977	4,977
Other	—	96	96
Local government investment pool	409,534	—	409,534
<b>Total Assets</b>	<b>\$1,616,752</b>	<b>\$128,367</b>	<b>\$1,745,119</b>
<b>Liabilities</b>			
Deposits due others	\$1,117,679	\$—	\$1,117,679
Other	499,073	—	499,073
<b>Total Liabilities</b>	<b>1,616,752</b>	<b>—</b>	<b>1,616,752</b>
<b>Net Assets</b>			
Held in trust for pension benefits and other purposes	—	128,367	128,367
<b>Total Liabilities and Net Assets</b>	<b>\$1,616,752</b>	<b>\$128,367</b>	<b>\$1,745,119</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana  
Fiduciary Funds**

Schedule 15

**Schedule of Changes in Fiduciary Net Assets  
For the Year Ended December 31, 2008**

	Deferred Compensation
<b>Additions</b>	
<b>Contributions:</b>	
Plan members	\$7,450
<b>Investment Earnings:</b>	
Net Increase in the fair value of investments	3,189
<b>Total Additions</b>	10,639
<b>Deductions</b>	
Administrative expenses	90
Change in the fair market value of investments	13,656
Withdrawals	1,500
<b>Total Deductions</b>	15,246
<b>Change In Net Assets</b>	(4,607)
<b>Net Assets-Beginning</b>	132,974
<b>Net Assets-Ending</b>	\$128,367

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**For the Year Ended December 31, 2008**

**COMPENSATION PAID TO COUNCIL MEMBERS AND PARISH PRESIDENT**

The schedule of compensation paid council members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the council members is included in the legislative expenditures of the General Fund. In accordance with Article IV, Section 4.07 of the Plaquemines Parish Charter for Local Self-Government, as amended, the members of the council receive \$28,100 per year, payable monthly, except for the Chairperson who receives \$29,100.

Compensation paid the parish president is included in executive expenditures of the General Fund. In accordance with the Plaquemines Parish Government's Charter for Local Self-Government, Section 3.09, the president's salary is \$72,000 per year, payable monthly.

**FEDERALLY ASSISTED PROGRAMS**

In accordance with the Single Audit Act Amendments of 1996 and Office of Management and Budget Circular A-133, a schedule of expenditures of federal awards is presented.

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Schedule 16**

**Schedule of Compensation Paid to Council Members and Parish President  
For the Year Ended December 31, 2008**

Position/Name	Annual Salary
<b>Parish President</b>	
William Nungesser	\$72,000
<b>Council Members</b>	
District 1 Don M. Beshel	28,100
District 2 Warren K. Hinkley	28,100
District 3 Jerry K. Hodnett	28,100
District 4 Stuart Guey	6,007
District 4 Irvin Juneau Jr	22,094
District 5 Anthony L. Buras, Jr.	28,100
District 6 Burghart H. Turner	28,100
District 7 John J. Friedman, Jr., Chairperson	29,100
District 8 Lynda G. Banta, Vice Chairperson	28,100
District 9 Maria F. Cooper	28,100
	253,901
<b>Total</b>	<b>\$325,901</b>

**Plaquemines Parish Government  
Pointe a la Hache, Louisiana**

**Schedule 17**

**Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2008**

Federal Grantor/ Pass-Through Grantor or Cluster Title	Federal CFDA Number	Identification	Federal Expenditures
<b>United States Department of Agriculture</b> Passed through Second Harvesters Food Bank of Greater New Orleans - Food Distribution	10 565	NONE	\$7,088
<b>United States Department of Health and Human Services</b> Passed through Louisiana Department of Labor - Community Services Block Grant	93.569	CSBG	81,260
Passed through Louisiana Housing Finance Agency - Low-Income Home Energy Assistance	93.568	LHFA	180,106
Passed through Louisiana Department of Health and Hospitals - Medical Assistance Program	93.778	307	118,229
Passed through Louisiana Department of Health and Hospitals - National Bioterrorism Hospital Preparedness Program	93.889	HRSA	14,528
<b>Total United States Department of Health and Human Services</b>			<b>394,123</b>
<b>United States Department of Defense</b> Passed through Louisiana Department of Transportation - Emergency Dredging Projects (Baptiste Collette)	12.109	737-38-0001	772,516
Direct Program: Department of the Army, Office of the Chief of Engineers - Emergency Advances Measures for Flood Prevention Emergency Levee Repairs Water and Sewer Lines Relocation	12 111	CRA-P13-PLAQ	109,239
<b>Total United States Department of Defense</b>			<b>881,755</b>
<b>United States Department of the Interior</b> Direct Programs. Payments in-Lieu-of Taxes (Public Law 95-469)	NONE	NONE	31,527
Payments in-Lieu-of Taxes (Public Law 97-258)	15.226	NONE	23,534
Passed through Louisiana Department of Wildlife and Fisheries - Sport Fish Restoration Program	15.605	LDWF	7,337
<b>Total United States Department of the Interior</b>			<b>62,398</b>
<b>United States Department of Transportation</b> Passed through Louisiana Department of Transportation and Development - Federal Transit - Capital Investment Grants	20 500	DOTD	342,441
<b>Office of Homeland Security/Federal Emergency Management Agency</b> Passed through United Way of America - Emergency Food and Shelter National Board Program	97.024	EFSP	11,006
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - Public Assistance Grants	97.036	111	24,583
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - State Domestic Preparedness Equipment Support Program	97.004	111	49,723
Passed through Louisiana Office of Public Assistance - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Hurricane Katrina)	97.036	PA-1603	65,773,978
Passed through Louisiana Office of Public Assistance - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Hurricane Lili)	97.036		2,035
Passed through Louisiana Office of Public Assistance - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Hurricane Gustav)	97 036		6,470,184
Passed through Louisiana Office of Public Assistance - Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Hurricane Ike)	97.036		10,748,137
Passed through Port of South Louisiana - Port Security Grants	97.056	2006-GB-T6-0004	31,616
Passed through Louisiana Office of Homeland Security and Emergency Preparedness - Information Analysis Infrastructure Protection Pilot Projects	97.080	1607-DR-LA-0019	65,000
<b>Total United States Federal Emergency Management Agency</b>			<b>83,176,262</b>
<b>United States Department of Justice</b> Passed through Louisiana Commission of Law Enforcement and Administration of Criminal Justice - Violence Against Women Formula Grants	16.588	M06-7-005	11,826
<b>United States Department of Commerce</b> Passed through Louisiana Office of Coastal Restoration and Management - Coastal Zone Management Administrative Awards	11 419	2515-09-1	35,145
<b>Total Issues/Expenditures</b>			<b>\$84,911,038</b>

**PLAQUEMINES PARISH GOVERNMENT  
Pointe a la Hache, Louisiana**

**Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2008**

**GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Plaquemines Parish Government (the Parish). The Parish reporting entity is defined in Note 1 to the financial statements for the year ended December 31, 2007. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The U.S. Federal State Emergency Management Agency-Domestic Preparedness Equipment Support Program and Disaster Grants-Public Assistance-Presidentially Declared Disasters are considered major federal programs of the Parish.

**BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Parish Government and is presented on the modified accrual basis of accounting. 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 primary government financial statements.

**RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

**OFFICE OF HOMELAND SECURITY/FEDERAL EMERGENCY MANAGEMENT  
AGENCY FUNDING**

Amounts reported in the Schedule of Expenditures of Federal Awards for Office of Homeland Security/Federal Emergency Management Agency funding do not agree with the amounts reported in the related financial reports. The financial reports include adjustments to current year federal expenditures due to the Office of Homeland Security and Emergency Preparedness funding an additional 10% cost share for work done in prior periods; however, the funds were received in the current year. The adjustments for the years ended December 31, 2005 and 2006 were increases of \$276,391 and \$1,145,452 respectively.

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

To the Plaquemines Parish Council  
Plaquemines Parish  
Pointe a la Hache, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Plaquemines Parish Government (the "Parish"), as of and for the year ended December 31, 2008, which collectively comprise the Parish's basic financial statements and have issued our report thereon dated September 29, 2009. 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 the Parish'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 the Parish's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Parish's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Parish's financial statements that is more than inconsequential will not be prevented or detected by the Parish's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2008-03 to be a significant deficiency in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies, and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency described above to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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*.

The Parish's response to the findings identified in our audit is described in the accompanying corrective action plan for current year findings. We did not audit the Parish's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, Parish Council, management, others within the organization, 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. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
September 29, 2009

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Plaquemines Parish Council  
Plaquemines Parish  
Pointe a la Hache, Louisiana

### Compliance

We have audited the compliance of Plaquemines Parish Government (the "Parish"), 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 its major federal programs for the year ended December 31, 2008. The Parish'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 the Parish's management. Our responsibility is to express an opinion on the Parish'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 the Parish'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 the Parish's compliance with those requirements.

In our opinion, the Parish complied, in all material respects, with the requirements referred to above that are applicable to its Disaster Assistance Grant – Public Assistance for the year ended December 31, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and are described in the accompanying schedule of findings and questioned costs as items 2008-01 and 2008-02.

## Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the Parish's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A control deficiency in the Parish's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Parish's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Parish's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2008-01 and 2008-02 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Parish's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item 2008-01 to be material weaknesses.

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

This report is intended solely for the information and use of the audit committee, Parish Council, management, others within the organization, 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. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
September 29, 2009

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2008**

**Part I. Summary of Auditor's Results:**

1. The auditor's report expresses an unqualified opinion on the primary government financial statements of the Parish.
2. One significant deficiency relating to the audit of the financial statements was disclosed during the audit. The deficiency is considered a material weakness.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. Two significant deficiencies in internal control over the major federal award program were disclosed during the audit. One of those deficiencies is reported as a material weakness.
5. The auditor's report on compliance for the major federal award program for the Parish expresses an unqualified opinion.
6. Audit findings that are required to be reported in accordance with Section 510(a) of Circular A-133 are reported in this Schedule.
7. The program tested as major was:

United States Department of Homeland Security – Disaster Assistance Grants – Public Assistance; passed through the Louisiana Office of Public Assistance (CFDA No. 97.036).
8. The threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$2,550,971.
9. The Parish did not qualify as a low-risk auditee under Section 530 of Circular A-133.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended December 31, 2008**

Part II. Findings required to be reported in accordance with *Government Auditing Standards*:

A. Internal Control –

2008-03 Misappropriation of Cash Receipts

**CONDITION** Rental receipts in the Boat Harbors Fund were not reconciled to related deposits which may have resulted in a misappropriation of public funds.

**CRITERIA** SAS109, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, AU §314.41 defines internal control as follows:

*“Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of the entity’s objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.*

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT §501.03 states:

An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either financial statements or interim financial statements, or both.”

**CAUSE** The condition results from a failure to follow established policies and procedures.

**EFFECT** Failure to reconcile rental deposits with related deposits may have resulted in a misappropriation of public funds.

**RECOMMENDATION** We recommend that the Parish enforce their policies and procedures to ensure that rental receipts are properly reconciled to related deposits.

B. Compliance –

There were no findings to be reported under this section.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended December 31, 2008**

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

2008-01 Cash Management

*Department of Homeland Security*  
CFDA 97.036 Disaster Assistance Grants – Public Assistance

Questioned Costs: none

**CONDITION** Reimbursement for one of fifty-five expenditures tested was received three months prior to payment of the related invoices.

**CRITERIA** Circular A-133, Section 3 "Cash Management" states in part:

"When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government".

**CAUSE** The condition results from a failure to comply with federal regulations.

**EFFECT** Request for reimbursement of eligible expenditures prior to the payment of those expenditures places the Parish in violation of federal regulations.

**RECOMMENDATION** We recommend that the Parish institute policies and procedures to ensure that reimbursement of eligible expenditures is requested subsequent to the payment of those expenditures.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended December 31, 2008**

2008-02 Procurement

*Department of Homeland Security*  
CFDA 97.036 Disaster Assistance Grants – Public Assistance

Questioned Costs: none

**CONDITION** The Parish did not include a ceiling price that a contractor exceeds at its own risk for one time and materials contract.

**CRITERIA** 44 CFR Part 13.36 (b) (10) states:

Grantees and subgrantees will use time and material type contracts only—

- (i) After a determination that no other contract is suitable, and
- (ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

**CAUSE** The condition results from a failure to follow the requirements of the related federal regulations.

**EFFECT** Failure to include a ceiling on time and materials contracts places the Parish in violation of federal regulations.

**RECOMMENDATION** We recommend that the Parish include a ceiling price on time and materials contracts.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2008**

A. Internal Control –

2007-01 Time and Attendance Records

**CONDITION** Time and attendance records to support compensated absence expenditures for certain employees of the Criminal Court could not be provided for testing.

**RECOMMENDATION** We recommend that the Parish institute policies and procedures to cause the preparation and maintenance of time and attendance records necessary to support compensated absence expenditures.

**CURRENT STATUS** Finding has been resolved.

2007-02 Unreported Revenues

**CONDITION** Report of the Louisiana Legislative Auditor dated April 23, 2008 included findings related to undeposited probation funds in the amount of \$10,280 and the potential reduction of traffic citations in the amount of \$14,526 without proper legal authorization.

**RECOMMENDATION** We recommend that the Parish institute policies and procedures to cause the proper collection of probation funds and traffic citations.

**CURRENT STATUS** Finding has been resolved.

B. Compliance –

There were no findings previously reported under this section.

C. OMB A-133 –

2007-03 Suspension and Debarment

**CONDITION** Verification procedures for suspension and debarment of professional service contractors/vendors were not performed.

**RECOMMENDATION** We recommend that the Parish institute policies and procedures to determine the debarment/suspension status of contractors/vendors during the procurement process.

**CURRENT STATUS** Finding has been resolved.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Summary Schedule of Prior Audit Findings (continued)**  
**For the Year Ended December 31, 2008**

2007-04 Special Tests and Provisions

**CONDITION** Approval of FEMA was not obtained prior to the demolition of commercial properties.

**RECOMMENDATION** We recommend that the Parish obtain specific approval from FEMA prior to the demolition of commercial property.

**CURRENT STATUS** Finding has been resolved.

**PLAQUEMINES PARISH GOVERNMENT**  
**Pointe a la Hache, Louisiana**

**Corrective Action Plan for Current Year Findings**  
**For the Year Ended December 31, 2008**

2008-01 Cash Management

**CONDITION** Reimbursement for one of fifty-five expenditures tested was received three months prior to payment of the related invoices.

**MANAGEMENT'S RESPONSE** The contractor submitted invoices for payment to the Plaquemines Parish Government. Prior to payment, the Parish submitted a reimbursement request through GOSEP to FEMA, as was permitted in the Katrina/Rita disasters. At the time of this occurrence, FEMA owed the Parish millions of dollars in unreimbursed requests under obligated project worksheets. The FEMA review and approval process was completed more expeditiously than normal for this request. The amount in controversy is negligible. No other circumstances of this type occurred and the standard practice of the Parish is to pay an invoice prior to requesting reimbursement from FEMA, although the requirement of prior payment of invoices was waived for the Katrina/Rita disasters.

2008-02 Procurement

**CONDITION** The Parish did not include a ceiling price that a contractor exceeds at its own risk for one time and materials contract.

**MANAGEMENT'S RESPONSE** Documentation initially provided by the Parish to the auditor did not contain a copy of the original contract with the ceiling price (NTE amount). The original contract maintained in the files of the Parish department having primary responsibility for the procurement process, contract execution and contract management contained a ceiling price (NTE amount) which was adhered to in the review and approval of the contractor's work.

2008-03 Misappropriation of Cash Receipts

**CONDITION** Rental receipts in the Boat Harbors Fund were not reconciled to related deposits which may have resulted in a misappropriation of public funds.

**MANAGEMENT'S RESPONSE** The Parish had policies in place prohibiting receipt of cash at the Boat Harbor facilities; however, due to the lack of financial institutions in operation following Hurricane Katrina, exceptions were made for a limited time period. Some employees were not informed of the termination of the exception and continued to accept cash payments. The Parish Administration discovered a possible misappropriation during the normal course of business; immediate action was taken to enforce adherence to parish policies. The District Attorney and LA Legislative Auditor were notified in writing of the situation and the investigation is ongoing. Reimbursement of funds has been received from the Parish's insurance carrier.