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**WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana**

**FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORTS**

**June 30, 1999**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 **DEC 29 1999**

WINN COUNCIL ON AGING, INC.  
WINNFIELD, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

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WINN COUNCIL ON AGING, INC.  
WINNFIELD, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

### INDEPENDENT AUDITORS' REPORT

Board of Directors  
Winn Council on Aging, Inc.  
Winnfield, Louisiana


We have audited the accompanying general purpose financial statements of Winn Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 1999. These general purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to the 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Winn Council on Aging, Inc., as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 1999, on our consideration of the Council's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Winn Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

  
Certified Public Accountants  
October 5, 1999

WINN COUNCIL ON AGING, INC.  
Winfield, Louisiana

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1999  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1998

	Governmental Fund Types		Account Group		Totals (Memorandum Only)	
	General	Special Revenue	General Fixed Assets	General Long-Term Debt	1999	1998
<b>ASSETS</b>						
Cash	\$ 36,508				\$ 36,508	\$ 28,910
Investments		\$ 23,025			23,025	21,857
Contracts receivable	9,259	13,042			22,301	21,568
Accounts receivable						166
Due from Special Revenue Fund	39,332				39,332	33,188
General fixed assets			\$ 143,336		143,336	108,113
<b>OTHER DEBITS</b>						
Amount to be provided for retirement of long term debt				\$ 7,330	7,330	8,854
Total Assets	<u>\$ 85,099</u>	<u>\$ 36,067</u>	<u>\$ 143,336</u>	<u>\$ 7,330</u>	<u>\$ 271,832</u>	<u>\$ 222,656</u>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 123				\$ 123	
Due to General Fund		\$ 39,332			39,332	\$ 33,188
Compensated absences payable				\$ 3,977	3,977	3,977
Capital lease payable				3,353	3,353	4,877
Total Liabilities	123	39,332	-0-	7,330	46,785	42,042
<b>FUND EQUITY AND OTHER CREDITS:</b>						
Investment in General Fixed Assets			\$ 143,336		143,336	108,113
Fund balances						
Unreserved						
Undesignated	84,976	(3,265)			81,711	72,501
Total Fund Equity and Other Credits	<u>84,976</u>	<u>(3,265)</u>	<u>143,336</u>	<u>-0-</u>	<u>225,047</u>	<u>180,614</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 85,099</u>	<u>\$ 36,067</u>	<u>\$ 143,336</u>	<u>\$ 7,330</u>	<u>\$ 271,832</u>	<u>\$ 222,656</u>

The accompanying notes are an integral part of this statement.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Year Ended June 30, 1999  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>1999</u>	<u>1998</u>
<b>Revenues</b>				
Intergovernmental				
Cenla Area Agency on Aging, Inc.		\$ 158,536	\$ 158,536	\$ 157,813
Department of Health & Hospitals	\$ 50,035	3,830	53,865	33,715
Office of Elderly Affairs	21,779		21,779	11,779
Winn Parish Policy Jury	7,000		7,000	7,000
Public support	620	20,055	20,675	22,907
Interest income	2,053		3,530	1,602
Other	6,092	1,477	6,092	4,934
In kind income	<u>26,762</u>		<u>26,762</u>	
Total revenues	<u>114,341</u>	<u>183,898</u>	<u>298,239</u>	<u>239,750</u>
<b>Expenditures</b>				
Current:				
Salaries	40,668	126,575	167,243	159,238
Fringe	4,287	13,543	17,830	13,907
Travel	1,201	10,947	12,148	10,914
Operating services	3,968	39,522	43,490	42,186
Operating supplies	897	9,983	10,880	10,763
Debt service:				
Principal	45	1,480	1,525	1,685
Interest	76	614	690	1,120
Capital outlay	<u>34,209</u>	<u>1,014</u>	<u>35,223</u>	
Total expenditures	<u>85,351</u>	<u>203,678</u>	<u>289,029</u>	<u>239,823</u>
<b>Excess (deficiency) of revenues over expenditures</b>	28,990	(19,780)	9,210	(73)
<b>Other financing sources (uses)</b>				
Operating transfers in	2,124	51,846	53,970	64,889
Operating transfers out	<u>(21,779)</u>	<u>(32,191)</u>	<u>(53,970)</u>	<u>(64,889)</u>
Total other financing sources (uses)	(19,665)	19,655	-0-	-0-
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	9,335	(125)	9,210	(73)
<b>Fund balance, beginning</b>	<u>70,681</u>	<u>1,820</u>	<u>72,501</u>	<u>72,574</u>
<b>Fund balance, ending</b>	<u>\$ 80,016</u>	<u>\$ 1,695</u>	<u>\$ 81,711</u>	<u>\$ 72,501</u>

The accompanying notes are an integral part of this statement.



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Intergovernmental			
Department of Health & Hospitals	\$ 44,170	\$ 50,035	\$ 5,865
Office of Elderly Affairs	21,779	21,779	
Winn Parish Police Jury	7,000	7,000	
Public support		620	620
Interest income	900	2,053	1,153
Other		6,092	6,092
In kind income		<u>26,762</u>	<u>26,762</u>
Total revenues	<u>73,849</u>	<u>114,341</u>	<u>40,492</u>
<b>EXPENDITURES</b>			
Current:			
Salaries	45,406	40,668	4,738
Fringe	4,666	4,287	379
Travel	907	1,201	(294)
Operating services	6,735	3,968	2,767
Operating supplies	630	897	(267)
Debt service:			
Principal		45	(45)
Interest		76	(76)
Capital outlay		<u>34,209</u>	<u>(34,209)</u>
Total expenditures	<u>58,344</u>	<u>85,351</u>	<u>(27,007)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	15,505	28,990	13,485
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	6,274	2,124	(4,150)
Operating transfers out	<u>(21,779)</u>	<u>(21,779)</u>	
Total other financing sources (uses)	<u>(15,505)</u>	<u>(19,655)</u>	<u>(4,150)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	-0-	9,335	\$ 9,335
<b>Fund balance, beginning</b>	<u>70,681</u>	<u>70,681</u>	<u>-0-</u>
<b>Fund balance, ending</b>	<u>\$ 70,681</u>	<u>\$ 80,016</u>	<u>\$ 9,935</u>

The accompanying notes are an integral part of this statement.



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
SPECIAL REVENUE FUND  
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Intergovernmental			
Cenla Area Agency on Aging, Inc.	\$ 211,489	\$ 158,536	\$ (52,953)
Dept of Health & Hospitals	1,000	3,830	2,830
Public support	18,757	20,055	1,298
Other income	<u>        </u>	<u>1,477</u>	<u>1,477</u>
Total revenues	<u>231,246</u>	<u>183,898</u>	<u>(47,348)</u>
<b>EXPENDITURES</b>			
Current:			
Salaries	122,670	126,575	(3,905)
Fringe	12,592	13,543	(951)
Travel	11,094	10,947	147
Operating services	40,228	39,522	706
Operating supplies	12,271	9,983	2,288
Debt service:			
Principal		1,480	(1,480)
Interest		614	(614)
Capital Outlay		<u>1,014</u>	<u>(1,014)</u>
Total expenditures	<u>198,855</u>	<u>203,678</u>	<u>(4,823)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	32,391	(19,780)	(52,171)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	52,818	51,846	(972)
Operating transfers out	<u>(76,212)</u>	<u>(32,191)</u>	<u>44,021</u>
Total other financing sources (uses)	<u>(23,394)</u>	<u>19,655</u>	<u>43,049</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	8,997	(125)	(9,122)
<b>Fund balance, beginning</b>	<u>1,820</u>	<u>1,820</u>	<u>-0-</u>
<b>Fund balance, ending</b>	<u>\$ 10,817</u>	<u>\$ 1,695</u>	<u>\$ (9,122)</u>

The accompanying notes are an integral part of this statement.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Winn Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The **Council** also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the **Council** can use the money provided.

The **Council** is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the **Council** has presented its financial statements as a separate special-purpose government.

The primary function of Winn Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly of the parish. Such services include providing a location for meals, nutritional education, information and referral services, chore services, operating senior centers, and transportation. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the **Council**.

B. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

B. Presentation of Statements: (continued)

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

C. Fund Accounting:

The accounts of the **Council** are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report into two generic fund types and one broad fund category (account group).

Governmental Fund Types

*Governmental funds* are used to account for all or most of the **Council's** general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

C. Fund Accounting: (Continued)

General Fund

The *General Fund* is the general operating fund of the **Council**. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the **Council's** General Fund:

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded at "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

PCOA (Act 735)

PCOA (Act 735) funds are appropriated for the **Council** by the Louisiana Legislature and remitted to the **Council** via the Governor's Office of Elderly Affairs (GOEA). The council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

C. Fund Accounting: (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the **Council's** special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount.

The following funds are funds which comprise the **Council's** Special Revenue Funds:

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services and outreach for people age 60 and older.

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 1998 to June 30, 1999, the **Council** served about 21,893 congregate meals.

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 1998 to June 30, 1999, the **Council** served about 17,266 home delivered meals.



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

C. Fund Accounting: (Continued)

Special Revenue Funds (continued)

Title III-D Fund

The Title III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities or services, such as; (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically undeserved and in which there are a large number of older individuals who have the greatest economic and social need."

Senior Center Fund

The Senior Center fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, to Cenla Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount. This program provides community service centers at which older person receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The **Council** operates one senior center in Winn Parish, Louisiana.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

C. Fund Accounting: (Continued)

**Special Revenue Fund (continued)**

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the **Council** or the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Winn Parish to the **Council**. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for additional funds to be used to supplement the primary contract for the Senior Centers. These funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Cenla Area Agency Aging, Inc. who funds the **Council**.

**Account Groups**

An account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "fund".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of Winn Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

General Long Term Debt

General obligations of the **Council** are recorded in the General Long Term Debt Account Group. The general obligation at June 30, 1999 consisted of compensated absences and capital leases payable for the purchase of a telephone system and a copier.

D. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

E. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

F. Budget Policy:

The **Council** follows these procedures in establishing the budgetary data reflected in these financial statements.

- The Cenla Area Agency on Aging, Inc. notifies the **Council** each year as to the funding levels for each program's grant award.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

F. Budget Policy: (continued)

- The **Council** may also obtain grants from agencies other than GOFA and the **Council** considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Cenla Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the next year.
- The adopted budget is forwarded to the Cenla Area Agency on Aging, Inc. for final approval.
- *All budgetary appropriations lapse at the end of each fiscal year (June 30).* Occasionally, the **Council** will receive a special project grant which may operate on a period different from the **Council's** normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control policy.
- The **Council** may transfer funds between line items as often as required but *must obtain prior approval from the Cenla Area Agency on Aging, Inc. for funds received under grants from GOFA.*

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

F. Budget Policy: (continued)

- The **Council** is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

G. Total Columns of Combined Statements:

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in *financial position in conformity with generally accepted accounting principles*. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

H. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

I. Comparative Data:

Comparative data for the prior year is presented in the accompanying financial statements to provide an understanding of changes in the **Council's** financial position and operations. However, presentation of comparative data by fund type is not presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

J. Restricted Assets:

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the Council (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

**NOTE 2 REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES**

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (modified accrual basis). Contracts do not allow the Council to recognize revenue until units of services are provided.

Act 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of the various programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

**NOTE 3 IN-KIND CONTRIBUTIONS**

The Council received various in-kind contributions during the year. Senior Center facilities were furnished in Olla to the Council without charge for rent and/or utilities. The Council's administrative office and Senior Center were provided by the Winn Parish Fair Association without charge for rent or utilities. These contributions have been reported as revenues and the offsetting expenditures as costs in the financial statements.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

**NOTE 4 INCOME TAX STATUS**

The **Council**, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

**NOTE 5 FUND BALANCE - RESERVED**

Fund balance - reserved - special revenue fund consists of amounts to be specifically used for utility assistance.

**NOTE 6 CONTRACTS RECEIVABLE**

Contracts receivable at June 30, 1999, consisted of reimbursements for expenses incurred under the following programs:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
Senior Center	Special Revenue	Cenla AAA	\$ 1,622
Title III-B	Special Revenue	Cenla AAA	4,385
Title III C-1	Special Revenue	Cenla AAA	2,387
Title III C-2	Special Revenue	Cenla AAA	3,744
Title III D	Special Revenue	Cenla AAA	160
Title III F	Special Revenue	Cenla AAA	258
Supplemental Senior Center	Special Revenue	Cenla AAA	837
Medicaid	General	DHH	<u>8,908</u>
	Total		<u>\$ 22,301</u>



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

**NOTE 7      CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance <u>6/30/98</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/99</u>
Furniture & equipment	\$ <u>108,113</u>	<u>35,223</u>	_____	\$ <u>143,336</u>
Total	\$ <u>108,113</u>	<u>\$ 35,223</u>	<u>\$ -0-</u>	\$ <u>143,336</u>

**NOTE 8      GENERAL LONG TERM DEBT**

The Council has previously entered into leases for equipment. The leases are classified as capital leases.

The Council's capital lease payable account consists of the following:

Capital lease payable to Mita Copystar America, Inc. for the purchase of a copier, due in monthly installments of \$144.21 at an annual rate of interest of 15.96%, secured by the copier.	<u>3,353</u>
Total	<u>\$ 3,353</u>

The following is an analysis of the minimum future lease payments:

2000	\$ 1,731
2001	1,731
2002	577
Imputed interest	<u>(686)</u>
Present Value of Lease Obligation	<u>\$ 3,353</u>

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

**NOTE 8 GENERAL LONG TERM DEBT (Continued)**

Changes in general long-term debt for the year ended June 30, 1999, are as follows:

	Balance <u>6/30/98</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>6/30/99</u>
Capital Lease Payable	\$ 4,877		\$ 1,524	\$ 3,353
Compensated Absences Payable	<u>3,977</u>			<u>3,977</u>
Total	<u>\$ 8,854</u>	<u>\$ -0-</u>	<u>\$ 1,524</u>	<u>\$ 7,330</u>

**NOTE 9 COMPENSATED ABSENCES**

Annual leave is earned by regular, full and part time employees at various rates dependent on the years of service. Employees may carry over up to five days of current annual leave over to the next year. Annual leave cannot be accumulated in excess of twenty-two (22) days. Upon termination, the **Council** will pay an employee for unused accumulated annual leave.

**NOTE 10 CASH IN BANK**

The **Council** maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 1999, the balance of the **Council's** consolidated bank account was \$36,508. The related bank balance (collected deposits) at that date was \$53,556. The **Council** also maintains a savings account. At June 30, 1999, the balance of the savings account was \$23,025. The related bank balance (collected deposits) at that date was \$23,025. All of the deposits were covered by federal depository insurance. GASB Statement 3 categorized the credit risk of these deposits as Category 1 because they are fully insured.



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

**NOTE 11 JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES**

There is no litigation pending against the **Council** at June 30, 1999. Furthermore, **Council's** management believes that any potential litigation would be adequately covered by insurance.

**NOTE 12 FEDERAL AWARD PROGRAMS**

The **Council** receives revenues from various federal and state programs which are subject to final review. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the **Council**. Also, it is management's opinion that any audits by the agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the **Council's** financial position.

**NOTE 13 ECONOMIC DEPENDENCY**

The **Council** receives the majority of its revenue from contracts with Cenla Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Cenla Area Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the **Council's** operations. Management is not aware of any actions that will adversely affect the amount of funds the **Council** will receive in the next fiscal year.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

**NOTE 14 RELATED PARTY**

There were no related party transactions during the fiscal year.

**NOTE 15 RISK MANAGEMENT**

The **Council** is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The **Council** has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the **Council's** insurance coverage.

**NOTE 16 INTERFUND TRANSFERS**

Operating transfers in and out are listed by fund for 1999:

Funds Transferred In	<u>Funds Transferred Out</u>					<u>Total In</u>
	D	F	Senior Center	Supplemental Senior Center	General Fund	
Title III B- Supportive Services	\$1,943	\$839	\$19,409	\$ 9,607	\$ 8,910	\$40,708
Title III C-1					5,434	5,434
Title III C-2					5,676	5,676
General Fund				393	1,731	2,124
Title III-F					28	28
Total Out	<u>\$1,943</u>	<u>\$839</u>	<u>\$19,409</u>	<u>\$10,000</u>	<u>\$21,779</u>	<u>\$53,970</u>

**NOTE 17 YEAR 2000 ISSUE (UNAUDITED)**

The Year 2000 Issue is the result of shortcomings in many electronic processing systems and other electronic equipment that may adversely affect the **Council's** operations as early as 1999.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1999

NOTE 17 YEAR 2000 ISSUE (UNAUDITED) (Continued)

The **Council** has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 Issue and that are necessary to conducting the **Council's** operations. Based on this inventory, the **Council** is in the remediation stage in that the **Council** and their software and hardware vendors has tested and validated their computer systems and believe they are year 2000 compliant for financial reporting.

Because of the unprecedented nature of the Year 2000 Issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the **Council** is or will be year 2000 ready, the **Council** remediation efforts will be successful in whole or in part, or that parties with whom the **Council** does business will be year 2000 ready.

## **ADDITIONAL INFORMATION**

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GENERAL FUND  
For the Year Ended June 30, 1999

	<u>Local</u>	<u>PCOA Act 735</u>	<u>Totals</u>
<b>Revenues</b>			
Intergovernmental			
Cenla Area Agency on Aging, Inc.			
Department of Health & Hospitals	\$ 50,035		\$ 50,035
Office of Elderly Affairs		\$ 21,779	21,779
Winn Parish Policy Jury	7,000		7,000
Public support	620		620
Interest income	2,053		2,053
Other	6,092		6,092
In kind income	<u>26,762</u>		<u>26,762</u>
Total revenues	<u>92,562</u>	<u>21,779</u>	<u>114,341</u>
<b>Expenditures</b>			
Current:			
Salaries	40,668		40,668
Fringe	4,287		4,287
Travel	1,201		1,201
Operating services	3,968		3,968
Operating supplies	897		897
Debt service:			
Principal	45		45
Interest	76		76
Capital outlay	<u>34,209</u>		<u>34,209</u>
Total expenditures	<u>85,351</u>	<u>-0-</u>	<u>85,351</u>
<b>Excess (deficiency) of revenues over expenditures</b>	7,211	21,779	28,990
<b>Other financing sources (uses)</b>			
Operating transfers in	2,124		2,124
Operating transfers out	<u>          </u>	<u>(21,779)</u>	<u>(21,779)</u>
Total other financing sources (uses)	2,124	(21,779)	(19,655)
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	9,335	-0-	9,335
<b>Fund balance, beginning</b>	<u>70,681</u>	<u>-0-</u>	<u>70,681</u>
<b>Fund balance, ending</b>	<u>\$ 80,016</u>	<u>\$ -0-</u>	<u>\$ 80,016</u>

The accompanying notes are an integral part of this statement.

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 1999

	Utility Assistance	Title III-F	Title III-B Supportive Services	Senior Center	Title III-D	Title III C-1 Congregate Meals	Title III C-2 Home Delivered Meals	Supplemental Senior Centers	Totals
<b>Revenues</b>									
Intergovernmental									
Cenla Area Agency on Aging, Inc.		\$ 3,096	\$ 48,374 3,830 4,205	\$ 19,409	\$ 1,943	\$ 29,726	\$ 45,988	\$ 10,000	\$ 158,536
Dept. Of Health and Hospitals						8,191	7,659		3,830
Public support	\$ 1,002					279	196		20,055
Other	1,002					38,196	53,843	10,000	1,477
Total Revenues	<u>1,002</u>	<u>3,096</u>	<u>56,409</u>	<u>19,409</u>	<u>1,943</u>	<u>38,196</u>	<u>53,843</u>	<u>10,000</u>	<u>183,898</u>
<b>Expenditures</b>									
Current:									
Salaries		1,842	59,739			28,131	36,863		126,575
Fringe		194	6,497			2,966	3,886		13,543
Travel		27	1,547			588	8,785		10,947
Operating services	1,127	193	19,923			9,652	8,627		39,522
Operating supplies		20	7,491			1,458	1,014		9,983
Debt service:									
Principal		4	841			517	118		1,480
Interest		5	242			172	195		614
Capital outlay			838			145	31		1,014
Total expenditures	<u>1,127</u>	<u>2,285</u>	<u>97,118</u>	<u>-0-</u>	<u>-0-</u>	<u>43,629</u>	<u>59,519</u>	<u>-0-</u>	<u>203,678</u>

SCHEDULE 2 (continued)

Excess (deficiency) of revenues over expenditures	(125)	811	(40,709)	19,409	1,943	(5,433)	(5,676)	10,000	(19,780)
Other financing sources (uses)									
Operating transfers in		28	40,709			5,433	5,676		51,846
Operating transfers out		(839)		(19,409)	(1,943)			(10,000)	(32,191)
Total other financing sources (uses)	-0-	(811)	40,709	(19,409)	(1,943)	5,433	5,676	(10,000)	19,655
Excess (deficiency) of revenues and other sources over expenditures and other uses	(125)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(125)
Fund balance, beginning	1,820	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,820
Fund balance, ending	<u>\$ 1,695</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,695</u>

The accompanying notes are an integral part of this statement.



WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL  
For the Year Ended June 30, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>TITLE III-B SUPPORTIVE SERVICES</u></b>			
Salaries	\$ 64,624	\$ 59,739	\$ 4,885
Fringe	6,631	6,497	134
Travel	1,717	1,547	170
Operating services	27,155	19,923	7,232
Operating supplies	10,191	7,491	2,700
Debt service:			
Principal		841	(841)
Interest		242	(242)
Capital outlay		838	(838)
Transfers to:			
General Fund			
Totals	<u>\$ 110,318</u>	<u>\$ 97,118</u>	<u>\$ 13,200</u>
<b><u>TITLE III C-1</u></b>			
Salaries	\$ 28,924	\$ 28,131	\$ 793
Fringe	2,972	2,966	6
Travel	643	588	55
Operating services	7,224	9,652	(2,428)
Operating supplies	1,571	1,458	113
Debt service:			
Principal		517	(517)
Interest		172	(172)
Capital outlay		145	(145)
Totals	<u>\$ 41,334</u>	<u>\$ 43,629</u>	<u>\$ (2,295)</u>
<b><u>TITLE III C-2</u></b>			
Salaries	\$ 27,177	\$ 36,863	\$ (9,686)
Fringe	2,790	3,886	(1,096)
Travel	8,695	8,785	(90)
Operating services	5,560	8,627	(3,067)
Operating supplies	482	1,014	(532)
Debt service:			
Principal		118	(118)
Interest		195	(195)
Capital outlay		31	(31)
Transfers to:			
General Fund			
Totals	<u>\$ 44,704</u>	<u>\$ 59,519</u>	<u>\$ (14,815)</u>

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL  
For the Year Ended June 30, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b><u>PCOA ACT 735 PROGRAM</u></b>			
Transfers to:			
Title III B	\$ 21,779	\$ 21,779	\$ -0-
Totals	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ -0-</u>
<b><u>UTILITY ASSISTANCE</u></b>			
Operating services	\$ -0-	\$ (1,127)	\$ (1,127)
Totals	<u>\$ -0-</u>	<u>\$ (1,127)</u>	<u>\$ (1,127)</u>
<b><u>SENIOR CENTER</u></b>			
Transfers to:			
Title III B	\$ 19,409	\$ 19,409	\$ -0-
Totals	<u>\$ 19,409</u>	<u>\$ 19,409</u>	<u>\$ -0-</u>
<b><u>TITLE III-D</u></b>			
Transfers to:			
Title III B	\$ 1,943	\$ 1,943	\$ -0-
Totals	<u>\$ 1,943</u>	<u>\$ 1,943</u>	<u>\$ -0-</u>
<b><u>TITLE III-F</u></b>			
Salaries	\$ 1,945	\$ 1,842	\$ 103
Fringe	199	194	5
Travel	39	27	12
Operating services	289	193	96
Operating supplies	27	20	7
Debt service:			
Principal		4	(4)
Interest		5	(5)
Transfers to:			
Title III B	\$ 839	\$ 839	
Totals	<u>\$ 3,338</u>	<u>\$ 3,124</u>	<u>\$ 214</u>

WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL  
For the Year Ended June 30, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>SUPPLEMENTAL SENIOR CENTER</u></b>			
Transfers to:			
Title III B	\$ 9,607	\$ 10,000	\$ (393)
General fund	<u>393</u>	<u>          </u>	<u>393</u>
Totals	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

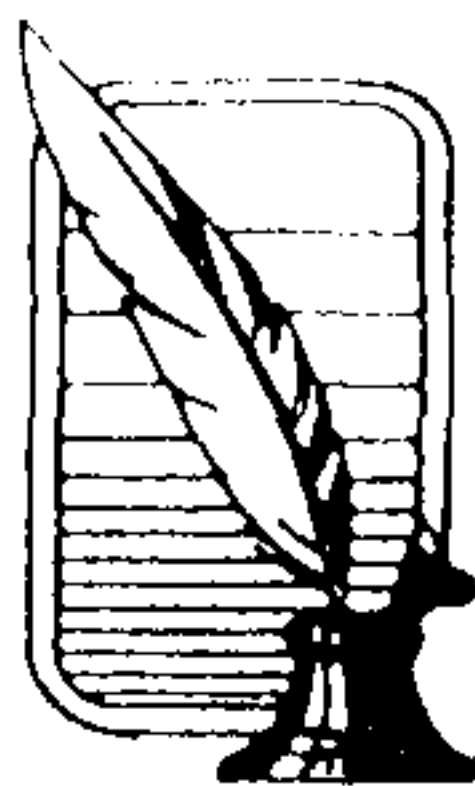
WINN COUNCIL ON AGING, INC.  
Winnfield, Louisiana

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS  
AND CHANGES IN GENERAL FIXED ASSETS  
For the Year Ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
GENERAL FIXED ASSETS, AT COST				
Furniture	\$ 108,113	\$ 35,223	_____	\$ 143,336
Total General Fixed Assets	\$ 108,113	\$ 35,223	\$ -0-	\$ 143,336
INVESTMENT IN GENERAL FIXED ASSETS				
Title III-B	\$ 262	\$ 838		\$ 1,100
General fund	35,042	7,446		42,488
Title III-C-1	263	145		408
Title III-C-2	262	32		294
Act 735	3,630			3,630
State funds	68,004	26,762		94,766
Senior Center	650	_____	_____	650
Total Investment in General Fixed Assets	\$ 108,113	\$ 35,223	\$ -0-	\$ 143,336

The accompanying notes are an integral part of this statement.

**OTHER REPORT REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS***



MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

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

Board of Directors  
Winn Council on Aging, Inc.

We have audited the general purpose financial statements of Winn Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 1999, and have issued our report thereon dated October 5, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Compliance**

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script, appearing to read "August Beall & Dehove".

Certified Public Accountants  
October 5, 1999



**WINN COUNCIL ON AGING, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 1999**

We have audited the *financial statements of Winn Council on Aging, Inc. as of and for the year ended June 30, 1999*, and have issued our report thereon dated October 5, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 1999 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses  Yes  No      Reportable Conditions  Yes  No

Compliance

Non Compliance Material to Financial Statements  Yes  No

**Section II Financial Statement Findings**

There were no Financial Statement findings or questioned costs.

**WINN COUNCIL ON AGING, INC.  
SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended June 30, 1998**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENTS**

There were no Internal Control or Compliance findings.