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VERNON PARISH
COUNCIL ON AGING, INC.
LEESVILLE, LOUISIANA

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
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 JAN 05 2000

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UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS-GOVERNMENTAL ENTITY

Independent Auditor's Report

Board of Directors
Vernon Council on Aging, Inc.
Leesville, Louisiana:

I have audited the accompanying general-purpose financial statements of the Vernon Council on Aging, Inc. as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Vernon Council on Aging, Inc.'s management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my 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. Those standards require that I 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Vernon 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.

The year 2000 supplementary information on page 39 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and the presentation of the supplementary information. However, I did not audit the information and do not express an opinion on it. In addition, I do not provide assurance that the Vernon Council on Aging, Inc. is or will become year 2000 compliant, that the Council's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Council does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 1999, on my consideration of the Vernon Council on Aging, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Vernon Council on Aging, Inc. taken as a whole. The accompanying combining financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Elliott & Assoc. "APAC"

Leesville, Louisiana
December 15, 1999

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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
Vernon Council on Aging, Inc.
Leesville, Louisiana:

I have audited the general-purpose financial statements of the Vernon Council on Aging, Inc., as of and for the year ended June 30, 1999, and have issued my report thereon dated December 15, 1999. I conducted my 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 Vernon Council on Aging, Inc.'s general-purpose financial statements are free of material misstatement, I 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 statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instance of noncompliance that is required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Vernon Council on Aging, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, the Vernon Council on Aging, Inc., and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Elliott & Assoc. "APAC"
Leesville, Louisiana
December 15, 1999

Vernon Council on Aging, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Fiscal Year Ended June 30, 1999

I have audited the financial statements of Vernon Council on Aging, Inc. as of and for the year ended June 30, 1999, and have issued my report thereon dated December 15, 1999. I conducted my 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. My 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 (X) No
Reportable Conditions () Yes (X) No

Compliance

Compliance Material to Financial
Statements () Yes (X) No

b. *Federal Awards*

Internal Control

Material Weaknesses () Yes () No (X) N/A
Reportable Conditions () Yes () No (X) N/A

Type of Opinion On Compliance For Major Programs

Unqualified () Qualified ()
Disclaimer () Adverse ()
N/A (X)

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?

() Yes () No (X) N/A

c. Identification of Major Programs

CFDA Number(s)

Name of Federal Program

None

None

Dollar threshold used to distinguish between Type A and Type B Programs: \$ N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133?
 Yes No N/A

Section II Financial Statement Findings

N/A

Section III Federal Award Findings and Questioned Costs

N/A

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1999
 (With comparative totals for June 30, 1998)

	Governmental Fund Types	
	General	Special Revenue
<u>ASSETS</u>		
Cash (Note 3)	\$152,862	\$ 21,511
Receivables:		
Grants	---	2,015
Other	238	---
Due from other governments (Note 6)	15,000	---
Due from other funds	---	---
Prepaid expenditures	4,018	---
Vehicles (Note 9)	---	---
Furniture and equipment (Note 9)	---	---
Land and buildings (Note 9)	---	---
Restricted asset (Notes 3 and 4):		
Cash	---	34,315
Amount to be provided for retirement of general long-term obligations(Notes 8/11)	---	---
Total assets	<u>\$172,118</u>	<u>\$ 57,841</u>
<u>LIABILITIES</u>		
Accounts payable	\$ 3,597	\$ 7,860
Refunds due to funding agencies	---	---
Payroll taxes payable	---	---
Annual leave payable (Note 8)	---	---
Due to other funds	---	---
Employee pension payable	---	---
Mortgage payable (Note 11)	---	---
Total liabilities	<u>3,597</u>	<u>7,860</u>
<u>FUND EQUITY</u>		
Investment in general fixed assets (Note 9)	---	---
Fund balance (Note 14):		
Reserved for energy assistance (Note 10)	---	49,981
Unreserved:		
Designated-endowment fund	---	---
Undesignated	168,521	---
Total fund balance	<u>168,521</u>	<u>49,981</u>
Total fund equity	<u>168,521</u>	<u>49,981</u>
Total liabilities and fund equity	<u>\$172,118</u>	<u>\$ 57,841</u>

The accompanying notes are an integral part of this statement.

Exhibit A

Account Groups		Totals
General Fixed Assets	General Long-Term Obligations	(Memorandum Only)
\$ ---	\$ ---	\$ 174,373
---	---	2,015
---	---	238
---	---	15,000
---	---	---
---	---	4,018
258,139	---	258,139
72,632	---	72,632
280,851	---	280,851
---	---	34,315
---	153,783	153,783
<u>\$ 611,622</u>	<u>\$153,783</u>	<u>\$ 995,364</u>
\$ ---	\$ ---	\$ 11,457
---	---	---
---	---	---
---	7,864	7,864
---	---	---
---	---	---
---	145,919	145,919
---	153,783	165,240
<u>611,622</u>	---	<u>611,622</u>
---	---	49,981
---	---	---
---	---	168,521
---	---	218,502
<u>611,622</u>	---	<u>830,124</u>
<u>\$ 611,622</u>	<u>\$153,783</u>	<u>\$ 995,364</u>

VERNON COUNCIL ON AGING, INC.
 COMBINED STATEMENT OF REVENUES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 For the Fiscal Year Ended June 30, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum (Only))</u>
<u>REVENUES</u>			
Intergovernmental	\$130,887	\$ 294,842	\$ 425,729
Public support	158,691	12,932	171,623
Interest income	2,591	2,649	5,240
In-kind contributions	---	14,500	14,500
Miscellaneous	44,958	6,582	51,540
	<u>337,127</u>	<u>331,505</u>	<u>668,632</u>
<u>EXPENDITURES</u>			
Current:			
Salaries	60,175	124,837	185,012
Fringe	10,456	21,689	32,145
Travel	335	6,872	7,207
Operating services	46,468	78,085	124,553
Operating supplies	8,753	62,334	71,087
Other costs	1,092	3,603	4,695
Nutrition	---	---	---
In-kind expenses	---	14,500	14,500
Capital outlay	74,486	14,515	89,001
Debt service:			
Principal payments	44,935	---	44,935
Interest expense	12,545	---	12,545
	<u>259,245</u>	<u>326,435</u>	<u>585,680</u>
Excess of revenues over (under) expenditures	<u>77,882</u>	<u>5,070</u>	<u>82,952</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	20,393	45,765	66,158
Operating transfers out	(24,919)	(41,239)	(66,158)
Loan proceeds	---	---	---
Refund to funding agency	---	---	---
Excess of revenues and other sources over (under) ex- penditures and other uses	73,356	9,596	82,952
<u>FUND BALANCES</u>			
Beginning of year	95,165	40,385	135,550
End of year	<u>\$ 168,521</u>	<u>\$ 49,981</u>	<u>\$ 218,502</u>

The accompanying notes are an integral part of this statement.

VERNON PARISH COUNCIL ON AGING, INC
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL - ALL FUND TYPES

For the Fiscal Year Ended June 30, 1999

	GENERAL FUND TYPE		
	Budget	Actual	Variance - Favorable (Unfavorable)
<u>REVENUES</u>			
Intergovernmental	\$ 130,887	\$130,887	\$ ---
Public support	156,000	158,691	2,691
Interest income	2,500	2,591	91
In-kind contributions	---	---	---
Miscellaneous	45,000	44,958	(42)
Total revenues	334,387	337,127	2,740
<u>EXPENDITURES</u>			
Current:			
Salaries	58,088	60,175	(2,087)
Fringe	9,967	10,456	(489)
Travel	311	335	(24)
Operating services	41,097	46,468	(5,371)
Operating supplies	10,000	8,753	1,247
Other costs	1,404	1,092	312
In-kind expenses	---	---	---
Capital outlay	66,931	74,486	(7,555)
Debt service:			
Principal payments	45,500	44,935	565
Interest expense	14,200	12,545	1,655
Total expenditures	247,498	259,245	(11,747)
Excess of revenues over (under) expenditures	86,889	77,882	(9,007)
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	735	20,393	19,658
Operating transfers out	(21,779)	(24,919)	(3,140)
Excess of revenues and other sources over (under) expenditures and other uses	65,845	73,356	7,511
<u>FUND BALANCES</u>			
Beginning of year	95,165	95,165	---
End of year	\$ 161,010	\$ 168,521	\$ 7,511

The accompanying notes are an integral part of this statement.

Exhibit C

<u>SPECIAL REVENUE FUND TYPE</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
\$ 294,842	\$ 294,842	\$ ---
11,001	12,932	1,931
2,600	2,649	49
14,500	14,500	---
<u>6,630</u>	<u>6,582</u>	<u>(48)</u>
<u>329,573</u>	<u>331,505</u>	<u>1,932</u>
127,211	124,837	2,374
21,828	21,689	139
7,002	6,872	130
77,217	78,085	(868)
66,286	62,334	3,952
7,637	3,603	4,034
14,500	14,500	---
14,723	14,515	208
---	---	---
---	---	---
<u>336,404</u>	<u>326,435</u>	<u>9,969</u>
<u>(6,831)</u>	<u>5,070</u>	<u>11,901</u>
48,887	45,765	(3,122)
<u>(27,843)</u>	<u>(41,239)</u>	<u>(13,396)</u>
14,213	9,596	(4,617)
<u>40,385</u>	<u>40,385</u>	<u>---</u>
<u>\$ 54,598</u>	<u>\$ 49,981</u>	<u>\$ (4,617)</u>

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

Note 1 - Nature of the Business and Summary of Significant Accounting Policies

Nature of the business:

Organizational purposes:

The Vernon Parish Council on Aging, Inc. was incorporated in May, 1982. The basic purposes of the Organization are as follows:

- A. To afford an avenue for working out a more complete understanding of the problems, interests and desires of the elderly people of Vernon Parish.
- B. To develop plans for counseling the elderly about the problems of aging and to implement such plans.
- C. To develop and implement plans whereby people who need to supplement their retirement income or those who wish to do so will be able to earn an income by their own efforts.
- D. To develop and implement plans for the improvement of health, social and recreational welfare of elderly people.
- E. To collect facts and statistics and make special studies of conditions pertaining to employment, health, financial status, recreation, social adjustment and other conditions affecting the welfare of the elderly of Vernon Parish and to interpret such findings and make recommendations for improvement to the Governor's Office of Elderly Affairs.

Significant Accounting Policies:

Financial reporting entity:

This report includes all funds and account groups which are controlled by or dependent on the Vernon Parish Council on Aging, Inc. Control by or dependence on the Council was determined on the basis of budget adoption, appointment of governing body, and other general oversight responsibility.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Statement of Presentation:

In April of 1984, the Financial Accounting Foundation established 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 1984, the GASB issued a codification of governmental accounting and financial reporting standards. The codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also 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 revised Louisiana Governmental Audit Guide.

Organization:

The local councils on the aging were created under Act No. 456 of 1964 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. Each council is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs and any other entity that provides the Council with federal or state funds.

Fund Accounting:

The accounts of the Vernon Parish Council on Aging, Inc. are organized on the basis of funds and account group, 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

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Fund Accounting (Contd.):

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 presented in the financial statements in this report are grouped into one generic fund type and two broad fund categories as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Council are financed.

The acquisition, use, and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Council's governmental fund types:

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 (state or local) from which they are derived.

The following are programs that comprise the Council's General Fund:

Local

Local funds are received from various local sources. These funds are not restricted to any special use.

PCOA (Act 735)

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Find Work/Project Independence - Transportation

The Council provides transportation to the eligible citizens of the parish to provide access to health care, shopping, education, employment, public services, and recreation facilities. To help offset these transportation costs, the Council receives funds through the Section 18 Operating and Capital Assistance Grant Program - Urban Mass Transportation Act of 1964. These federal funds are administered by the Louisiana Department of Transportation and Development. The Council also receives funds from the Louisiana Department of Social Services under its Find Work/Project Independence Program.

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.

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

Title III-C-1 Congregate Meals Fund

Title III-C-1 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

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, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Title III-C-2 Home Delivered Meals Fund

Title III-C-2 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to home-bound older persons.

Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

Title III-F

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (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 underserved and in which there are a large number of older individuals who have the greatest economic and social need." Title III-F funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III-C-1 Area Agency Administration Fund

Title III-C-1 Area Agency Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-C-1 area agency administrative funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Title III-B Supportive Services Fund

Title III-B funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.

Title III-D Fund

Title III-D Fund is used to account for funds which are used to provide In-Home Services to the frail and elderly person who is home-bound. Title III-D funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

USDA Cash-in-lieu of Commodities

The USDA Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

Section 18

Section 18 funds are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to rural residents with Cameron Parish. The transportation portion of in-kind contributions is an allowed cost for purposes of requesting reimbursement under this program. Because money received under this program is for reimbursement of costs previously incurred, the Council can use these funds for discretionary purposes. This is why these Section 18 funds are recorded in the Council's special revenue funds.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Endowment Fund

The Endowment Fund is a special account set aside by board action for future endeavors and activities of the Council.

Energy Assistance Fund

The Energy Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. Contributions are recorded from Gulf State Utilities, Entex and Cleco for utility assistance payments for the qualified elderly. Funds received from Gulf States Utilities may be used for payments of any utility company bill, however, monies received from Entex and Cleco are restricted to their bills only. Payments are made directly to the utilities by the Council on behalf of qualified elderly participants. Each qualified participant is limited to two assistance payments per year.

Basis of Accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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.

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 accounted for through the various due from and due to accounts.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Budgets and budgetary information:

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

1. The Governor's Office of Elderly Affairs "OEA" - State of Louisiana notifies the Council each year as to the funding levels for each program grant.
2. The Executive Director prepares a proposed budget based on the funding levels provided by OEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget prior to June 30 each year.
4. The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Directors of the Council. Such amendments were not material in relation to original appropriations.
7. Expenditures cannot legally exceed appropriations on an individual fund level.

The Louisiana Governor's Office of Elderly Affairs does not require the fund to adopt a budget for the Energy Assistance Fund.

Total Columns of Combined Statements - Overview:

Total columns on the combined statements - overview 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

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Fixed Assets:

All items of property, plant and equipment are recorded as expenditures when purchased and are accounted for in the General Fixed Assets group of accounts. Such assets are maintained on a basis of original cost and no depreciation is computed or recorded thereon. Donated fixed assets are stated at their estimated fair market value on the date donated.

Comparative Data:

Comparative data for the prior year have been 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 has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Annual and Sick Leave:

The Council's liability for accumulated unpaid employee compensated absences has been recorded in the general long-term debt group of accounts. These amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave.

Note 2 - Funding Policies and Sources of Funds

The Council receives its monies through various methods of funding. Most of the funds are received on a grant basis from the Governor's Office of Elderly Affairs. Under this method funds are received as needed or on a monthly or quarterly allocation of the total budget (grant) in advance of the actual expenditure. The following programs are handled in this manner: Title III-B, Title III-C-1 and Title III-C-2, Senior Center, State Allocation funds (Act 735), Title III-D In-Home Services, Title III-F Preventive Health, and USDA Cash In-Lieu of Commodities.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Funding Policies and Sources of Funds (Continued)

The Council receives contributions from several utility companies for energy assistance payments for elderly participants. The Council also receives proceeds from charitable gaming. The Council uses the proceeds of the gaming operations to help defray cost of its other services.

The Council encourages and receives contributions from clients to help offset the costs of programs.

Note 3 - Cash Collateral

	INTEREST RATE	CARRYING AMOUNT	BANK BALANCE
Demand deposits, interest bearing	2.27%	\$178,616	\$187,779
Demand deposits, non-interest bearing	N/A	423	4,680
Savings account	2.25%	<u>29,649</u>	<u>29,649</u>
		<u>\$208,688</u>	<u>\$222,108</u>

A summary of collateralization of the bank balances is presented below:

Federally insured through FDIC	\$134,329
Uninsured, uncollateralized - secured with securities held by the pledging financial institution, but not in Agency's name	<u>87,779</u>
	<u>\$222,108</u>

The uncollateralized amount shown above is secured by pledged securities with a market value of \$89,338 at June 30, 1999. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the commission that the fiscal agent has failed to pay deposited funds upon demand.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 4 - Restricted Assets

At June 30, 1999, restricted assets consisted of the following:

Energy assistance monies	\$ 4,666
Endowment fund	<u>29,649</u>
Total restricted assets	<u>\$34,315</u>

Note 5 - In-Kind Contributions

The Vernon Parish Council on Aging, Inc. received various in-kind contributions during the period under audit which have been valued at their estimated fair market value and presented in this report as revenue. Related expenses equal to the in-kind revenues have also been presented, thereby producing no effect on net income.

Note 6 - Due from Other Governments and Grants

The following amounts were due from other governments and grants at June 30, 1999:

Governor's Office of Elderly Affairs:	
USDA	\$ 2,015
Office of Family Services - Find Work	15,000
Down Home Ceramics	<u>238</u>
Total	<u>\$17,253</u>

Note 7 - Transfers In (Out)

These amounts represent transfers from various funds including Act 735 State Fund and the Local Contributions Fund to various other funds to supplement current year programs:

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 7 - Transfers In (Out) (Continued)

Fund	Transfers	
	In	Out
Miscellaneous Grant	\$ ---	\$ 4,500
USDA Cash-in-Lieu of Commodities	---	11,883
Act 735 State Funds	---	4,258
Endowment	---	735
AAA	---	1,123
III-B	882	1,035
Audit	5,438	---
Senior Center	---	20,309
Local Fund	20,393	---
III-D	39	29
Section 18- Transportation	---	20,003
C-1 Fund	1,473	711
C-2 Fund	37,848	869
III-F	85	45
Find Work	---	658
	<u>\$ 66,158</u>	<u>\$ 66,158</u>

Note 8 - Annual Leave and Sick Pay

Sick pay is not vested and, therefore, is not recorded as a liability and not expensed until taken. There is no obligation to pay if an employee terminates. Each employee is entitled to twelve sick days per year.

Annual leave is based on the number of years of service and is earned as follows:

Years one to three	12 days
Four to nine years	18 days
Ten years or more	24 days

Annual leave can be accrued up to a maximum of twenty-four (24) working days, and must be taken by employees who have worked the required amount of time, no later than June 30, of the current fiscal year; up to 24 days annual leave can be carried over from the fiscal year (July 1 to June 30).

At June 30, 1999, there was \$7,864 accrued in annual leave payable for all of the Council employees.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 9 - Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Land and buildings \$	280,851	\$ ---	\$ ---	\$ 280,851
Vehicles	200,515	84,599	26,975	258,139
Furniture and equipment	68,230	4,402	---	72,632
Totals	<u>\$ 549,596</u>	<u>\$ 89,001</u>	<u>\$ 26,975</u>	<u>\$ 611,622</u>

Note 10 - Changes in Reserves or Designation of Fund Balance

The following schedule indicates changes in reserves or designation of fund balance for the year ended June 30, 1999:

Energy Assistance Fund:	
Balance at June 30, 1998	\$ 5,025
Excess (deficiency) of revenues over expenditures	<u>(359)</u>
Balance at June 30, 1999	<u>\$ 4,666</u>

Note 11 - General Long-Term Obligations

The following is a summary of transactions relating to the Council's long-term debt during the fiscal year ended June 30, 1999:

	Balance July 1, 1998	Principal		Balance June 30, 1999
		Additions	Reductions	
Mortgage payable	<u>\$190,855</u>	<u>\$ ---</u>	<u>\$ (44,936)</u>	<u>\$145,919</u>

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 11 - General Long-Term Obligations (Continued)

During the fiscal year ended June 30, 1999, the Council made a \$30,000 lump sum principal payment and refinanced its existing debt obligation with Merchants and Farmers Bank; the new monthly installment is \$1,968 and the interest rate is 7.75%.

Long-term debt consists of the following:

Mortgage payable--due in monthly installments of \$1,968 including interest at 7.75%-secured by building	<u>\$145,919</u>
--	------------------

The annual principal requirements to amortize all debt outstanding follows:

<u>Fiscal year ended</u> <u>June 30,</u>	<u>Amount</u>
2000	\$ 23,620
2001	23,620
2002	23,620
2003	23,620
2004	23,620
2005 - 2008	<u>81,130</u>
Total	<u>\$199,230</u>

Included in the above maturities is \$53,311 in scheduled interest expense.

Changes in annual leave payable are as follows:

Balance - July 1, 1998	\$ 7,854
Additions	1,780
Deletions	<u>(1,770)</u>
Balance - June 30, 1999	<u>\$ 7,864</u>

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 12 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, some board members were reimbursed for expenses incurred in conducting Council related activities.

Note 13 - 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. The Council has filed all necessary tax forms through the current fiscal year ended June 30, 1999.

Note 14 - Economic Dependency

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 15 - Judgements, Claims and Similar Contingencies

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

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

The Council on October 26, 1999 filed suit against the Vernon Community Action Agency over past due rent from prior fiscal periods dating back to an original rental contract dated December 21, 1993. The suit seeks reimbursement in the amount of \$29,110 plus legal costs.

No court date has been set as of December 20, 1999; legal counsel has advised the Council that no determination can be made at this time as to the actual litigation outcome; thus no accrual can be made under FASB 5 definitions at this time.

SUPPLEMENTARY DATA

VERNON COUNCIL ON AGING, INC.
STATEMENT OF PROGRAM REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GENERAL FUND TYPE

For the fiscal year ended June 30, 1999

	<u>Local Unreserved</u>	<u>PCOA (Act 735)</u>
<u>REVENUES</u>		
Intergovernmental:		
Office of Elderly Affairs	\$ ---	\$21,779
Department of Transportation	57,517	---
Public support:		
Project Independence income	156,000	---
Contributions	1,265	---
Interest income	2,591	---
Miscellaneous	<u>44,958</u>	<u>---</u>
Total revenues	<u>262,331</u>	<u>21,779</u>
<u>EXPENDITURES</u>		
Current:		
Salaries	38,553	6,484
Fringe	6,698	1,126
Travel	136	128
Operating services	23,944	9,542
Operating supplies	6,321	241
Other costs	1,092	---
Capital outlay	74,486	---
Debt service:		
Principal payments	44,935	---
Interest expense	<u>12,545</u>	<u>---</u>
Total expenditures	<u>208,710</u>	<u>17,521</u>
Excess of revenues over (under) expenditures	<u>53,621</u>	<u>4,258</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Operating transfers in	20,393	---
Operating transfers out	(658)	(4,258)
Loan proceeds	<u>---</u>	<u>---</u>
Excess of revenues and other sources over (under) expenditures and other uses	73,356	---
<u>FUND BALANCES (DEFICIT)</u>		
Beginning of year	<u>95,165</u>	<u>---</u>
End of year	<u>\$ 168,521</u>	<u>\$ ---</u>
See independent auditor's report.		

Schedule 1 (concluded)

<u>SECTION</u> <u>18</u>	<u>TOTAL</u>
\$ --- 51,591 --- 1,426 --- --- <hr/> 53,017	\$ 21,779 109,108 156,000 2,691 2,591 44,958 <hr/> 337,127
15,138 2,632 71 12,982 2,191 --- --- --- --- <hr/> 33,014	60,175 10,456 335 46,468 8,753 1,092 74,486 44,935 12,545 <hr/> 259,245
<hr/> 20,003	<hr/> 77,882
--- (20,003) --- <hr/>	20,393 (24,919) --- <hr/>
--- --- <hr/>	73,356 95,165 <hr/>
<u>\$ ---</u>	<u>\$ 168,521</u>

VERNON COUNCIL ON AGING, INC.
 COMBINING STATEMENT OF PROGRAM REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
 For the fiscal year ended June 30, 1999

	<u>Title III</u> <u>C-1</u>	<u>Title III</u> <u>C-2</u>	<u>Senior</u> <u>Center</u>
<u>REVENUES</u>			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 62,638	\$ 53,550	\$ 26,600
Department of Health and Human Resources	---	---	---
La. Dept of Labor	---	---	---
Public Support:			
In-Kind contributions	2,906	2,906	---
Utility assistance payments	---	---	---
Client contributions	5,638	6,198	---
Other income	---	---	---
Total revenues	<u>71,182</u>	<u>62,654</u>	<u>26,600</u>
<u>EXPENDITURES</u>			
Current:			
Salaries	23,503	31,767	2,322
Fringe	4,084	5,520	404
Travel	147	4,418	---
Operating services	11,190	11,723	3,565
Operating supplies	29,162	29,736	---
Other costs	---	---	---
Nutrition costs	---	---	---
Staff training	---	---	---
In-Kind expenses	2,906	2,906	---
On job training costs	---	---	---
Capital outlay	<u>952</u>	<u>13,563</u>	<u>---</u>
Total expenditures	<u>71,944</u>	<u>99,633</u>	<u>6,291</u>
Excess of revenues over (under) expenditures	(762)	(36,979)	20,309
<u>OTHER FINANCING SOURCES (USES)</u>			
Refunds to funding agency	---	---	---
Operating transfers in	1,473	37,848	---
Operating transfers out	<u>(711)</u>	<u>(869)</u>	<u>(20,309)</u>
Excess of revenues and other sources over (under) expenditures and other uses	---	---	---
<u>FUND BALANCES</u>			
Beginning of year	<u>---</u>	<u>---</u>	<u>---</u>
End of year	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

See independent auditor's report.

Schedule 2
(Continued)

Title III-C-1 Admin.	Title III-B Services	Title III-D In-Home	Title III-F	USDA Cash-in- lieu-of Commodities	Energy Assistance Fund
\$23,799	\$ 95,601	\$2,648	\$ 4,220	\$ 19,924	\$ ----
---	---	---	---	---	---
---	---	---	---	---	---
---	8,688	---	---	---	---
---	---	---	---	---	370
---	647	79	---	---	---
---	6,582	---	---	---	---
<u>23,799</u>	<u>111,518</u>	<u>2,727</u>	<u>4,220</u>	<u>19,924</u>	<u>370</u>
11,691	50,418	1,808	3,328	---	---
2,031	8,759	314	577	---	---
232	1,672	394	9	---	---
8,287	35,253	209	329	---	729
435	2,972	12	17	---	---
---	3,603	---	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
---	8,688	---	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
<u>22,676</u>	<u>111,365</u>	<u>2,737</u>	<u>4,260</u>	<u>---</u>	<u>729</u>
1,123	153	(10)	(40)	19,924	(359)
---	---	---	---	---	---
---	882	39	85	---	---
<u>(1,123)</u>	<u>(1,035)</u>	<u>(29)</u>	<u>(45)</u>	<u>(11,883)</u>	<u>---</u>
---	---	---	---	8,041	(359)
---	---	---	---	<u>7,625</u>	<u>5,025</u>
<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 15,666</u>	<u>\$ 4,666</u>

VERNON COUNCIL ON AGING, INC.
 COMBINING STATEMENT OF PROGRAM REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
 For the fiscal year ended June 30, 1999

<u>REVENUES</u>	<u>Audit</u>	<u>Endowment Fund</u>	<u>Misc. Grant</u>
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 1,362	\$ ---	\$ 4,500
Department of Health and Human Resources	---	---	---
La. Dept of Transportation	---	---	---
Public Support:			
In-Kind contributions	---	---	---
Utility assistance payments	---	---	---
Client contributions	---	---	---
Other income	---	2,649	---
Total revenues	<u>1,362</u>	<u>2,649</u>	<u>4,500</u>
 <u>EXPENDITURES</u>			
Current:			
Salaries	---	---	---
Fringe	---	---	---
Travel	---	---	---
Operating services	6,800	---	---
Operating supplies	---	---	---
Other costs	---	---	---
Nutrition costs	---	---	---
Staff training	---	---	---
In-Kind expenses	---	---	---
On job training costs	---	---	---
Capital outlay	---	---	---
Total expenditures	<u>6,800</u>	<u>---</u>	<u>---</u>
 Excess of revenues over (under) expenditures	 (5,438)	 2,649	 4,500
 <u>OTHER FINANCING SOURCES (USES)</u>			
Refunds to funding agency	---	---	---
Operating transfers in	5,438	---	---
Operating transfers out	---	(735)	(4,500)
 Excess of revenues and other sources over (under) expenditures and other uses	 ---	 1,914	 ---
 <u>FUND BALANCES</u>			
Beginning of year	---	27,735	---
 End of year	 <u>\$ ---</u>	 <u>\$29,649</u>	 <u>\$ ---</u>

See independent auditor's report.

Schedule 2
(Concluded)

Totals

\$ 294,842

14,500

370

12,562

9,231

331,505

124,837

21,689

6,872

78,085

62,334

3,603

14,500

14,515

326,435

5,070

45,765

(41,239)

9,596

40,385

\$ 49,981

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance Favorable (Unfavorable)</u>
<u>TITLE III-C-1</u>			
Salaries	\$ 23,921	\$ 23,503	\$ 418
Fringe	4,105	4,084	21
Travel	163	147	16
Operating services	11,170	11,190	(20)
Operating supplies	31,086	29,162	1,924
Other costs	741	---	741
In-kind expenses	2,906	2,906	---
Capital outlay	965	952	13
Transfers to Audit	---	711	(711)
Totals	<u>\$ 75,057</u>	<u>\$ 72,655</u>	<u>\$ 2,402</u>
 <u>TITLE III-C-2</u>			
Salaries	\$ 33,923	\$ 31,767	\$ 2,156
Fringe	5,821	5,520	301
Travel	4,434	4,418	16
Operating services	12,751	11,723	1,028
Operating supplies	31,732	29,736	1,996
Other costs	1,062	---	1,062
In-kind expenses	2,906	2,906	---
Capital outlay	13,758	13,563	195
Transfers to Audit	---	869	(869)
Totals	<u>\$106,387</u>	<u>\$100,502</u>	<u>\$ 5,885</u>
 <u>SENIOR CENTER</u>			
Salaries	\$ 2,322	\$ 2,322	\$ ---
Fringe	398	404	(6)
Operating services	3,411	3,565	(154)
Other costs	---	---	---
Transfers to			
Title III-C-1	3,154	1,473	1,681
Title III-C-2	17,314	17,830	(516)
Title III-B	---	882	(882)
Title III-D	---	39	(39)
Title III-F	---	85	(85)
Totals	<u>\$ 26,599</u>	<u>\$ 26,600</u>	<u>\$ (1)</u>

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	Variance Favorable (Unfavorable)
<u>TITLE III-C-1-AREA AGENCY</u>			
<u>ADMINISTRATION</u>			
Salaries	\$ 11,899	\$ 11,691	\$ 208
Fringe	2,042	2,031	11
Travel	252	232	20
Operating services	8,021	8,287	(266)
Operating supplies	441	435	6
Other costs	1,143	---	1,143
Transfers to Audit	---	1,123	(1,123)
Totals	<u>\$ 23,798</u>	<u>\$ 23,799</u>	<u>\$ (1)</u>
<u>TITLE III-B -</u>			
<u>SUPPORTIVE SERVICES</u>			
Salaries	\$ 50,035	\$ 50,418	\$ (383)
Fringe	8,585	8,759	(174)
Travel	1,735	1,672	63
Operating services	34,559	35,253	(694)
Operating supplies	2,999	2,972	27
Other costs	4,619	3,603	1,016
In-Kind expenses	8,688	8,688	---
Transfers to Audit	---	1,035	(1,035)
Totals	<u>\$111,220</u>	<u>\$112,400</u>	<u>\$ (1,180)</u>
<u>TITLE III-D-IN-HOME</u>			
Salaries	\$ 1,806	\$ 1,808	\$ (2)
Fringe	310	314	(4)
Travel	408	394	14
Operating services	199	209	(10)
Operating supplies	11	12	(1)
Other costs	28	---	28
Transfers to Audit	---	29	(29)
Totals	<u>\$ 2,762</u>	<u>\$ 2,766</u>	<u>\$ (4)</u>

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>TITLE III-F</u>			
Salaries	\$ 3,305	\$ 3,328	\$ (23)
Fringe	567	577	(10)
Travel	10	9	1
Operating services	306	329	(23)
Operating supplies	17	17	---
Other costs	44	---	44
Transfers to Audit	<u>---</u>	<u>45</u>	<u>(45)</u>
Totals	<u>\$ 4,249</u>	<u>\$ 4,305</u>	<u>\$ (56)</u>
 <u>USDA CASH-IN-LIEU OF</u> <u>COMMODITIES</u>			
Transfers to			
Title III-C-1	\$ 1,000	\$ ---	\$ 1,000
Title III-C-2	<u>1,140</u>	<u>11,883</u>	<u>(10,743)</u>
Totals	<u>\$ 2,140</u>	<u>\$ 11,883</u>	<u>\$ (9,743)</u>
 <u>ENERGY ASSISTANCE FUND</u>			
Operating services	<u>\$ ---</u>	<u>\$ 729</u>	<u>\$ (729)</u>
 <u>MISCELLANEOUS GRANT</u>			
Transfers to			
Title III-C-2	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ ---</u>
 <u>ENDOWMENT FUND</u>			
Transfers to			
Local	<u>\$ 735</u>	<u>\$ 735</u>	<u>\$ ---</u>
 <u>AUDIT FUND</u>			
Operating services	<u>\$ 6,800</u>	<u>\$ 6,800</u>	<u>\$ ---</u>

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND TYPE
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>PCOA- (ACT 735)</u>			
Salaries	\$ ---	\$ 6,484	\$ (6,484)
Fringe	---	1,126	(1,126)
Travel	---	128	(128)
Operating services	---	9,542	(9,542)
Operating supplies	---	241	(241)
Transfers to Audit	---	623	(623)
Transfers to			
Title III-F	28	---	28
Title III-C-1	300	---	300
Title III-D	114	---	114
Title III-C-2	<u>21,337</u>	<u>3,635</u>	<u>17,702</u>
Totals	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ ---</u>
<u>LOCAL - UNRESERVED</u>			
Salaries	\$ 42,055	\$ 38,553	\$ 3,502
Fringe	7,216	6,698	518
Travel	232	136	96
Operating services	28,232	23,944	4,288
Operating supplies	7,776	6,321	1,455
Other costs	1,047	1,092	(45)
Capital outlay	66,931	74,486	(7,555)
Principal payments	45,500	44,935	565
Interest expense	14,200	12,545	1,655
Transfers to Audit	---	<u>658</u>	<u>(658)</u>
Totals	<u>\$ 213,189</u>	<u>\$ 209,368</u>	<u>\$ 3,821</u>
<u>SECTION 18</u>			
Salaries	\$ 16,033	\$ 15,138	\$ 895
Fringe	2,751	2,632	119
Travel	79	71	8
Operating services	12,865	12,982	(117)
Operating supplies	2,224	2,191	33
Other costs	357	---	357
Transfers to Local	---	19,658	(19,658)
Transfers to Audit	---	<u>345</u>	<u>(345)</u>
Totals	<u>\$ 34,309</u>	<u>\$ 53,017</u>	<u>\$ (18,708)</u>

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.

STATEMENT OF GENERAL FIXED ASSETS

General fixed assets, at cost:

Vehicles	\$258,139
Furniture and equipment	72,632
Land and buildings	<u>280,851</u>
Total general fixed assets	<u>\$611,622</u>

Investment in general fixed assets
Property acquired from -

Title III-B	\$ 734
General fund	372,211
Title III-C-1	2,049
Title III-C-2	13,749
State funds-Act 735	785
Donated	39,069
Title III-F	389
Police Jury	1,796
DOTD	<u>180,840</u>

Total investment in
general fixed assets \$611,622

See Independent auditor's report.

VERNON COUNCIL ON AGING, INC.

SCHEDULE OF PRIORITY SERVICES

For the fiscal year ended June 30, 1999

Access (30%)	Assisted Transportation	\$ 0	
	Case Management	0	
	Transportation	40,775	
	Information & Assistance	8,203	
	Outreach	<u>9,354</u>	
	Total Access Expenses		\$ 58,332 79.81%
In-Home (15%)	Homemaker	\$13,797	
	Chore	0	
	Telephoning	2,792	
	Visiting	0	
	Adult/Daycare/Health	0	
	Personal Care	<u>0</u>	
	Total In-Home Expenses		16,589 24.89%
Legal (5%)	Legal Assistance		3,603 5.00%
Non-Priority Services			<u>25,188</u>
Total Title III-B-Supportive Service Expenditures			<u>\$103,712</u>
Less: Participant Contributions		(647)	
Other Public Support		(6,582)	
Transfers In		<u>(882)</u>	
Title III-B-Supportive Services Grant			95,601
Less: Transfer of Contract Allotments			
State Homemaker		(13,790)	
State Transportation		<u>(9,743)</u>	
Original Grant Award Net of Additional State Homemaker and Transportation Funds and Transfers of Contract Allotments			<u>\$ 72,068</u>

See independent auditor's report.

Vernon Council on Aging, Inc.
COMPENSATION FOR BOARD MEMBERS

For the Year Ended June 30, 1999

During the fiscal year ended June 30, 1999, no per diem payment or other compensation payments were made to board members. However, business expenses were reimbursed on an actual basis to certain board members and the Executive Director.

See independent auditor's report.

Vernon Council on Aging, Inc.
SCHEDULE OF PRIOR YEAR FINDINGS

For the Fiscal Year Ended June 30, 1999

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

The audit report for the year ended June 30, 1998, contained a finding related to the report not being issued within the six months of the close of its' year-end. This was a violation of LA R.S. #24:513 (A)(5)(a), but did not effect the financial statements. The current report will be issued to the Legislative Auditor within the statutory period.

**SECTION II INTERNAL CONTROL AND COMPLIANCE
MATERIAL TO FEDERAL AWARDS**

There were no prior year findings relating to internal control and compliance material to federal awards.

SECTION III MANAGEMENT LETTER

The was no management letter in the prior year audit report.

See independent auditor's report.

Vernon Council on Aging, Inc.
MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Fiscal Year Ended June 30, 1999

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENT**

N/A

**SECTION II INTERNAL CONTROL AND COMPLIANCE
MATERIAL TO FEDERAL AWARDS**

N/A

SECTION III MANAGEMENT LETTER

N/A

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.

Required Supplemental Information
Year 2000 Supplementary Information
June 30, 1999

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

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 Council operations and has identified such systems as being financial reporting and cash receipts. All necessary modifications and/or additional procedures have been performed in order to make these systems Year 2000 compliant.

The Council has purchased hardware and software to be installed by December 28, 1999, that is certified by the vendor to be Year 2000 compliant.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of the 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's remediation efforts will be successful in whole or in part, or that parties with whom the Council does business will be Year 2000 ready.

See independent auditor's report.