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**RAPIDES COUNCIL ON AGING, INC.**  
Alexandria, Louisiana

**FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORTS**

**June 30, 1998**

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.

JAN 4 2 1998

Release Date .....

RAPIDES COUNCIL ON AGING, INC.  
ALEXANDRIA, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORY REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

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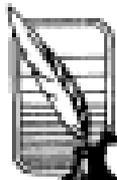
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RAPIDES COUNCIL ON AGING, INC.  
ALEXANDRIA, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1976

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## DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

### INDEPENDENT AUDITORS' REPORT

Board of Directors  
Rapides Council on Aging, Inc.  
Alexandria, Louisiana

We have audited the accompanying general purpose financial statements of Rapides Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 1998. 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. These 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 aspects, the financial position of Rapides Council on Aging, Inc., as of June 30, 1998, 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 8, 1998, 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 Rapids 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 8, 1998

**RAPIDS CAPITAL HOLDINGS, INC.**  
Alexandria, Louisiana

EXHIBIT A

**COMBINED BALANCE SHEET - ALL FUNDED BY AND ACCOUNT GROUPS**  
June 30, 1998  
**(THIS COMPANY IS THE ONLY ONE YEAR COMPANY IN 1997)**

	Consolidated Fund, Trust		Account Group		Bank	
	General	Special Account	General Fund Account	Special Fund For or Held	Chattanooga, July 1 1998	1997
<b>ASSETS</b>						
Cash	\$ 1,100				\$ 1,100	\$ 1,964
Accounts receivable						
Cable time agency on Aging fee		\$ 14,800			14,800	14,760
Other	4,000				4,000	
Due from Special Revenue Fund	11,104				11,104	11,794
Due from		41,000			41,000	40,000
Other contract assets	410				410	11,770
General fund assets			5,514,000		5,514,000	5,514,000
<b>LIABILITIES</b>						
Amount to be paid on the retirement of long term debt				2,420,000	2,420,000	2,420,000
Total Assets	<u>\$ 16,614</u>	<u>\$ 56,600</u>	<u>\$ 5,514,000</u>	<u>\$ 2,420,000</u>	<u>\$ 8,069,104</u>	<u>\$ 3,902,464</u>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITORS</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 1,000	\$ 1,000			\$ 1,000	\$ 1,000
Due to General Fund		37,100			37,100	37,710
Other personal liabilities	471				471	3,100
Contingent liabilities payable (Other payable)				\$ 10,000	10,000	10,000
Total Liabilities	<u>1,471</u>	<u>38,100</u>	<u>0</u>	<u>10,000</u>	<u>48,571</u>	<u>52,810</u>
<b>FUND EQUITY AND OTHER CREDITS</b>						
Investments in General Fund Assets			1,154,000		1,154,000	1,154,000
Reversion to Aging facilities		134			134	
Reversion - Vandalism	<u>\$ 40,211</u>	<u>21,766</u>			<u>61,977</u>	<u>61,770</u>
Total Fund Equity and Other Credits	<u>40,211</u>	<u>21,800</u>	<u>1,154,000</u>		<u>1,216,107</u>	<u>1,215,770</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 16,614</u>	<u>\$ 59,900</u>	<u>\$ 5,514,000</u>	<u>\$ 10,000</u>	<u>\$ 8,069,104</u>	<u>\$ 3,780,580</u>

The accompanying notes are an integral part of the financials.

STATE OF NEW JERSEY  
 Atlantic County

EXHIBIT B

COMPARISON STATEMENT OF REVENUES, EXPENSES, RESERVE  
 CHANGES IN FUND BALANCE AND GOVERNMENTAL FUND TYPES  
 For the Year Ended June 30, 2008  
 BILLED SEPARATELY TO BILLS FOR THE YEAR ENDING JUNE 30, 2007

	Actual	Special Revenues	Totals (Government Only)	
			2007	2006
<b>Revenues</b>				
Intergovernmental				
Civic Data Agency, Inc.		1,124,500	1,124,500	1,488,075
Office of Family Support		43,294	43,294	
Office of Elderly Affairs	\$ 14,000	46,544	43,294	
La Couronne Agency, Inc.		3,363	3,363	
Kaplan Parks Policy Inc.	114,500		441,000	
Federal Energy Management Agency		8,864	8,864	1,804
Cooperation for National Service		43,511	43,511	
Public support	4,000	13,895	11,495	64,164
Interest income	1,800		1,000	1,800
Other income	1,000	3,200	1,700	4,000
In kind income	16,971		16,971	
Total revenues	298,271	2,069,827	2,176,723	2,648,843
<b>Expenses</b>				
Salaries	18,876	254,628	254,628	254,628
Travel	2,007	18,779	16,806	26,807
Fuel	478	40,000	40,000	48,770
Operating supplies	66,667	113,889	170,290	170,800
Operating supplies	6,734	28,800	30,944	28,794
Other costs	2,434	28,037	28,037	2,600
Capital costs	10,000	18,000	17,000	250,000
Total expenditures	117,206	517,133	601,805	729,423
<b>Excess (deficiency) of revenues over expenditures</b>				
	181,065	1,552,694	157,918	1,919,420
<b>Other financing transactions</b>				
Inventory transfers		25,004	25,004	19,714
Operating transfers in	49,932	141,863	140,777	140,500
Operating transfers out	(211,973)	(224,800)	(211,300)	(228,100)
Transferred financing accountant	14,440	98,067	20,004	49,214
<b>Excess (deficiency) of financing activities financing transactions, expenditures and other financing costs</b>				
	2,000	14,134	16,441	29,328
<b>Fund balance, beginning</b>				
	1,534,111	1,224,888	1,488,000	1,120,000
<b>Fund balance, ending</b>				
	\$ 1,817,277	\$ 1,791,724	\$ 1,620,254	\$ 1,917,651

The accompanying notes are an integral part of this statement.

HAFFNER CONSULTING GROUP, INC.  
Alexandria, Louisiana

EXHIBIT C

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 1998

	Budget	Actual	Variance- Favorable/ Unfavorable
<b>REVENUES</b>			
Health Area Agency on Aging, Inc.			
Office of Family Support			
Office of Elderly Affairs	\$ 24,092	\$ 24,092	\$ -
Life Council on Aging, Inc.			
Eggleston Public Policy Act	192,291	192,291	0.00
Federal Energy Management Agency			
Cooperation for Household Services		2,527	2,527
Public support		1,488	11,000
Social insurance	2,488	2,094	(394)
Social insurance	2,288	2,423	135
Other income		1,423	1,423
In-kind services		16,521	16,521
Total revenue	<u>219,059</u>	<u>241,932</u>	<u>22,873</u>
<b>EXPENDITURES</b>			
Utilities	18,428	18,428	0.00
Fringe	2,222	2,222	0.00
Travel	218	228	10
Operating supplies	27,426	26,267	11,579
Operating supplies	4,822	4,222	(600)
Other costs	3,784	3,424	(360)
Capital outlay	0	42,028	42,028
Total expenditures	<u>52,878</u>	<u>92,599</u>	<u>39,721</u>
Excess (deficiency) of revenues over expenditures	171,291	149,333	(21,958)
<b>OTHER FINANCING SOURCES-USES</b>			
Proceeds from sale			
Operating transfers in	42,222	42,222	0.00
Operating transfers out	(126,222)	(126,222)	(0.00)
Total other financing sources (uses)	<u>16,000</u>	<u>16,000</u>	<u>0.00</u>
Excess (deficiency) of revenues and other financing sources/expenditures and other uses	187,291	165,333	(21,958)
Fund balance, beginning	42,222	42,222	0.00
Fund balance, ending	<u>\$ 125,000</u>	<u>\$ 103,333</u>	<u>\$ (21,667)</u>

The accompanying notes are an integral part of this statement.

**RAVENS COUNCIL ON AGING, INC.**  
 Metairie, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET (LAST BASIS) AND ACTUAL  
 SPECIAL REVENUE FUND**

For the Year Ended June 30, 1998

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Delta Area Agency on Aging, Inc.	\$ 228,744	\$ 224,753	\$ (3,991)
Office of Family Support		51,791	(3,391)
Office of Elderly Affairs	18,448	18,388	(60)
LA Council on Aging, Inc.		2,442	2,442
Bayou Parish Food Aid			
Federal Energy Management Agency		8,861	8,861
Commission for National Service	43,112	43,112	
Public support	21,900	21,493	(407)
Special income			
Interest income		1,188	1,188
Other income	11,000	1,211	(9,789)
In-kind income			
Total revenues	<u>468,404</u>	<u>468,711</u>	<u>307</u>
<b>EXPENDITURES</b>			
General			
Salaries	261,793	256,638	5,155
Fringe	21,000	28,779	(6,779)
Tenants	23,767	40,122	(16,355)
Operating services	246,643	111,304	135,339
Operating supplies	29,388	26,761	2,627
Other costs	28,823	28,877	(54)
Capital outlay	-----	(18,684)	(18,684)
Total expenditures	<u>811,414</u>	<u>510,571</u>	<u>300,843</u>
Excess (deficiency) of revenues over expenditures	(343,010)	(41,860)	29,150
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from debt		21,904	21,904
Operating transfers in	113,444	113,862	(418)
Operating transfers out	(22,262)	(22,828)	566
Non-operating financing sources (uses)	(18,811)	(18,961)	150
Excess (deficiency) of revenues and other sources over expenditures and other uses	(22,639)	14,117	(36,756)
Fund balance, beginning	21,844	21,844	-----
Fund balance, ending	<u>\$ 2,165</u>	<u>\$ 2,165</u>	<u>\$ -----</u>

The accompanying notes are integral part of this statement.

**RAPIDES COUNCIL ON AGING, INC.**  
Alexandria, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.      Reporting Entity:**

In 1964, the State of Louisiana passed Act 458 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 Rapides 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 Rapides 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. A Board of Directors, consisting of voluntary members who serve three-year terms, govern the Council.

**B.      Basis of Accounting:**

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.

**RAPHIDS COUNCIL ON AGING, INC.**  
*Alexandria, Louisiana*

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**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 *Standards 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:

RAPIDES COUNCIL ON AGING, INC.  
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1998

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 raising events, and (3) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded as "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement these programs. In addition, fund asset additions are generally paid with "other local" funds.

PCOA (Act 715)

PCOA (Act 715) 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 715" funds at its discretion provided the program is benefiting people who are at least 60 years old.

BAFFINS COUNCIL ON AGING, INC.  
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1998

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 OGEA. The Title II 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 Care 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-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, 1997 to June 30, 1998, the Council served about 99,585 home delivered meals.

**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.

**RAPIDES COUNCIL ON AGING, INC.**  
**Alexandria, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**C. Fund Accounting (Continued)**

**Special Revenue Fund (continued)**

**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 underserved and in which there are a large number of older individuals who have the greatest economic and social need."

**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 Rapides Parish to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

**Funds Independence Work Program**

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 1954. 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 Project Independence Program.

**RAPIDES COUNCIL ON AGING, INC.**  
Alexandria, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1998

**C. Fund Accounting (Continued)**

**Special Revenue Fund (continued)**

**Account Groups**

An account group is a financial reporting device designed 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 assets) used in governmental fund type operations of Rapides 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.

**General Long-Term Debt**

General obligations of the Council are recorded in the General Long-Term Debt Account Group. The general obligations as June 30, 1998, consisted of unrepaided advances, a note payable to Rapides Bank for the purchase of a van, and a note payable to Trinity United Methodist Church for the building purchased on Chester Street.

**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.

**RAPIDES COUNCIL ON AGING, INC.**  
*Alexandria, Louisiana*

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**D. Basis of Accounting (continued)**

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 classed first as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classed first as interfund receivables/payables.

**F. Budget Policy**

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

- The Carls Area Agency on Aging, Inc. notifies the Council each year as to the funding levels for each program's grant award.
- The Council may also obtain grants from agencies other than CARLA, and the Council considers the potential revenues to be earned under these 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 Carls 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 Carls Area Agency on Aging, Inc. for final approval.

HAPHICS COUNCIL ON AGING, INC.  
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1988

F. Budget Policy (continued)

- 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 in 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 Centra Area Agency on Aging, Inc. for funds received under grants from GREA.
- 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 "Monocashiers 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.

**HARRIS COUNCIL ON AGING, INC.**  
**Alexandria, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1988**

**II. 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 fund assets) are accounted for in the general fund asset account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fund 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.

**3. 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.

**A. 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 encumbrances 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 receivable to annual, that is, measurable and available (modified accrual basis). Contracts do not allow the Council to recognize revenue until units of services are provided.

**RAPIDES COUNCIL ON AGING, INC.**  
Alexandria, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1998

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

All TDS 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 rubers 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 annual and are recorded as revenue in the period received.

**NOTE 3 IN-KIND CONTRIBUTIONS**

The Council received various in-kind contributions during the year which have been valued at their estimated fair value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income. A summary of the in-kind contributions and their respective assigned values is as follows:

The Rapides Council on Aging, Inc. received a donation from the Department of Transportation and Development for the purchase of a van.

\$17,000

The Council received additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

**RAPIDES COUNCIL ON AGEING, INC.**  
Alexandria, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1998

**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, 1998, consisted of reimbursements for expenses incurred under the following programs:

Program	Fund	Funding Source	Amount
Family Independence			
Wish Program	Special Revenue	GRS	\$ 1,961
Title III-B	Special Revenue	Costs AAA	11,107
Title III C-2	Special Revenue	Costs AAA	6,432
Title III D	Special Revenue	Costs AAA	588
Title III F	Special Revenue	Costs AAA	228
	Total		<u>\$20,316</u>

**RAPIDES COUNCIL ON AGING, INC.**  
*Alexandria, Louisiana*

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**NOTE 7 CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance 6/30/97	Additions	Deductions	Balance 6/30/98
Furniture & equipment	\$ 87,206	\$ 4,832		\$ 92,038
Building	995,621			995,621
Vehicles	866,984	67,932	\$ 23,484	911,432
Computer software	4,278			4,278
Leasehold improvements	9,581	—	—	9,581
<b>Total</b>	<b>\$ 1,963,670</b>	<b>\$ 77,664</b>	<b>\$ 23,484</b>	<b>\$ 2,017,850</b>

**NOTE 8 GENERAL LONG-TERM DEBT**

During the year ended June 30, 1998, the following changes occurred in long-term debt.

	Balance 6/30/97	Additions	Deductions	Balance 6/30/98
Rapides Bank		\$ 25,924	\$ 5,837	\$ 20,087
Trinity United Methodist Church	\$ 141,254		30,668	110,586
Compensated absences	—4,839	—1,651	—	—6,490
<b>Total</b>	<b>\$ 136,415</b>	<b>\$ 24,273</b>	<b>\$ 36,505</b>	<b>\$ 124,183</b>

**NOTE 9 COMPENSATED ABSENCES**

Annual leave is earned by employees and may be carried over into the next year at a rate of no more than one 30 days accumulation. Annual leave vests upon termination with a six month waiting period.

**RAPIDES COUNCIL ON AGING, INC.**  
**Alexandria, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**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, 1998, the balance of the Council's consolidated bank account was \$7,132. The related bank balance (deducted deposits) at that date was \$82,563. The Council also maintains a savings account. At June 30, 1998, the balance of the savings account was \$87,857. The related bank balance (deducted deposits) at that date was \$87,857. All of the deposits were covered by Federal Depository Insurance. GASBI Statement 3 categorized the credit risk of these deposits as Category 1 because they are fully insured.

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

There is no litigation pending against the Council at June 30, 1998. 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 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 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.

**RAPIDES COUNCIL ON AGING, INC.**  
 Alexandria, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 1998

**NOTE 13 ECONOMIC DEPENDENCY**

The Council receives the majority of its revenue from contracts with Care Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Care 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.

**NOTE 14 RELATED PARTY**

There were not any related party transactions during the fiscal year.

**NOTE 15 RISK MANAGEMENT**

The Council is exposed to various risks of loss related to theft, theft 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 1998:

Fund	1998		Revised 1998	1998	Total
	I	J			
Operating					
Supplies					
Services	17,000		17,000		17,000
Travel (1)		5,000	5,000		5,000
General Fund			45,000		45,000
TOTAL					
1998(1)			7		7
1998(2)			27		27
1998(3)			12,500		12,500
1998(4)			28,170		28,170
TOTAL			47,704		47,704
Total Out	<u>17,000</u>	<u>5,000</u>	<u>64,704</u>	<u>47,704</u>	<u>112,408</u>

**RAPIDES COUNCIL ON AGING, INC.**  
**Alexandria, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1988**

**NOTE 17 PRIOR PERIOD ADJUSTMENT**

In the prior year, an expense of \$38,100 was recorded in the General Fund for the Rapides Council on Aging's 20% matching obligation to the Department of Transportation and Development for the purchase of a vehicle. The expenditure should have been recorded as a prepaid expense because the vehicle was not delivered until February 1988. The correction has been reported as a prior period adjustment to beginning fund balance. There is no effect on current year Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures.

**NOTE 18 RAPIDES HOUSING DEVELOPMENT CORPORATION**

In October 1985, the Rapides Council on Aging, Inc. and the National Council of Senior Citizens, Inc. jointly formed a non-profit corporation, the Rapides Housing Development Corporation, under Section 501 (c) (3) of the Internal Revenue Code to co-sponsor an application with the U.S. Dept. of Housing and Urban Development to develop and manage an elderly housing complex. The management of the Rapides Housing Development Corporation is limited to individuals who are either members of the Rapides Council on Aging, Inc. or the National Council of Senior Citizens, Inc. Their board members are nominated by the Rapides Council on Aging, Inc. and five by the National Council of Senior Citizens, Inc.

No part of the net earnings of the Rapides Housing Development Corporation, Inc. shall inure to the benefit of either co-sponsor nor to either co-sponsor. Liability for the obligations of Rapides Housing Development Corporation, Inc. During the fiscal year ended June 30, 1988, the Rapides Council on Aging, Inc. advanced \$6,000 to the Rapides Housing Development Corporation for extra funds that were needed to purchase the property for the development. The Council expects these funds to be repaid at the completion of construction.

## ADDITIONAL INFORMATION

RAPIER COUNTY, OREGON (INC.)  
 Account No. 1-000000

COMBINED SCHEDULE OF FINANCIAL STATEMENTS, EXPENSES, REVENUES AND  
 CHANGES IN FUND BALANCES—GENERAL FUND  
 For the Year Ended June 30, 1998

	1998 (aj. 1/28)	1997	1996 (aj. 5/25)	1995
<b>Revenues</b>				
Intermunicipal				
Erickson Agency on Behalf, Inc.				
Office of Elderly Affairs	\$ 5,000			\$ 5,000
J & C Council on Aging, Inc.				
Rogers (responsibility fee)		\$ 85,000		85,000
Federal Housing Management Agency				
Expenses of National Service				
Public support		5,877		5,877
Bond income		1,400		1,400
Interest income		5,964		5,964
Other income		4,483	\$ 3,000	7,483
Miscellaneous		<u>(5,811)</u>		<u>(5,811)</u>
Total revenues	<u>5,000</u>	<u>110,813</u>	<u>3,000</u>	<u>103,824</u>
<b>Expenditures</b>				
Capital		31,600		31,600
Salaries		2,657		2,657
Fringe		478		478
Travel		11,900	4,000	16,367
Operating supplies		4,270		4,270
Operating supplies		1,420		1,420
Other costs		<u>11,720</u>		<u>11,720</u>
Capital costs		<u>111,975</u>	<u>4,000</u>	<u>115,975</u>
Total expenditures	<u>0</u>	<u>111,975</u>	<u>4,000</u>	<u>117,060</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	5,000	98,838	6,400	28,744
<b>Other financing sources (used)</b>				
Proceeds from bond		60,000		60,000
Operating transfers in		2,15,000		182,500
Operating transfers out	<u>(24,000)</u>	<u>(80,100)</u>		<u>(104,100)</u>
Total (other financing sources used)		<u>81,900</u>		<u>138,400</u>
<b>Excess (deficiency) of revenues and other sources over operating and other uses</b>	5,000	6,938	11,400	3,344
<b>Fund balance, beginning</b>	<u>10,000</u>	<u>3,000</u>	<u>11,000</u>	<u>7,000</u>
<b>Fund balance, ending</b>	<u>15,000</u>	<u>10,938</u>	<u>22,400</u>	<u>10,344</u>

The accompanying notes are an integral part of this statement.





WAPLES COUNCIL ON AGING, INC.  
Alexandria, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES SUBJECT VS. ACTUAL  
For the Year Ended June 30, 1998

	BUDGET	ACTUAL	VARIANCE/ UNAVAIL- ABILITY
<b>FOODS - ACT 515</b>			
Transfers:			
Title 18-B	\$ 19,280	\$ 19,280	\$ -0-
General fund	1,681	1,681	0-
Totals	<u>\$ 20,961</u>	<u>\$ 20,961</u>	<u>\$ 0-</u>
<b>TITLE 18-B - COMMUNITY SERVICES</b>			
Salaries	\$ 891,849	\$ 896,655	\$ 4,806
Fringe	7,814	11,513	(3,699)
Travel	3,023	3,881	(858)
Operating services	21,227	24,595	(3,368)
Operating supplies	9,001	5,754	3,247
Other costs	3,208	6,738	(3,530)
Capital outlay			
Totals	<u>\$ 936,112</u>	<u>\$ 948,136</u>	<u>\$ 12,024</u>
<b>TITLE 18-C-2</b>			
Salaries	\$ 86,534	\$ 89,896	\$ 3,362
Fringe	4,581	6,476	(1,895)
Travel	29,886	26,564	3,322
Operating services	176,261	28,222	148,039
Operating supplies	7,818	6,422	1,396
Other costs	10,282	11,143	(861)
Capital outlay			
Totals	<u>\$ 315,262</u>	<u>\$ 268,627</u>	<u>\$ 46,635</u>

**RAFFINER COUNCIL ON ALCOHOL, INC.**  
 Alexandria, Louisiana

**SCHEDULE OF PROGRAM EXPENDITURES (BUDGET VS. ACTUAL)**  
 For the Year Ended June 30, 1998

	BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE
<b>TABLE C-1</b>			
Salaries	\$ 783		\$ 783
Fringe	54		54
Taxes	3		3
Operating services	31		31
Operating supplies	3		3
Other costs	29	\$ 37	(8)
Capital outlay			
Transfers to:			
TABLE C-2	<u>7,082</u>	<u>8,664</u>	<u>(1,582)</u>
Totals	<u>\$ 8,121</u>	<u>\$ 8,721</u>	<u>\$ (600)</u>
<b>TABLE C-3</b>			
Transfers to:			
Table B10	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ —</u>
Totals	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ —</u>
<b>RETIREMENT AND VOLUNTEER PROGRAM</b>			
Salaries	\$ 38,471	\$ 32,133	\$ 6,298
Fringe	4,473	3,771	11,244
Taxes	1,649	841	1,841
Operating services	48,179	28,076	489
Operating supplies	1,882	1,743	(54)
Other costs	1,688	4,641	(951)
Capital outlay		<u>1,000</u>	<u>11,079</u>
Totals	<u>\$ 100,002</u>	<u>\$ 100,225</u>	<u>\$ (223)</u>

The accompanying notes are an integral part of this statement.

**OTHER REPORT REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**



## 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  
Rapides Council on Aging, Inc.

We have audited the general purpose financial statements of Rapides Council on Aging, Inc. (a not-for-profit organization) as of and for the year ended June 30, 1998, and have issued our report thereon dated October 8, 1998. 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 operation that we consider to be material weaknesses.

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



Certified Public Accountants

October 8, 1998

**RAPIDES COUNCIL ON AGING, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 1998**

We have audited the financial statements of Rapides Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated October 8, 1998. 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, 1998, 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.

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

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

There were no Internal Control or Compliance Findings.