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SMITH PUGH RADINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

809 NATIONAL STREET SUITE 8000 MONROE, LOUISIANA 70111-0800 • TELEPHONE 214 333 8704 • FAX 214 334-8700
401 LACROSSE BOULEVARD 1101 MONROE CITY, LOUISIANA 71111 • TELEPHONE 214 342 8830 • FAX 214 342 8800

INDEPENDENT AUDITORS' REPORT

Board of Directors
Booster Council on Aging, Inc.
Bossier City, Louisiana

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

Except as discussed in the following paragraph, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The Booster Council on Aging, Inc. has included such disclosures in Note 14. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Booster Council on Aging, Inc.'s disclosures with regard to the year 2000 issue made in Note 14. Further, we do not provide assurance that the Booster Council on Aging, Inc. is or will be year 2000 ready, that the Booster Council on Aging, Inc.'s year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Booster Council on Aging, Inc. does business will be year 2000 ready.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred above present fairly, in all material respects, the financial position of the Booster Council on Aging, Inc., as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated September 21, 1999, on our consideration of the Booster Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Booster Council on Aging, Inc. taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents is 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 our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Smith Pugh Radinowitz L.L.P.
Certified Public Accountants

September 21, 1999

FINANCIAL STATEMENTS

MEMBER COUNCIL ON AGING, INC.

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 1997

	Fund Types		Account Groups		Total
	General	Special Revenue	General Fund assets	General Long-Term Debt	
ASSETS					
Cash	\$ 17,879	\$ -	\$ -	\$ -	\$ 17,879
Grants receivable	-	5,316	-	-	5,316
Accounts receivable - other funds	664	14,008	-	-	14,672
Accounts receivable - other	462	-	-	-	462
Prepaid expenses	-	-	-	-	-
Fund assets	-	-	200,859	-	200,859
Amount to be provided for retirement of general long-term debt	-	-	-	13,479	13,479
Deposits	282	-	-	-	282
TOTAL ASSETS	<u>\$ 19,281</u>	<u>\$ 19,324</u>	<u>\$ 200,859</u>	<u>\$ 13,479</u>	<u>\$ 332,943</u>
LIABILITIES					
Accounts payable	\$ 603	\$ 1,548	\$ -	\$ -	\$ 2,151
Accounts payable - other funds	14,046	-	-	-	14,046
Deferred revenues	-	-	-	-	-
Long-term debt	-	-	-	-	-
Accumulated unpaid vacation	-	-	-	13,479	13,479
Poste payables	-	-	-	-	-
TOTAL LIABILITIES	<u>\$ 14,649</u>	<u>\$ 1,548</u>	<u>\$ -</u>	<u>\$ 13,479</u>	<u>\$ 29,676</u>
FUND EQUITY					
Fund balances	18,632	17,776	-	-	36,408
Unexpended	-	-	200,859	-	200,859
Investment in general fund assets	13,649	18,548	200,859	-	233,056
Total fund equity	<u>\$ 32,281</u>	<u>\$ 36,324</u>	<u>\$ 200,859</u>	<u>\$ 13,479</u>	<u>\$ 312,943</u>
TOTAL LIABILITIES AND FUND EQUITY					

BESSER COUNCIL ON AGING, INC.

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
All Governmental Fund Types
June 30, 1999**

	General	Special Revenue	Total (Memorandum Only)
REVENUES			
Intergovernmental	\$ 147,976	\$ 409,488	\$ 557,464
Interest Income	1,437	-	1,437
Participant and program income	-	35,417	35,417
Other miscellaneous	72,873	18,487	91,360
Total revenues	<u>222,286</u>	<u>463,412</u>	<u>685,698</u>
EXPENDITURES			
Salaries	32,634	338,100	370,734
Fringe benefits	2,990	248,179	251,169
Travel	2,823	12,937	15,760
Operating services	68,183	63,798	131,981
Operating supplies	12,813	44,648	57,461
Miscellaneous	-	70,668	70,668
Materials	-	42,580	42,580
Capital outlay	-	12,222	12,222
Total expenditures	<u>119,443</u>	<u>580,584</u>	<u>699,997</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>102,843</u>	<u>(117,172)</u>	<u>(14,329)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	14,843	189,441	204,284
Operating transfers out	<u>(128,890)</u>	<u>(181,980)</u>	<u>(310,870)</u>
Total other financing sources (uses)	<u>(114,047)</u>	<u>7,461</u>	<u>(106,586)</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES			
	11,396	(109,711)	(98,315)
FUND BALANCES			
Beginning of year	<u>12,388</u>	<u>59,823</u>	<u>72,211</u>
End of Year	<u>\$ 23,784</u>	<u>\$ 50,112</u>	<u>\$ 73,896</u>

BOSSIER COUNCIL ON AGING, INC.

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Special Revenue Fund Type
June 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental	\$ 341,350	\$ 405,488	\$ 24,138
Participant and program income	15,500	31,697	16,197
Miscellaneous	-	18,497	18,497
Total revenues	<u>416,850</u>	<u>455,682</u>	<u>48,832</u>
EXPENDITURES			
Salaries	286,145	310,183	(24,038)
Fringe benefits	22,778	34,819	(12,041)
Traavel	13,989	13,571	418
Operating services	45,565	61,198	(15,633)
Operating supplies	17,123	44,648	(27,525)
Meals	132,566	111,645	20,921
Other Costs	8,785	1,280	7,505
Capital outlay	8,679	13,299	(4,620)
Total Expenditures	<u>559,640</u>	<u>588,593</u>	<u>(28,953)</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>(142,790)</u>	<u>(132,911)</u>	<u>9,879</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	140,168	109,441	30,727
Operating transfers out	(28,179)	(43,384)	(15,205)
Total other financing sources (uses)	<u>111,989</u>	<u>66,057</u>	<u>45,932</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>-</u>	<u>(12,871)</u>	<u>(12,871)</u>
FUND BALANCES			
Beginning of year	<u>58,822</u>	<u>58,822</u>	<u>-</u>
End of Year	<u>\$ 58,822</u>	<u>\$ 45,951</u>	<u>\$ 12,871</u>

Notes to Financial Statements
June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In 1964, the State of Louisiana passed Act 456, which authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Bossier 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 state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies, which may impose certain restrictions upon how the Council can use the money that they have 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 the Bossier Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 13 voluntary members who serve three-year terms, governs the Council.

Presentation of Statements

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local government 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.

The accompanying financial statements conform with generally accepted accounting principles for state and local governments. The statements have also 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" of the Accounting Manual for the Louisiana Governor's Office of Elderly Affairs; and, the *Louisiana Government Audit Guide*.

Fund Accounting

The accounts of the Council are organized on the basis of funds and account groups, 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, equity, revenues, and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are presented in the financial statements in this report, into three generic fund types and one broad fund category (revenue group).

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

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

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. The following types of programs comprise the Council's General Fund:

Local

Local funds are received from various local sources, such funds are being restricted to any special use.

PCMA (Act 705)

PCMA (Act 705) funds are appropriate for the Governor's Office of Elderly Affairs by the Louisiana Legislature for continuance to the Council on Aging. The Council may use these "Act 705" funds at its discretion.

Special Revenue Funds

The 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 B1-B Administration Fund

The Title B1-B Administration Fund is used to account for the administration of Special Programs for the Aging. Title B1-B administrative 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 pay for administrative costs associated with the Title B1 and Senior Center programs.

Title B1-B Supportive Services Fund

The Title B1-B Supportive Services Fund is used to account for funds which 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. This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.

Title B1-C1 Congregate Meals Fund

The Title B1-C1 Fund is used to account for funds which 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 chronically located centers.

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements

June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Title III C-2 Dedicated Meals Fund

The Title III C-2 Fund is used to account for funds which 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 homebound adult persons.

Title III-D Fund

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

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including: (1) equipment and materials Center to weigh people, educational materials, and exercise equipment, (2) home injury control, (3) nutrition management, (4) mental health, (5) nutrition assessment/counseling, 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 "passes through" the funds to the Council.

Miscellaneous Grant Fund

The Miscellaneous Grant Fund is funded by the Governor's Office of Elderly Affairs. This special purpose fund was made to fund additional program expenses related to Senior Center operations.

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center Programs funded 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 in 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.

IFSP Fund

The IFSP Fund is used to account for the administration of a (Welfare Assistance) Program, the purpose of which is to supplement food and shelter assistance to individuals who might or might not currently be receiving assistance. IFSP funds are provided by the Federal Emergency Management Agency to the United Way which "passes through" the funds to the Council.

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements June 30, 1999

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Food Accounting (Continued)

USDA Fund

The USDA Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture to the Louisiana Governor's Office of Elderly Affairs, which "purses through" the funds to the Council. This program reimburses the service provider on a per unit basis for each separate and home-delivered meal served to an eligible participant.

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.

Helping Hands (Medicaid Waiver) Fund

The Helping Hands (Medicaid Waiver) Fund is used to account for income derived from the processing of applications under the Title XIX Medicaid Program and the Personal Care Assisted Program.

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 responsible available financial resources. The following account groups are not "funds".

General Fixed Assets

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

General Long-term Debt

The General Long-term Debt Account Group is used to account for long-term liabilities to be financed from government funds.

Arch of Accounting

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

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

BOSSER COUNCIL ON AGING, INC.

Notes to Financial Statements

June 30, 1999

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Transfers and Intergovernmental Loans

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

Budget Policy

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

1. The Governor's Office of Elderly Affairs, "OGEA" notifies the Council each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by OGEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before June 30 of the current year for the next 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 (June 30).
6. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and any subsequent amendments.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
10. Expenditures cannot legally exceed appropriations on an individual fund level.

Fund 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 provide financial position, results of operations, changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable in a consolidation. Intentional eliminations have not been made in the aggregation of this data.

Fixed Assets

All fixed assets are stated at historical cost or restated historical cost, if actual historical cost is not available. Depreciated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets. At June 30, 1999, the balance of Council Fixed Assets is as follows:

Building and improvements	\$	915
Vehicles		965,734
Furniture and equipment		34,730
Total	\$	290,899

Depreciated assets represent \$1,408 of the above total.

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements

June 30, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Data

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

2. REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT AND MISCELLANEOUS REVENUES

Intergovernmental Grants

Intergovernmental grant revenues are recorded in governmental funds as revenues in the accounting period when they become measurable to accrual, that is, measurable and available (modified accrual basis).

Senior Center, State Allowance (Act 703), Title II B, C-1, C-2, and D funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. Audit funds are recognized as revenue once the related costs have been incurred, and the grant reimbursement is measurable and available. USDA program funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenue at that time.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from citizens to help offset the costs of the Title II-B, C-1, C-2 and D programs. In addition, the Bossier Police Jury and the City of Bossier also provide funds to the Council. The timing and amount of the receipt of public support and miscellaneous revenues are difficult to predict, therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

3. CASH IN BANK

At June 30, 1999, the carrying amount of the Council's deposits were as follows:

Cash on hand	\$	158
FFMA account		1,297
Payroll - checking		186
Operating - checking		9,086
BOCRA - Reserve of Elders		4,599
Certificates of deposit		25,521
Total deposits	\$	31,047

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

HOSHER COUNCIL ON AGING, INC.**Notes to Financial Statements
June 30, 1999****3. CASH IN BANK (Continued)**

Amount insured by Federal deposit insurance (Category B)	\$ 57,813
Amount uncollateralized (Catergorized B) by securities held by the pledging financial institutions as agent but not in the name of the Hoshier Council on Aging, Inc. (Category B)(1)	_____
Total bank balance	\$ 57,813

Even though the pledged securities are considered uncollateralized (Category B)(1) under the provisions of GASB Statement 3, Louisiana Revised Statute 29:1239 imposes a statutory requirement on the collateral bank to advertise and sell the pledged securities within 90 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

4. GRANTS RECEIVABLE

Grants receivable at June 30, 1999, consists of reimbursements for expenses incurred under the following program:

USDA	\$ 2,893
Helping Hands - PCA billings	_____ 3,803
Total programs	\$ 6,696

5. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. Senior center/meal-site facilities were furnished to the Council without charge for rent and/or utilities. Other in-kind contributions consisted of the time donated by volunteer workers at senior centers and meal sites, as well as free admission to recreational and entertainment events provided by various businesses and individuals in the parish. Although these contributions have not been reported as revenues, the offsetting expenses have not been incurred thereby producing no effect on the financial statements.

6. BOARD OF DIRECTORY COMPENSATION

The Board of Directors is a voluntary board, therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's expense payment policy.

7. INCOME TAX STATUS

The Council, a non-profit corporation, is exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

8. SUEMENTS, 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 revenue from various Federal and State grant programs which are subject to final review and approval as to their ability of reimbursement by the respective grant agencies. Any adjustments 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 grant agencies would not produce disallowed program costs and liabilities so such an event does they would materially affect the Council's financial position.

BOSSIER COUNCIL ON AGING, INC.**Notes to Financial Statements****June 30, 1999****8. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES (Continued)**

The Council is exposed to various risks of loss related to tests, theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The Council carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

9. FEDERALLY ASSISTED PROGRAMS

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Government Auditing Standards. Audits of prior years have not resulted in any disallowed costs; however, grant agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs.

10. 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 accounts 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.

11. TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 1999:

	Operating Transfers In	Operating Transfers Out
Local	\$ 14,843	\$ 97,122
Act-703	_____	22,876
Total General Funds	14,843	120,008
Title III-B Services	80,283	1,112
Title III-B Administration	2,965	-
Title III C-1	1,214	-
Title III C-2	60,617	-
Title III D	8,277	-
Title III F	1	-
Manufacturing Grants	-	4,508
Senior Center	479	28,744
USDA	-	38,887
Audit Adjustment	-	2,128
Outgoing Grants	1,485	5,922
Total Special Revenue Funds	89,011	82,389
Total All Funds	\$ 203,884	\$ 203,444

BOSSIER COUNCIL ON AGING, INC.**Notes to Financial Statements****June 30, 1999****12. INTERFUND LOANS**

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. A summary of these interfund loans at June 30, 1999, is as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ 664	\$ 34,608
Special Revenue Funds:	-	-
Title III B Services	-	664
USDA	5,111	-
Title III F	1,508	-
Helping Hands	19,064	-
FEMA	2,800	-
Total Special Revenue Funds	38,483	664
Total All Funds	\$ 39,147	\$ 35,204

13. OPERATING LEASES

At June 30, 1999, the Council was obligated under month to month operating leases for office space and equipment. The Council leases its office space for \$400 per month and copy machines for \$170 per month. Total net expense for operating leases was \$6,040 for the year ending June 30, 1999.

14. YEAR 2000 ISSUE

Year 2000 is an issue arising from computer being programmed in prior years to use only two digits under the assumption that the first two digits would always be 19 to identify the year when processing date-sensitive information. This method of identifying dates would cause problems when processing information with dates in the year 2000 or later. As a result, the systems that use only two digits to identify dates could process data inaccurately or stop functioning altogether. The effect of the year 2000 is expected to extend beyond systems and any equipment that is dependent on microchip technology.

As stated in Note 1, the Agency provides to the elderly as well as intermediates and families the services of other local agencies serving the aging people of the parish. The execution of these services generally does not rely upon microchip technology since these services are not automated in nature. However, the effect of the year 2000 issue on the Agency's vendors, service providers, and any other third parties from which it obtains services has not been determined. As a result, the effect of any of these vendors' non-compliance with the year 2000 issue upon the Agency has also not been determined.

For the year ended June 30, 1999, Bossier Council on Aging, Inc. incurred no material year 2000 compliance costs concerning the year 2000 issue. No significant loss due to impairment of equipment that is not year 2000 compliant was recognized for the year ended June 30, 1999.

BOSSIER COUNCIL ON AGING, INC.**Notes to Financial Statements
June 30, 1999****15. OTHER MISCELLANEOUS REVENUE**

Other miscellaneous revenue for the General Fund at June 30, 1999 consisted of the following:

Income of Elders	\$	8,781
Senior Center Recreation Dinner		19,265
Income PMS Unit		7,817
United Way		10,800
Marketville Trip		3,189
Meals on Wheels Assn.		4,451
Inpatient Payments		5,241
Senior Games 1999		7,310
Miscellaneous		12,511
Total Other Miscellaneous Revenue	\$	72,064

SUPPLEMENTARY FINANCIAL INFORMATION

BOSSIER COUNCIL-ON AGING, INC.

Statement of Program Revenues, Expenditures,
and Changes in Fund Balances - General Fund
For the Year Ended June 30, 1999

	Local		Total
	(Revenues)	PCOMA Act 218	
REVENUES			
Intergovernmental:			
Office of Elderly Affairs	\$ -	\$ 22,076	\$ 22,076
Local governments	125,086	-	125,086
Other:			
Interest	1,401	-	1,401
Investments	22,022	-	22,022
Total revenues	<u>148,509</u>	<u>22,076</u>	<u>170,585</u>
EXPENDITURES			
Salaries	22,624	-	22,624
Rent	-	-	-
Fringe benefits	2,790	-	2,790
Telephone	-	-	-
Travel	2,822	-	2,822
Operating services	48,400	-	48,400
Operating supplies	17,811	-	17,811
Capital outlay	-	-	-
Total Expenditures	<u>94,447</u>	<u>-</u>	<u>94,447</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>54,062</u>	<u>22,076</u>	<u>76,138</u>
OTHER FINANCING SOURCES			
Operating transfers in	14,843	-	14,843
Operating transfers out	(97,217)	(22,876)	(120,093)
Total other financing uses	<u>(82,374)</u>	<u>(22,876)</u>	<u>(105,250)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER USES	<u>11,688</u>	<u>-</u>	<u>11,688</u>
FUND BALANCES			
Beginning of year	<u>12,980</u>	<u>-</u>	<u>12,980</u>
End of Year	<u>\$ 24,668</u>	<u>\$ -</u>	<u>\$ 24,668</u>

BOSSER COUNCIL ON AGING, INC.

**Combining Statement of Program Revenues and Expenditures
Special Revenue Funds
Year Ended June 30, 1999**

	<u>Title 111-B</u>				
	<u>Administration</u>	<u>Services</u>	<u>Title 111-C-1</u>	<u>Title 111-C-2</u>	<u>Title 111-D</u>
REVENUES					
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 20,875	\$ 83,166	\$ 68,100	\$ 104,960	\$ 2,880
Participant and program income	-	15,619	2,875	15,667	-
Other revenues	-	-	22	-	-
Total revenues	<u>20,875</u>	<u>98,785</u>	<u>71,000</u>	<u>120,627</u>	<u>2,880</u>
EXPENDITURES					
Salaries	19,275	173,856	38,607	71,568	9,260
Fringe benefits	1,988	19,200	3,075	5,792	789
Travel	462	2,811	669	8,876	49
Operating services	3,384	27,856	5,074	15,668	929
Operating supplies	149	13,444	59	6,188	15
Mobile - Base fund	-	-	18,861	24,884	-
Non-utility	-	-	18,861	17,862	-
Other Costs	-	1,966	688	688	-
Capital outlay	-	15,389	-	-	-
Total expenditures	<u>24,758</u>	<u>260,722</u>	<u>56,913</u>	<u>127,936</u>	<u>10,093</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(3,883)</u>	<u>(161,937)</u>	<u>(15,913)</u>	<u>(7,309)</u>	<u>(7,213)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	2,495	81,563	1,114	89,638	8,217
Operating transfers out	-	(1,122)	-	-	-
Total other financing sources (uses)	<u>2,495</u>	<u>80,441</u>	<u>1,114</u>	<u>89,638</u>	<u>8,217</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>-</u>	<u>(81,496)</u>	<u>(14,800)</u>	<u>(11,671)</u>	<u>(1,996)</u>
FUND BALANCES:					
Beginning of year	-	-	-	-	-
Total of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Date	U.S. F.	Sales Center	E.U.M.S.	U.S.A.S.	Staff	Shipping		Miscellaneous		Totals					
						March	April	April	May						
1	4,149	1	48,983	1	-	1	26,961	1	2,126	1	24,802	1	4,500	1	405,488
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,417
	-	-	18,682	-	-	-	-	-	-	-	-	-	-	-	78,442
	4,149	48,983	18,682	26,961	2,126	24,802	4,500	405,488							
	-	18,688	-	-	-	23,026	-	340,400							
	-	3,017	-	-	-	1,809	-	21,819							
	-	-	-	-	-	824	-	13,317							
	61	593	-	-	-	622	-	26,003							
	4,210	-	21,288	-	-	26	-	41,648							
	-	-	-	-	-	-	-	78,863							
	-	-	-	-	-	-	-	62,980							
	-	-	-	-	-	-	-	3,190							
	-	-	-	-	-	-	-	11,319							
	4,249	28,718	21,288	-	-	26,828	-	382,828							
	-	28,762	11,812	26,761	3,112	17,582	4,500	418,833							
	-	828	-	-	-	3,482	-	189,441							
	-	(28,748)	-	(28,882)	(3,112)	(17,872)	(4,500)	(81,786)							
	-	(28,762)	-	(28,882)	(3,112)	(17,872)	(4,500)	(86,815)							
	-	-	14,884	(2,928)	-	(2,844)	-	(62,831)							
	-	-	31,811	11,882	-	26,881	-	78,821							
1	-	2	3,111	3,886	3	-	2	11,722	3	-	3	36,882			

BOSSIER COUNCIL ON AGING, INC.

Statement of Expenditures - Budget and Actual
Year Ended June 30, 1989

	Budgeted	Actual	Favorable (Unfavorable)
	Expenditures	Expenditures	Variance
LOCAL FUNDS			
Salaries	\$ -	\$ 31,654	\$ (31,654)
Fringe benefits	500	2,080	(2,580)
Travel	14,900	2,803	12,097
Operating services	4,000,000	40,000	3,960,000
Operating supplies	-	17,815	(17,815)
Capital outlay	-	-	-
Transfers out	-	95,203	(95,203)
Totals	-	791,453	(791,453)
STATE OF LA. ACTION			
Transfers out - Title 18-D	18,000	7,984	2,016
Totals - Title 18-D	-	-	-
Transfers out	12,876	14,892	(2,016)
Totals	70,876	32,876	-
TITLE 18-B - AREA AGENCY			
Salaries	18,383	19,313	930
Fringe benefits	1,536	1,388	148
Travel	900	482	418
Operating services	3,452	3,086	366
Operating supplies	42	149	(107)
Other costs	305	-	305
Totals	25,920	28,398	(2,478)
TITLE 18-B - SUPPORTIVE SERVICES			
Salaries	127,340	129,846	2,506
Fringe benefits	18,164	19,233	1,069
Travel	2,684	2,811	127
Operating services	20,428	27,866	7,438
Operating supplies	13,421	19,444	6,023
Other costs	4,325	3,996	329
Capital outlay	8,683	13,219	4,536
Transfer Out	-	1,232	(1,232)
Totals	\$ 184,040	\$ 198,747	\$ (14,707)

BOSHER COUNCIL ON AGING, INC.

Statement of Expenditures - Budget and Actual
Year Ended June 30, 1999

	Budgeted Expenditures	Actual Expenditures	Variance (Under/over)
TITLE III-C CONGREGATE MEALS			
Salaries	\$ 14,797	\$ 14,687	\$ 110
Fringe benefits	1,893	2,051	(258)
Travel	821	980	(279)
Operating services	2,821	2,874	(253)
Operating supplies	27	90	(63)
Meal costs	21,881	20,673	(788)
Other costs	121	488	(367)
Total	41,317	41,807	(490)
TITLE III-C HOME DELIVERED MEALS			
Salaries	\$9,663	71,168	(1,703)
Fringe benefits	5,377	5,732	(355)
Travel	6,282	8,476	(918)
Operating services	11,812	12,688	(2,257)
Operating supplies	4,288	4,198	198
Meal costs	181,083	17,508	21,113
Other costs	488	608	(388)
Total	219,793	191,555	18,382
TITLE III-B IN-HOME SERVICES			
Salaries	\$1,571	9,162	2,113
Fringe benefits	1,084	788	258
Travel	354	44	318
Operating services	183	928	(628)
Operating supplies	5	12	(7)
Other costs	27	-	27
Total	4,224	11,092	3,171
TITLE III-F			
Operating services	-	62	(62)
Operating supplies	2,488	4,226	(1,557)
Other costs	-	-	-
Capital Outlay	2,008	-	2,008
Total	\$ 4,496	\$ 4,288	\$ 2,088

BOSSIER COUNCIL ON AGING, INC.

Statement of Expenditures - Budget and Actual
Year Ended June 30, 1999

	Budgeted Expenditures	Actual Expenditures	Variance (Under/Over)
SENIOR CENTER			
Salaries	\$ 18,144	\$ 18,608	\$ (464)
Fringe benefits	1,444	1,571	(127)
Operating services	3,005	993	2,012
Transfer: Title III-B	26,178	28,744	(2,566)
Total	48,771	49,924	(1,153)
PTMA			
Operating supplies	NO BUDGET	23,298	(23,298)
Capital outlay	ADOPTED	-	-
Total	-	23,298	(23,298)
USDA			
Transfer out: Title III-C-2	49,811	79,482	29,671
ALERT			
Operating services	2,126	2,128	(2)
HELPING HANDS (MEDICARE WAIVERS)			
Salaries	NO BUDGET	23,116	(23,116)
Fringe benefits	ADOPTED	3,999	(3,999)
Travel	-	824	(824)
Operating services	-	612	(612)
Operating supplies	-	78	(78)
Transfer out	-	6,992	(6,992)
Total	-	31,511	(31,511)
MISCELLANEOUS GRANT			
Transfer rec: Title III-B Services	NO BUDGET ADOPTED	4,992	4,992
TOTAL EXPENDITURES	\$ 424,501	\$ 899,711	\$ (475,210)

BOYSER COUNCIL ON AGING, INC.

Schedule of Priority Services -
Title III, Part B - Grant for Supportive Services

			<u>% of GOER GRANT</u>
Assets (20%)	Assisted Transportation:	\$	\$
	Case Management		849
	Transportation		112,974
	Information & assistance		33
	Outreach	<u>15,112</u>	
	Total assets expenses		129,068
			162.84%
In-Flows (10%)	Meals/snacks	66,968	
	Cloak	-	
	Telephoneing	-	
	Yieldng	-	
	Adult/daycare/health	-	
	Personal care	<u>-</u>	
	Total in-flow expenses		66,968
			85.48%
Legal (5%)	Legal assistance		3,596
			5.32%
Nonreciprocity services			
Total Title III-B - Supportive services expenditures			198,592
Less: Participant contributions			(10,814)
Other public support			(14,215)
Transfers in			<u>(48,756)</u>
Title III-B - Supportive services grant			85,797
Less: Transfers of contract allotments			-
State reimbursement			(7,310)
State transportation			<u>-</u>
Original grant award net of additional state reimbursement and transportation funds		\$	<u>78,487</u>

ROBERTSON COUNCIL ON AGING, INC.**Compensation to Board Members
Year Ended June 30, 1999**

The Board of Directors is a voluntary board, therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

BOSSIER COUNCIL ON AGING, INC.

Exit Conference
Year Ended June 30, 1999

A preliminary exit conference was held November 1, 1999, to discuss the findings of this report. Those in attendance included:

Thyle Blasingame

Bonnie Lamb

Tom Cooper

Mike J. Rubenstein, CPA

George R. Watts, CPA

Executive Director

Bookkeeper

Bookkeeper

Auditor

Auditor

BENEFIC COUNCIL ON AGING, INC.

Comparative Statement of General Fixed Assets
Year Ended June 30, 1999

	Balance June 30, 1998		Additions	Deletions	Balance June 30, 1999	
General fixed assets at cost:						
Buildings & improvements	\$	915	\$		\$	915
Vehicles		155,177	48,137	15,315		188,000
Furniture and equipment		38,321	1,608	5,831		34,100
Total	\$	175,415	\$	46,512	\$	168,070
Investments in general fixed assets:						
Property acquired from:						
Title III B - A&A	\$	1,917	\$	-	\$	-
Title III B - SS		8,811	13,319	-		21,870
Title III C-1		547	-	-		547
Title III C-2		461	-	-		461
Title III D		3	-	-		3
Title III G		3,768	-	-		3,768
Senior Center		4,127	-	235		3,892
Title III F		3,380	-	-		3,380
Other		6,189	1,408	700		7,098
Total		345,818	16,965	15,511		347,273
Total	\$	175,415	\$	46,512	\$	168,070

OTHER REPORT SECTION



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

610 NATIONAL AVENUE • SUITE 800 • MONROE, LOUISIANA • 7013 • PHONE 225-333-7100 • TELEPHONE 225-333-7101 • FAX 225-334-4756
401 CANAL STREET • SUITE 1111 • MONROE, LOUISIANA 70111 • TELEPHONE 225-742-4833 • FAX 225-742-4899

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

Board of Directors
Boarder Council on Aging, Inc.
Boarder City, Louisiana

We have audited the general purpose financial statements of the Boarder Council on Aging, Inc., as of and for the year ended June 30, 1999, and have issued our report thereon dated September 27, 1999 which was qualified because insufficient audit evidence exists to support the Boarder Council on Aging, Inc.'s disclosures with respect to the year 2000 issue. Except as discussed in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Accounting Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Boarder Council on Aging, Inc.'s general purpose 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 was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Accounting Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Boarder Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 general purpose 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. However, we also noted other matters involving the internal control over financial reporting that we have reported to management of Boarder Council on Aging, Inc. in a separate letter dated September 27, 1999.

This report is intended solely for the information and use of management, the Board of Directors and others within the organization, the Governor's Office of Elderly Affairs and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.


Certified Public Accountants

September 27, 1999



SMITH PUGH RABINOWITZ, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

5100 NATIONAL AVENUE SUITE 800 • SUITE 800 • BOSSIERE • LA 70012-3033 • TELEPHONE: 225 699 5700 • FAX: 225 699 4734
401 LAKEVIEW DRIVE • SUITE 200 • BOSSIERE LA 70012 • TELEPHONE: 225 642 4800 • FAX: 225 642 4800

September 23, 1999

To The Board of Directors
Boisier Council on Aging, Inc.
Boisier City, Louisiana

99-12199-
FILED 09/23/99
STATE OF LOUISIANA
CLERK OF SUPREME COURT
BOSSIERE, LOUISIANA
JULY 11, 1999

In planning and performing our audit of the general purpose financial statements of the Boisier Council on Aging, Inc., for the year ended June 30, 1999, we considered the Council's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our reports dated September 23, 1999, on the general purpose financial statements of the Boisier Council on Aging, Inc.

Budget

During our audit we noted that the IIRB Administration and IIRB funds exceeded the 10% variance of budgeted to actual expenses.

We recommended that management review the allocations of expenses quarterly to ensure that the actual expenses are within the accepted 10% tolerance per COEA policy. If necessary, the budget will need to be amended.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Council officials, and we will be pleased to discuss them in further detail at your convenience.

Sincerely,

Certified Public Accountants



Post Office Box 5600
Bossier City, Louisiana 70711-5600

OFFICERS

December 16, 1999

DOYLE BLANQUART
Executive Director

QUIN H. NIBBY
President

FRANK SWEENEY
CEO / CEO / President

CLARENCE BROWN
1st Vice President

KEV SHANNON
Secretary

KEV ALLENBACH
Treasurer

LARRY COMBAY
Executive Director

MARY DIXON
DACA Director

PAUL JONES
LILLIAN MOORE

FRANK PARRA
KIMBERLY BOYD

DOYLE BLANQUART
BESSIE WATKINS

Legislative Auditor
State of Louisiana
Post Office Box 94387
Baton Rouge, LA 70804-5387

Re: Budget Variance; Corrective Action Plan

Dear Sir:

The budget variances noted on our management letter dated September 27, 1999 have been reviewed with our accounting department. Our procedures for reviewing budget amendments have been revised, and the variances will be within the 10% tolerance per BOCA's policies for fiscal year ending June 30, 2000.

Timely reviews of budget variances should resolve this issue.

Sincerely,

Doyle Blaquart, Executive Director
Boarder Council on the Aging, Inc.