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WEST FELICIANA COUNCIL ON AGING, INC.
GENERAL PURPOSE FINANCIAL STATEMENTS
ST. FRANCISVILLE, LOUISIANA
YEAR ENDED 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.

Release Date 11-11-98

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INDEPENDENT AUDITOR'S REPORT

September 1, 1998

To the Board of Directors
West Feliciana Council on Aging
ST. Francisville, Louisiana

I have audited the accompanying general purpose financial statements of the West Feliciana Council on Aging, Inc. as of June 30, 1998, and the year then ended. These financial statements are the responsibility of the West Feliciana Council on Aging's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial audits contained in the Government Audit Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. I believe that my audit provided a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above presented fairly, in all material respects, the financial position of the West Feliciana Council on Aging as of June 30, 1998, and the results of its operations for the year ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated September 1, 1998, on our consideration of West Feliciana Council On Aging, Inc. internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

My audit was made for the purpose of forming an opinion on the financial statements of West Feliciana Council On Aging, Inc. taken as a whole. The accompanying combining financial schedules, schedules and schedule of expenditures of federal awards listed in the Table of Contents are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1998

(With Comparative Totals as of June 30, 1997)

	GOVERNMENTAL FUND TYPE		ACCOUNT GROUPS		TOTALS	
	GENERAL	SPECIAL REVENUE	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(MEMORANDUM ONLY) 1998	1997
ASSETS AND OTHER DEBITS						
ASSETS:						
Cash	\$11,349	\$7,314	-0-	-0-	\$18,663	\$ 6,224
Grant Receivable	-0-	6,558	-0-	-0-	6,558	10,004
Accounts Receivable	-0-	-0-	-0-	-0-	-0-	95
Prepaid Expenses	-0-	3,584	-0-	-0-	3,584	-0-
Deposits	-0-	575	-0-	-0-	575	575
Fixed Assets	-0-	-0-	\$157,854	-0-	157,854	101,315
OTHER DEBITS:						
Amount To Be Provided To Retire Long-Term Debt	-0-	-0-	-0-	-0-	-0-	8,026
TOTAL ASSETS	<u>11,349</u>	<u>18,031</u>	<u>157,854</u>	<u>-0-</u>	<u>187,234</u>	<u>126,438</u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS						
LIABILITIES:						
Notes Payable	-0-	-0-	-0-	-0-	-0-	\$ 8,026
Bank Overdraft	-0-	-0-	-0-	-0-	-0-	3,496
Accounts Payable	-0-	\$161	-0-	-0-	\$161	1,516
TOTAL LIABILITIES	<u>-0-</u>	<u>161</u>	<u>-0-</u>	<u>-0-</u>	<u>161</u>	<u>13,038</u>
FUND EQUITY AND OTHER CREDITS:						
FUND BALANCES:						
Reserved For:						
Utility Assistance	-0-	1,366	-0-	-0-	1,366	1,135
Unreserved-Undesignated	11,349	16,504	-0-	-0-	27,853	10,950
INVESTMENT IN GENERAL FIXED ASSETS	<u>-0-</u>	<u>-0-</u>	<u>157,854</u>	<u>-0-</u>	<u>157,854</u>	<u>101,315</u>
TOTAL FUND EQUITY	<u>11,349</u>	<u>17,870</u>	<u>157,854</u>	<u>-0-</u>	<u>187,073</u>	<u>113,400</u>
TOTAL LIABILITIES, FUND EQUITY & OTHER CREDITS	<u>11,349</u>	<u>18,031</u>	<u>157,854</u>	<u>-0-</u>	<u>187,234</u>	<u>126,438</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1998

(With Comparative Totals For the Year Ended June 30, 1997)

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTALS (MEMORANDUM ONLY)</u>	
			<u>1998</u>	<u>1997</u>
REVENUES:				
INTERGOVERNMENTAL	\$34,751	\$153,954	\$188,705	\$109,413
PUBLIC SUPPORT	2,624	8,512	11,136	10,535
INTEREST	574	-0-	574	383
MISCELLANEOUS	711	-0-	711	525
IN-KIND CONTRIBUTIONS	2,794	-0-	2,794	11,208
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	41,454	162,466	203,920	132,064
EXPENDITURES				
CURRENT				
HEALTH AND WELFARE				
SALARIES	1,628	65,185	66,813	63,834
FRINGE BENEFITS	575	9,744	10,319	11,176
TRAVEL	-0-	1,769	1,769	535
OPERATING SERVICES	490	33,390	33,880	34,433
OPERATING SUPPLIES	(26)	10,426	10,400	9,262
OTHER	902	3,404	4,306	4,125
MEALS	-0-	74	74	22
CAPITAL OUTLAY	1,930	45,545	47,475	8,026
UTILITY ASSISTANCE	-0-	362	362	950
DEBT SERVICE	-0-	8,594	8,594	-0-
IN-KIND EXPENDITURES	2,794	-0-	2,794	11,208
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	8,293	178,493	186,786	143,571
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<hr/>	<hr/>	<hr/>	<hr/>
	33,161	(16,027)	17,134	(11,507)
OTHER FINANCIAL SOURCES (USES)				
Proceeds From Notes Payable	-0-	-0-	-0-	8,026
Transfers In	-0-	58,390	58,390	67,742
Transfers Out	(32,762)	(25,628)	(58,390)	(67,742)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL OTHER FINANCIAL SOURCES (USES)	(32,762)	32,762	-0-	8,026
EXCESS (DEFICIENCY) OF REVENUES & SOURCES OVER EXPENDITURES & OTHER USES				
	<hr/>	<hr/>	<hr/>	<hr/>
	399	16,735	17,134	(3,481)
FUND BALANCE, JULY 1	10,950	1,135	12,085	15,566
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCE, JUNE 30	11,349	17,870	29,219	12,085
	<hr/>	<hr/>	<hr/>	<hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES:</u>			
INTERGOVERNMENTAL	\$40,304	\$34,751	\$ (5,553)
PUBLIC SUPPORT	700	2,624	1,924
INTEREST	-0-	574	574
MISCELLANEOUS	-0-	711	711
IN-KIND	-0-	2,794	2,794
	41,004	41,454	450
<u>EXPENDITURES</u>			
CURRENT			
HEALTH AND WELFARE			
SALARIES	-0-	1,628	(1,628)
FRINGE	-0-	575	(575)
TRAVEL	-0-	-0-	-0-
OPERATING SERVICES	-0-	490	(490)
OPERATING SUPPLIES	-0-	(26)	26
OTHER	-0-	902	(902)
MEALS	-0-	-0-	-0-
CAPITAL OUTLAY	-0-	1,930	(1,930)
UTILITY ASSISTANCE	-0-	-0-	-0-
DEBT SERVICE	-0-	-0-	-0-
IN-KIND EXPENDITURES	-0-	2,794	(2,794)
	-0-	8,293	(8,293)
EXCESS OF REVENUES OVER EXPENDITURES	41,004	33,161	(7,843)
<u>OTHER FINANCIAL SOURCES (USES)</u>			
TRANSFERS IN	-0-	-0-	-0-
TRANSFERS OUT	(40,986)	(32,762)	8,224
	(40,986)	(32,762)	8,224
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	18	399	381
FUND BALANCE, JULY 1	10,950	10,950	
FUND BALANCE, JUNE 30	10,968	11,349	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES:</u>			
INTERGOVERNMENTAL	\$93,786	\$153,954	\$60,168
PUBLIC SUPPORT	8,410	8,512	102
INTEREST	-0-	-0-	-0-
IN-KIND	-0-	-0-	-0-
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	102,196	162,466	60,270
<u>EXPENDITURES</u>			
CURRENT			
HEALTH AND WELFARE			
SALARIES	66,761	65,185	1,576
FRINGE	11,242	9,744	1,498
TRAVEL	675	1,769	(1,094)
OPERATING SERVICES	33,681	33,390	291
OPERATING SUPPLIES	10,500	10,426	74
OTHER	5,020	3,404	1,616
MEALS	200	74	126
CAPITAL OUTLAY	15,103	45,545	(30,442)
UTILITY ASSISTANCE	-0-	362	(362)
DEBT SERVICE	-0-	8,594	(8,594)
IN-KIND EXPENDITURES	-0-	-0-	-0-
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	143,182	178,493	(35,311)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(40,986)	(16,027)	24,959
<u>OTHER FINANCIAL SOURCES (USES)</u>			
TRANSFERS IN	40,986	58,390	17,404
TRANSFERS OUT	-0-	(25,628)	(25,628)
	<hr/>	<hr/>	<hr/>
TOTAL FINANCIAL SOURCES (USES)	40,986	32,762	(8,224)
<u>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	<hr/>	<hr/>	<hr/>
	-0-	16,735	16,735
FUND BALANCE, JULY 1	<hr/>	<hr/>	<hr/>
	1,135	1,135	
FUND BALANCE, JUNE 30	<hr/>	<hr/>	<hr/>
	1,135	17,870	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people of their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The West Feliciana Council on Aging (Council) is a non-profit quasi-public 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 the most of its revenues. Other entities that provide the Council with federal, state, and local funds may impose some additional requirements.

The primary function of the Council on Aging 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. Some of the services provided by the Council include congregate and home delivered meals, nutritional education, information and referral services, legal assistance, homemaker services, discount services, material aid, outreach, operating senior centers, and transportation. A Board of Directors consisting of thirteen voluntary members who serve three-year terms, governs the Council. 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.

B. PRESENTATION OF STATEMENTS:

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

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

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. FUND ACCOUNTING

The Council uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain functions or activities.

The accounts of the Council are organized on the basis of funds and accounts 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, fund equity, revenues and expenditures. Resources are accounted for in these 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 grouped, in the financial statements in this report, into two generic fund types and two broad fund categories (account groups).

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:

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 the 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 types of programs comprise the Council's General Fund:

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers, (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "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 as "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

PCOA (ACT 735)

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

Local Transportation

The Council also provides transportation services to local agencies for a fee. These program service fees and their related costs are accounted for within the "local Transportation" program of the General Fund.

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 specific purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

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

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Title III-C-1 Funds are used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year the Council served about 5,116 congregate meals.

Title III-C-2 Home Delivered Meals Funds are used to account for funds which provide nutritional, home delivered meals to home-bound older persons. During the fiscal year the Council served about 8,715 home delivered meals.

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

Title III-F Funds are 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 larger number of older individuals who have the greatest economic and social need."

Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive support services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates one senior center in the parish.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 the cost of having an annual audit of the Council's financial statements.

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 remit the funds to the Council or to the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to West Feliciana to the Council. These funds are used to provide assistance to the elderly for the payment of their utility bills.

FTA Funds is used to account for the acquisition of vehicles purchased in part with federal funds under various capital assistance programs. The Louisiana Department of Transportation and Development coordinates the receipt and disbursement of the FTA funds and the required matching funds from the Council.

Police Jury Fund is used to account for the funds provided by the West Feliciana Parish Police Jury for elderly recreation, meals to the home bound and capital outlay.

D. 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 two account groups are not "funds".

GENERAL FIXED ASSETS

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

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

GENERAL LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligation account group. The general long-term obligations group shows only the measurement of financial position and is not involved with measurement of results of operations. Principal and interest payments on long-term liabilities (bank loans and capital lease obligations) are accounted for in the Special Revenue Funds because the Council intends to use these resources to pay them and no legal mandate exists to establish a debt service fund.

E. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for the following:

- (1) Principal and interest on long-term debt are recorded when due, and
- (2) Claims and judgement and compensated absences are recorded as expenditures when paid with expendable available financial resources.

F. TRANSFERS AND INTERFUND 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.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G. BUDGETS

The Council used the following procedures to derive in the budgetary data which has been presented in these financial statements:

The Governor's Office of Elderly Affairs "GOEA" 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 GOEA and the Council considers the potential revenues to be earned under those grants.

Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.

The Executive Director prepare a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval.

The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.

The adopted budget is forwarded to the GOEA for final approval.

All budgetary appropriations lapse at the end of each fiscal year. (June 30) Occasionally, the Council will receive a special project grant which may operate on a period different from the Council's normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgetary and actual revenues and expenditures.

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Actual amounts are compared to budgeted amounts periodically during the fiscal year as management control device.

The Council may transfer funds between line items as often as required but must obtain prior approval from the GOEA for funds received under grants from this state agency. As a part of this grant awards, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceeded the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.

Expenditures cannot legally exceed appropriations on an individual fund level.

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.

Amounts were not budgeted for revenues and expenditures for Utility Assistance Fund because they were not legally required and the amount of revenue to be received under this program could not be determined.

H. COMPARATIVE DATA

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

I. TOTAL COLUMN ON COMBINED STATEMENTS

Total Column on the Combined Statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

J. FIXED ASSETS

Assets which cost at least \$250 and which have an estimated useful life of greater than 1 year are capitalized as fixed assets. All fixed assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

K. COMPENSATED ABSENCES:

For government fund types, the Council's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. The liabilities has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. An amount is added to this total for social security and Medicare taxes. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year which they are paid or becomes due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

L. RELATED PARTY TRANSACTIONS

There were not any related party transactions during the fiscal year

M. RESTRICTED ASSETS:

Restricted assets represent assets which have been primary acquired through donations whereby the donor has placed a restriction on how the donation can be used by the Council (i.e., utility assistance funds). Restricted assets are offset by a corresponding reservation of the Council's fund balance.

N. RESERVATION AND DESIGNATIONS OF FUND BALANCES:

The Council can "reserve" portions of its fund balance that are not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

Designated allocations of fund balances result when the Council's management intends to expend certain resources in a designated manner.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O. PREPAID EXPENSES

The Council has elected not to expense amounts paid for future services until those services are consumed to comply with the cost reimbursement terms of its grant agreements. The fund balances in the governmental fund types have been reserved for any prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditure. At year end, there were \$3,584 in prepaid expenses.

P. MANAGEMENT'S USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2 - REVENUE RECOGNITION - INTERGOVERNMENTAL, PROGRAM SERVICE FEES, PUBLIC SUPPORT AND MISCELLANEOUS REVENUES

Intergovernmental Grants

Intergovernmental grant revenue are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). Intergovernmental grants do not allow the Council to recognize revenue under the grant award until actual costs are incurred or units of service are provided.

Program Service Fees

Program service fees are recognized when the Council provided the service that entitles the Council to charge the recipient for the services received.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help off-set the costs of Title III-B, C-1, C-2 and D programs. Utility assistance funds are provided from public donations to the Project Care Program sponsored by Gulf States Utilities. In addition, various fund raisers are held during the year to obtain funds to off-set costs of general operations and senior center activities. The timing and amounts 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.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 3 - CASH AND CASH EQUIVALENTS

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. Also, the Council has a \$15,000 certificate of deposit. At year end the balance of the Council's cash accounts were \$18,663. The related bank balance (collected deposits) at that date was \$28,893. All of the deposits were covered by federal depository insurance. GASB Statement 3 categorizes the credit risk of these deposits as category 1 because they are fully insured.

NOTE 4 - RECEIVABLES

Grants receivable at year end consist of reimbursements for expenses incurred under the following programs:

<u>PROGRAM</u>	<u>FUND</u>	<u>FUNDING AGENCY</u>	<u>AMOUNT</u>
Title III-C-1	Special Revenue	GOEA	\$2,510
Title III-C-2	Special Revenue	GOEA	3,585
Title III-F	Special Revenue	GOEA	403
Project Care	Special Revenue	Entergy	60
Total Grant Receivables			6,558

Receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>BALANCE</u> <u>7-1-97</u>	<u>ADDITIONS</u>	<u>ADJUSTMENTS</u> <u>AND</u> <u>DELETIONS</u>	<u>BALANCE</u> <u>6-30-98</u>
Vehicles	\$70,535	\$50,552	\$7,958	\$129,045
Equipment	30,780	5,987	(7,958)	28,809
Total	<u>101,315</u>	<u>56,539</u>	<u>-0-</u>	<u>157,854</u>

Donated assets represent \$6,953 of the June 30, 1998 balance.

NOTE 6. CHANGES IN GENERAL LONG-TERM DEBT

Long-term liabilities that will be financed from governmental funds are accounted for in the general long-term debt group of accounts. The following is a summary of changes in the general long-term debt account group.

	<u>BALANCE</u> <u>7-1-97</u>	<u>PRINCIPAL</u> <u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>6-30-98</u>
Notes Payable	\$8,026	<u>-0-</u>	\$8,026	<u>\$-0-</u>

NOTE 7. LEASES

On January 1, 1996, the Council entered into a lease a building lease that houses the Council's office and senior center in St Francisville, Louisiana. The Terms of this lease require monthly payments of \$575 for a period of one year. The lease expired December 31, 1994, and has been renewed each year on a year-to-year basis.

NOTE 8 - INCOME TAXES

The Council, a not-for-profit corporation, is exempt from federal income taxation 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.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 9. PENSION PLAN

On December 1, 1986, the West Feliciana Council on Aging, Inc. established with Mutual of America a single employer, defined contribution, money purchase plan. The minimum age requirement for eligibility shall be 21 and the minimum number of years of eligibility service required for eligibility shall be 1 year. The monthly employer contribution on behalf of a participant shall have a non-forfeitable right to 100% of the amounts in his accounts attributed to employer contributions (a) upon completion of 0 years of vesting services, or (b) if he or she has attained his early retirement age. January 1, 1996, the Council changed its administrator to Valic (The Variable Annuity Life Insurance Co). The Council contributed \$2,698 to the plan for the year ended June 30, 1998. The Company issues an annual publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the VALIC; 800 Gessner Road STE 1280; Houston TX 77024.

NOTE 10. POST-RETIREMENT BENEFITS

The West Feliciana Council on Aging, Inc. does not offer any post-retirement benefits to its employees.

NOTE 11. IN-KIND DONATIONS

The Council received \$2,794 in various in-kind contributions during the year which have been valued at their estimated fair market 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:

Vechile maintenance by parish Police Jury	\$2,794
	<u> </u>

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.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 10. BOARD OF DIRECTORS' 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 regular personnel policy.

NOTE 11. JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES

The Council has represented to me there is no litigation pending against the Council, as of June 30, 1998, nor is the Council aware of any unasserted claims. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

NOTE 12 - 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, Capital Area Agency on Aging and Department of Transportation. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of 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.

NOTE 13 - RISK MANAGEMENT

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

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 14 - INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for June 30, 1998:

FUNDS TRANSFERRED IN	FUNDS TRANSFERRED OUT					TOTAL IN
	PCOA	TRANSPORT- ATION	TITLE IIIC1	TITLE IIIC2	POLICE JURY	
Title III B	\$11,779	\$20,983	\$-0-	\$3,616	\$18,546	\$54,924
Title III C 1	-0-	-0-	-0-	-0-	519	519
Title III C 2	-0-	-0-	866	-0-	-0-	866
Title III D	-0-	-0-	-0-	-0-	2,081	2,081
Total Out	<u>11,779</u>	<u>20,983</u>	<u>866</u>	<u>3,616</u>	<u>21,146</u>	<u>58,390</u>

SUPPLEMENTARY INFORMATION

WEST FELICIANA COUNCIL ON AGING, INC.
 ST. FRANCISVILLE, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
 GENERAL FUND
 YEAR ENDED JUNE 30, 1998

	LOCAL	PCOA ACT 735	TRANS- PORTATION	TOTAL
REVENUES:				
INTERGOVERNMENTAL				
GOVERNORS OFFICE ELDERLY AFFAIRS	\$0	\$11,779	\$0	\$11,779
DEPARTMENT OF TRANSPORTATION	0	0	\$22,972	22,972
OFFICE FAMILY SUPPORT	0	0	0	0
TOTAL INTERGOVERNMENTAL	0	11,779	22,972	34,751
PUBLIC SUPPORT-DONATIONS	1,556	0	1,068	2,624
INTEREST INCOME	574	0	0	574
MISCELLANEOUS	711	0	0	711
IN-KIND CONTRIBUTIONS	0	0	2,794	2,794
TOTAL REVENUES	2,841	11,779	26,834	41,454
EXPENDITURES:				
CURRENT				
HEALTH AND WELFARE				
SALARIES	0	0	1,628	1,628
FRINGE	0	0	575	575
TRAVEL	0	0	0	0
OPERATING SERVICE	0	0	490	490
OPERATING SUPPLIES	(26)	0	0	(26)
OTHER COST	538	0	364	902
MEALS	0	0	0	0
CAPITAL OUTLAY	1,930	0	0	1,930
UTILITY ASSISTANCE	0	0	0	0
DEBT SERVICE	0	0	0	0
IN-KIND EXPENDITURES	0	0	2,794	2,794
TOTAL EXPENDITURES	2,442	0	5,851	8,293
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	399	11,779	20,983	33,161
OTHER FINANCIAL SOURCES (USES):				
TRANSFERS IN	0	0	0	0
TRANSFERS OUT	0	(11,779)	(20,983)	(32,762)
TOTAL OTHER FINANCIAL SOURCES (USES)	0	(11,779)	(20,983)	(32,762)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	399	0	0	399
FUND BALANCES, JULY 1	10,950	0	0	10,950
FUND BALANCES, JUNE 30	11,349	0	0	11,349

WEST FELICIANA COUNCIL ON AGING, INC.
 ST. FRANCISVILLE, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998

	TITLE 111-B	TITLE 111-C-1	TITLE 111-C-2	TITLE 111-D	TITLE 111-F	SENIOR CENTER	UTILITY ASSIST	AUDIT	FTA	POLICE JURY	TOTAL
REVENUES:											
INTERGOVERNMENTAL											
CAPITAL AREA AGENCY ON AGING	\$23,272	\$8,810	\$14,454	\$1,031	\$1,329	\$18,530	\$593	\$539	0	\$0	\$68,558
WEST FELICIANA PARISH POLICE JURY	0	0	0	0	0	0	0	0	0	43,050	43,050
DEPARTMENT OF TRANSPORTATION	0	0	0	0	0	0	0	0	\$18,727	0	18,727
GOVERNORS OFFICE OF RURAL DEVELOP	0	0	0	0	0	0	0	0	0	23,819	23,819
TOTAL INTERGOVERNMENTAL	23,272	8,810	14,454	1,031	1,329	18,530	593	539	18,727	66,669	153,954
PUBLIC SUPPORT-DONATIONS	0	2,559	2,580	0	0	3,373	0	0	0	0	8,512
INTEREST INCOME	0	0	0	0	0	0	0	0	0	0	0
IN-KIND CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	23,272	11,369	17,034	1,031	1,329	21,903	593	539	18,727	66,669	162,466
EXPENDITURES:											
CURRENT											
HEALTH AND WELFARE											
SALARIES	47,396	6,129	7,975	2,464	1,221	0	0	0	0	0	65,185
FRINGE	7,308	807	1,208	313	108	0	0	0	0	0	9,744
TRAVEL	1,376	130	173	39	0	0	0	0	0	51	1,769
OPERATING SERVICE	12,190	3,325	3,009	113	0	13,024	0	0	0	1,729	33,390
OPERATING SUPPLIES	8,274	229	1,502	72	0	38	0	0	0	311	10,426
OTHER COST	1,652	328	417	111	0	1	0	539	0	356	3,404
MEALS	0	74	0	0	0	0	0	0	0	0	74
CAPITAL OUTLAY	0	0	0	0	0	0	0	0	18,727	26,818	45,545
UTILITY ASSISTANCE	0	0	0	0	0	0	362	0	0	0	362
DEBT SERVICE	0	0	0	0	0	0	0	0	0	8,594	8,594
IN-KIND EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	78,196	11,022	14,284	3,112	1,329	13,063	362	539	18,727	37,859	178,493
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(54,924)	347	2,750	(2,081)	0	8,840	231	0	0	28,810	(16,027)
OTHER FINANCIAL SOURCES (USES):											
TRANSFERS IN	54,924	519	866	2,081	0	0	0	0	0	0	58,390
TRANSFERS OUT	0	(866)	(3,616)	0	0	0	0	0	0	(21,146)	(25,628)
TOTAL OTHER FINANCIAL SOURCES (USES)	54,924	(347)	(2,750)	2,081	0	0	0	0	0	(21,146)	32,762
EXCESS (DEFICIENCY) OF REVENUE AND AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	0	0	0	0	8,840	231	0	0	7,664	16,735
FUND BALANCES, JULY 1	0	0	0	0	0	0	1,135	0	0	0	1,135
FUND BALANCES, JUNE 30	0	0	0	0	0	8,840	1,366	0	0	7,664	17,870

WEST FELICIANA COUNCIL ON AGING, INC.

ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS AND GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S OFFICE ELDERLY AFFAIRS
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>PCOA (ACT 735)</u>			
Transfers to Title III B	\$11,779	\$11,779	-0-
<u>TITLE III B</u>			
SALARIES	\$49,990	\$47,396	\$2,594
FRINGE	8,592	7,308	1,284
TRAVEL	454	1,376	(922)
OPERATING SERVICES	14,858	12,190	2,668
OPERATING SUPPLIES	8,815	8,274	541
OTHER	3,811	1,652	2,159
TOTALS	<u>86,520</u>	<u>78,196</u>	<u>8,324</u>
<u>TITLE III C 1</u>			
SALARIES	5,531	6,129	(598)
FRINGE	829	807	22
TRAVEL	54	130	(76)
OPERATING SERVICES	3,377	3,325	52
OPERATING SUPPLIES	135	229	(94)
OTHER	444	328	116
MEALS	-0-	74	(74)
TRANSFER TO TITLE III C 2	-0-	866	(866)
TOTALS	<u>10,370</u>	<u>11,888</u>	<u>(1,518)</u>
<u>TITLE III C 2</u>			
SALARIES	\$7,745	\$ 7,975	(230)
FRINGE	1,319	1,208	111
TRAVEL	153	173	(20)
OPERATING SERVICES	3,409	3,009	400
OPERATING SUPPLIES	1,512	1,502	10
OTHER	648	417	231
TRANSFER TO TITLE III B	-0-	3,616	(3,616)
TOTALS	<u>14,786</u>	<u>17,900</u>	<u>(3,114)</u>

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS AND
GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S OFFICE ELDERLY AFFAIRS
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>TITLE III D</u>			
SALARIES	\$2,195	\$2,464	\$(269)
FRINGE	318	313	5
TRAVEL	15	39	(24)
OPERATING SERVICES	100	113	(13)
OPERATING SUPPLIES	36	72	(36)
OTHER	118	111	7
	<hr/>	<hr/>	<hr/>
TOTALS	2,782	3,112	(330)
	<hr/>	<hr/>	<hr/>
<u>TITLE III F</u>			
SALARIES	1,300	1,221	79
FRINGE	185	108	77
	<hr/>	<hr/>	<hr/>
TOTALS	1,485	1,329	156
	<hr/>	<hr/>	<hr/>
<u>AUDIT</u>			
OTHER COST	539	539	-0-
	<hr/>	<hr/>	<hr/>
<u>SENIOR CENTER</u>			
OPERATING SERVICES	11,936	13,025	(1,089)
OPERATING SUPPLIES	-0-	38	(38)
	<hr/>	<hr/>	<hr/>
	11,936	13,063	(1,127)
	<hr/>	<hr/>	<hr/>

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF PRIORITY SERVICES
TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES
YEAR ENDED JUNE 30, 1998

Access (30%):	Assisted Transportation	\$-0-		
	Transportation	41,190		
	Outreach	634		
		<hr/>		
	Total		\$41,824	<u>225.21%</u>
In-Home (15%):	Homemaker			
	Chore	2		
	Telephoning	2,391		
	Visiting	54		
	Letter Writing	264		
	Utility	630		
	Recreation	371		
		<hr/>		
	Total		3,712	<u>19.99%</u>
Legal (5%)	Legal Assistance		-0-	<u>0.00%</u>
Non-priority Services			<hr/> 32,660	
Total Title III B - Support Services Expenditures			78,196	
Less: Participant Contributions			(-0-)	
Other Public Support			(-0-)	
Transfers In			(54,924)	
			<hr/>	
Title IIIB - Supportive Services Grant			23,272	
Less: Transfers of Contract allotment			-0-	
State Homemaker			-0-	
State Transportation			(4,701)	
			<hr/>	
Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments.			18,571	
			<hr/>	

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS AND CHANGES IN
GENERAL FIXED ASSETS
YEAR ENDED JUNE 30, 1998

	<u>BALANCE</u> <u>JULY 1,</u> <u>1997</u>	<u>ADDITIONS</u>	<u>ADJUSTMENTS</u> <u>AND</u> <u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30,</u> <u>1998</u>
GENERAL FIXED ASSETS				
Vehicles	\$70,535	\$50,552	\$7,958	\$129,045
Equipment	30,780	5,987	(7,958)	28,809
	<u>101,315</u>	<u>56,539</u>	<u>-0-</u>	<u>157,854</u>

INVESTMENT IN GENERAL FIXED ASSETS:

Property Acquired From -				
Title III-C-1	\$2,854	-0-	-0-	\$2,854
Senior Center	2,922	-0-	-0-	2,922
Acquired Before 1985	25,004	-0-	-0-	25,004
FTA	46,675	\$18,727	-0-	65,402
FTA	23,860	-0-	-0-	23,860
W F POLICE JURY	-0-	37,812	-0-	37,812
	<u>101,315</u>	<u>56,539</u>	<u>-0-</u>	<u>157,854</u>

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 1997

<u>PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>FEDERAL REVENUE RECOGNIZED</u>	<u>TOTAL EXPENDITURES</u>
<u>DEPARTMENT OF HEALTH & HUMAN SERVICES</u>				
PASSED THROUGH:				
GOVERNOR'S OFFICE ELDERLY AFFAIRS				
TITLE III-B	93.044	\$15,785	\$15,785	\$15,785
TITLE III-C-1	93.045	8,519	8,519	8,519
TITLE III-C-2	93.045	6,005	6,005	6,005
TITLE III-D	93.046	876	876	876
TITLE III-F	93.043	1,129	1,129	1,129
		<u>32,314</u>	<u>32,314</u>	<u>32,314</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
PASSED THROUGH:				
LA DEPARTMENT OF TRANSPORTATION & DEVELOPMENT				
FTA	20.509	22,972	22,972	22,972
FTA	20.500	18,727	18,727	18,727
		<u>41,699</u>	<u>41,699</u>	<u>41,699</u>
Total Federal Grants		<u><u>74,013</u></u>	<u><u>74,013</u></u>	<u><u>74,013</u></u>

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

August 18, 1998

To the Board of Directors
West Feliciana Council on Aging
ST. Francisville, Louisiana

I have audited the financial statements of the West Feliciana Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued my report thereon dated August 18, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether Council's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of non-compliance that are required to be reported under Government Auditing Standards which is described in the accompanying Schedule of Findings.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing my audit, I considered Council's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operations that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect its ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF PRIOR YEARS FINDINGS
JUNE 30, 1998

REPORTABLE CONDITION: General ledger beginning balances did not agree to prior year's ending balances.

STATUS: No differences were noted this year.

* * *

REPORTABLE CONDITION: The Council incurred debt of \$8,025 without State Bond Commission Approval.

STATUS: The Council paid off the debt this year.

* * *

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS
JUNE 30, 1998

Compliance Finding

Reportable Condition: The Louisiana Department of Transportation terminated its current and future FTA Section 5311 program grant.

Criteria: (1) Ridership continues to average 97% elderly, with no appreciable increase in general public ridership. (2) Fleet utilization remained very poor, averaging a mere 27%-38%. (3) The Council vans are run only 1.8 to 3.5 hours daily. (4) Lack of initiative demonstrated by the Council to obtain contracts for Medicaid or Find Work Transit.

Cause: The council was placed on six months probation last July in order to come into Section 5311 program compliance in several areas. On January 9, 1998, no progress was made toward these goals.

Effect: The Council loses \$30,000 in funding annually.

Recommendation: I recommend that the Council contract with another Council to prepare the Medicaid application.

* * *

Compliance And Internal Control Finding

Reportable Condition: On May 21, 1998, the Capital Area Agency on Aging conducted its annual fiscal assessment. The findings led to the Council's Board of Directors to reprimand the Executive Director for use of the agency's credit card for personal purchases and improper credit purchases on a Council's account at a service station. The Executive Director paid the credit card company \$771 in August 1997 and \$792 in May 1998. The Executive Director also repaid the Council \$67 for purchases made on the account at the service station.

Criteria: A written policy against personal use of the Council's VISA card was adopted by the Board on April 15, 1997; however, a review of the April 15, 1997, Minutes do not document this adoption.

Cause: The auditor does not know the cause that the policy was not adhered to.

Effect: There is no effect to the financial statements since the bookkeeper did not use Council funds to pay the personal charges.

Recommendation: I agree with the boards directive that the VISA be locked in a secure place at the Council's office until needed.

WEST FELICIANA COUNCIL ON AGING, INC.
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS
JUNE 30, 1998

* * *

Compliance Finding

Reportable Condition: My random sample of 25 items of a population of 487 (5%) revealed one travel charge missing totaling \$38 of a sample of \$5,782 (0.6%).

Criteria: All charges are required to be adequately supported.

Cause: The voucher was misfiled.

Effect: There is no material effect to the financial statements.

Recommendation: I recommend that all vouchers be filed and retained.

* * *

Compliance Finding

Reportable Condition: A Council's employee is allowed to bring a passenger van home. The value of the personal use was not included in employee's income.

Criteria: Internal Revenue Code states that when a company provided, the value of the personal use is generally taxable. The IRS does not impose tax on vehicles of limited personal uses, such as, hearses, ambulances, dump trucks and passenger vans if seating is at least 20.

Cause: The Council was not aware of the IRS regulations.

Effect: The Council is not in compliance with IRS' regulations and could be liable for back payroll taxes.

Recommendation: The IRS allows a special method for valuing the use of employer-provided vehicles: Commuting Valuation Method where by the employee pays \$1.50 for each one way trip between home and work.

* * *

WEST FELICIANA COUNCIL ON AGING

5725 COMMERCE STREET
POST OFFICE BOX 1933
ST. FRANCISVILLE, LOUISIANA 70775
TELEPHONE: 504-635-6719

Corrective Action Plan

September 10, 1998

To Whom it may concern:

The following is the corrective action that will be taken on Compliance Findings in Audit report as of June 30, 1998:

FINDING # 1: The West Feliciana Council on Aging made efforts to increase ridership with the general public through advertising, running shuttle service at local parades, as well as other measures. However, this did not increase general public riders. Grant proposals were submitted to the Office of Family Support for the Project Find Work contract; Medicaid transportation contract proposal has been submitted for consideration. We are constantly researching and utilizing ways to promote and support our transportation program.

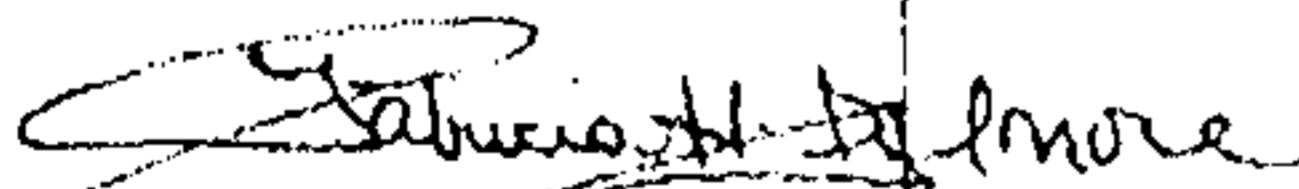
FINDING # 2: An amendment to the board minutes of April 15, 1997, has been made to include the adoption of policy against personal use of all agency charge account, including credit cards and business charge accounts. The use of these charge accounts by the director was bad judgement, however, it was never the intentions of the director, implied or otherwise, for the bookkeeper or any one else to use funds allocated to the West Feliciana Council on Aging to pay these charges. The action taken by the Board of Directors at a meeting on August 6, 1998, has been complied with and all concerned can be assured this will not happen again.

FINDING # 3: All supportive documentation will be maintained and attached to check vouchers for verification.

FINDING # 4: The vehicle in question is housed at employee's house because her route starts at that end of the parish. This decision was made because it was believed to be the most efficient method to maintain the useful life of the vehicle. This would eliminate excessive wasted mileage on a vehicle that has over 134,000 miles the second time around. This vehicle will have 21 miles one way from office to first stop (42 miles per day). We are required to be open 250 days a year, this is a total of 10,500 wasted miles annually as opposed to 3 miles one way (6 miles per day) 1,500 miles annually. However, this agency will abide by the decision of its governing body.

I feel the responses to the findings are appropriate. If additional action is required please contact me at (225) 635-6719. Thank you.

Sincerely,



Patricia H. Gilmore,
Executive Director

EQUAL OPPORTUNITY EMPLOYER