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LEGISLATIVE AUDITOR

Plaquemines Council on Aging, Inc. 99 3 00334

Port Sulphur, Louisiana

1119

General Purpose Financial Statements and Legislative Auditor's Report

For the 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 FEB 17 1999

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PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Plaquemines Council on Aging, Inc.
Port Sulphur, Louisiana

We have audited the accompanying general-purpose financial statements of the Plaquemines Council on Aging, Inc. as of and for the year ended June 30, 1998, as listed in the preceding table of contents. These general-purpose financial statements are the responsibility of the the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 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 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 issues in order for financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

any significant amount of resources committed to make computer systems and other electronic year 2000-compliant;

a general description of the year 2000 issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000-compliant; and

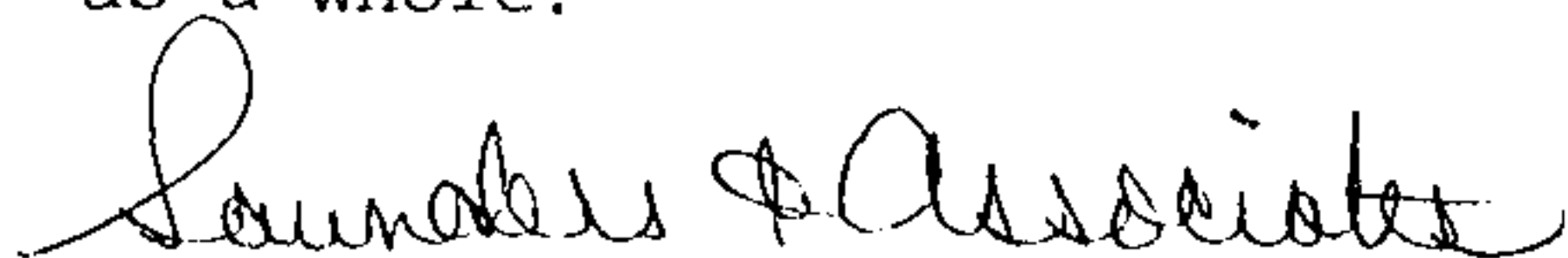
the additional stages of work necessary for making the computer systems and other electronic equipment year 2000-compliant.

Plaquemines Council on Aging, Inc. has omitted such disclosures. We do not provide assurance that Plaquemines Council on Aging, Inc. is or will be year 2000 ready, that the organization's year 2000 remediation efforts will be successful in whole or in part or that parties with which Plaquemines Council on Aging, Inc. does business will be year 2000 ready.

In our opinion, except for the omission of the information discussed in the preceding paragraph, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Plaquemines Council on Aging, Inc. as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 1998 on our consideration of the organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the organization taken as a whole. The accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis. This supplemental information 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 basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.


SAUNDERS & ASSOCIATES
Certified Public Accountants

December 3, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINED BALANCE SHEET -
 ALL FUND TYPES AND ACCOUNT GROUPS
 With Comparative Totals For the Year Ended June 30, 1997

June 30, 1998

ASSETS	Governmental Fund Types		Account Group	Total (Memorandum Only)	
	General Fund	Special Revenue Fund	General Fixed Assets	1998	1997
	General Fund	Special Revenue Fund	General Fixed Assets	1998	1997
Cash	\$ 91,782	\$ 9,620	\$ 0	\$ 101,402	\$ 95,807
Investments (Note 3)	7,655	0	0	7,655	5,070
Receivables:					
Grant (Note 4)	0	4,110	0	4,110	7,872
Inventories	0	1,818	0	1,818	1,705
Vehicles and Equipment - at Cost (Note 1, 5)	0	0	197,696	197,696	266,311
TOTAL ASSETS	\$ 99,437	\$ 15,548	\$ 197,696	\$ 312,681	\$ 376,765
 LIABILITIES AND FUND BALANCE					
Accounts Payable and Accrued Liabilities	\$ 0	\$ 8,808	\$ 0	\$ 8,808	\$ 13,618
Other Payables	0	1,562	0	1,562	2,591
Total Liabilities	0	10,370	0	10,370	16,209
Fund Balance:					
Undesignated	99,437	5,178	0	104,615	94,245
Investment in General Fixed Assets	0	0	197,696	197,696	266,311
Total Fund Balance	99,437	5,178	197,696	302,311	360,556
TOTAL LIABILITIES AND FUND BALANCE	\$ 99,437	\$ 15,548	\$ 197,696	\$ 312,681	\$ 376,765

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
With Comparative Totals For the Year Ended June 30, 1997

For the Year Ended June 30, 1998

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total (Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
<u>REVENUES</u>				
Intergovernmental (Note 2)	\$ 193,954	\$ 225,406	\$ 419,360	\$ 404,906
Interest Income	0	1,080	1,080	1,766
Contributions	4,319	13,278	17,597	10,333
Other	373	3,369	3,742	5,266
Total Revenues	<u>198,646</u>	<u>243,133</u>	<u>441,779</u>	<u>422,271</u>
<u>EXPENDITURES</u>				
Salaries	0	202,769	202,769	190,208
Fringe Benefits	0	24,228	24,228	24,330
Travel	0	8,458	8,458	7,820
Operating Expenses	(36)	83,262	83,226	89,810
Operating Supplies	0	103,925	103,925	110,535
Other Expenditures	0	8,503	8,503	10,744
Capital Outlay	2,800	0	2,800	83,350
Total Expenditures	<u>2,764</u>	<u>431,145</u>	<u>433,909</u>	<u>516,797</u>
Excess of Revenues Over (Under) Expenditures	<u>195,882</u>	<u>(188,012)</u>	<u>7,870</u>	<u>(94,526)</u>
Other Financing Sources (Uses):				
Operating Transfers In	0	221,738	221,738	183,081
Operating Transfers Out	(187,482)	(34,256)	(221,738)	(183,081)
Proceeds From Sale of Fixed Assets	2,500	0	2,500	0
Total Other Financing Sources (Uses)	<u>(184,982)</u>	<u>187,482</u>	<u>2,500</u>	<u>0</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	10,900	(530)	10,370	(94,526)
Fund Balance, Beginning of Year	<u>88,537</u>	<u>5,708</u>	<u>94,245</u>	<u>188,771</u>
FUND BALANCE, END OF YEAR	<u>\$ 99,437</u>	<u>\$ 5,178</u>	<u>\$ 104,615</u>	<u>\$ 94,245</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Intergovernmental	\$ 190,858	\$ 193,954	\$ 3,096
Interest Income	0	0	0
Contributions	0	4,319	4,319
Other	0	373	373
	<u>190,858</u>	<u>198,646</u>	<u>7,788</u>
 <u>EXPENDITURES</u>			
Salaries	0	0	0
Fringe Benefits	0	0	0
Travel	0	0	0
Operating Services	0	(36)	36
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Outlay	0	2,800	(2,800)
	<u>0</u>	<u>2,764</u>	<u>(2,764)</u>
Excess of Revenues Over (Under) Expenditures	<u>190,858</u>	<u>195,882</u>	<u>5,024</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	0	0	0
Operating Transfers Out	(190,858)	(187,482)	3,376
Proceeds From Sale of Fixed Assets	0	2,500	2,500
	<u>0</u>	<u>10,900</u>	<u>10,900</u>
Excess of Revenues Over (Under) Expenditures and Other Sources (Uses)	<u>0</u>	<u>10,900</u>	<u>10,900</u>
Fund Balance at Beginning of Year	<u>88,537</u>	<u>88,537</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 88,537</u>	<u>\$ 99,437</u>	<u>\$ 10,900</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

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

For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Intergovernmental	\$ 224,569	\$ 225,406	\$ 837
Interest Income	900	1,080	180
Contributions	11,200	13,278	2,078
Other	3,200	3,369	169
Total Revenue	239,869	243,133	3,264
<u>EXPENDITURES</u>			
Salaries	202,873	202,769	104
Fringe Benefits	24,537	24,228	309
Travel	8,505	8,458	47
Operating Services	81,284	83,262	(1,978)
Operating Supplies	105,012	103,925	1,087
Other Costs	8,516	8,503	13
Capital Outlay	0	0	0
Total Expenditures	430,727	431,145	(418)
Excess of Revenues Over (Under) Expenditures	(190,858)	(188,012)	2,846
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	190,858	221,738	30,880
Operating Transfers Out	0	(34,256)	(34,256)
Excess of Revenues Over (Under) Expenditures and Other Sources (Uses)	0	(530)	(530)
Fund Balance at Beginning of Year	5,708	5,708	0
FUND BALANCE AT END OF YEAR	\$ 5,708	\$ 5,178	\$ (530)

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

The following is a summary of the corporation's significant accounting policies, which have been consistently applied in the preparation of the accompanying financial statements:

Reporting Entity - In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. Plaquemines 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 Plaquemines Council on Aging, Inc. is to improve the quality of life for the parish's 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 14 voluntary members who serve 3 year terms, govern the council.

Presentation of Financial Statements - In April 1984, the Financial Accounting Foundations 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

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Cont'd

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*.

Fund Accounting - The Plaquemines Council on Aging, Inc. 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 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 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 grouped, in the financial statements in this report, into two generic fund types and one broad fund category (account group).

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 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 Funds:

- Local - Local funds are received from various local sources; such funds not being restricted to any special use.

The Council's program participants also generate revenues through a variety of fund raising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as part of the General Fund's local program.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONT'D

- PCOA (Act 735): PCOA (Act 735) funds are appropriated for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council may use these "Act 735" funds at its discretion, provided the program is benefiting people who are at least 60 years old.
- Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

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

- Title III-B Administration Fund: The Title III-B Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-B administrative funds are provided by the United State Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.
- Title III-B Supportive Services Fund: Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services, legal assistance, and outreach for people age 60 and older.
- Title III C-1 Fund: The Title III C-1 fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 1997 to June 30, 1998, the Council served about 18,034 congregate meals.
- Title III C-2 Home Delivered Meals Fund: Title III C-2 Fund is used to account for funds which are used to provide nutritional, *home delivered* meals to homebound older person. During the fiscal year June 1, 1997 to June 30, 1998, the Council served about 26,668 home delivered meals.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONT'D

- Title III-D Fund: The Title III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.
- Title III-F Fund: The Title III-F fund is used to account for funds used for disease prevention and health promotion activities or services. 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.
- Senior Center Fund: The Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which in turn passes through the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates 4 senior centers in Plaquemines Parish, Louisiana.
- U.S.D.A. Fund: The U.S.D.A. Fund is used to account for the administration of Nutrition Program for the Elderly funds provided by the United State Department of Agriculture through the Governor's Office of Elderly Affairs, which passes through the funds to the Council. This Program reimburses the service provider about .583 cents for each *congregate and home-delivered meal* served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.
- 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.
- Supplemental Senior Center Fund: The Louisiana Legislature appropriated additional money for various councils on aging throughout the state to be used to supplement the primary state grant for senior centers. Plaquemines Council on Aging, Inc. was one of the parish councils to receive a supplement grant. These funds are *passed thorough* the Governor's Office of Elderly Affairs.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONT'D

- Utility Assistance Fund: The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Plaquemines Parish to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

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

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

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 represent 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) Claims and judgements and compensated absences are recorded as expenditures when paid with expendable available financial resources.

Transfers - Advances between funds, which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds and due to other funds on the balance sheet. All transfers from Parish Funds are considered permanent and no repayment is due.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONT'D

Budget Policy - The Council follows these procedures in establishing the budgetary data reflected 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.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the 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 May 31 of the current year for the next year.
- The adopted budget is forwarded to the Governor's Office of Elderly Affairs 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 specified date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. There was one amendment during the year, effective June, 1998.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
- 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. As a part of this grant award, 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.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONT'D

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

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

Total Columns of Combined Statements - Overview - Total Columns of Combined Financial Statements are captioned *memorandum only* to indicate that they are presented only to help with financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

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

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the "General Fixed Assets" account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on the general fixed assets. The Plaquemines Parish Government has a reversionary interest in these assets.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONT'D

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. See the Schedule of Changes in General Fixed Assets for details.

Compensated Absences - The Council does not account for accrued compensated absences in its financial statements. Management is of the opinion, that any liability for accrued, compensated absences at June 30, 1998 would not be material to the financial statements taken as a whole.

Related Party Transactions - There were no related party transactions during the fiscal year.

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 could differ from those estimates.

Inventory - The food product inventories are stated at the lower of cost or market. Cost is determined primarily by the first-in, first-out method.

NOTE 2 - REVENUE RECOGNITION - SUMMARY OF FUNDING POLICIES AND SOURCES OF REVENUES

Intergovernmental - Intergovernmental grant revenues 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.

Senior Center, State Allocation (Act 735), Title III B, C-1, C-2, D, and F 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 also recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

U.S.D.A. 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.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 2 - REVENUE RECOGNITION - SUMMARY OF FUNDING POLICIES AND SOURCES OF REVENUES

Public Support and Miscellaneous Revenues - The Council encourages and receives contributions from clients to help offset the costs of the 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 offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

The Special Revenue Grants and their inclusion in the accompanying financial statements are as follows:

<u>Grants</u>	<u>Revenue Received</u>
Governor's Office of Elderly Affairs:	
Title III B-Administration	\$ 16,849
Title III B-Supportive Services	50,227
Title III C1-Congregate Meals	45,167
Title III C2-Home Delivered Meals	57,740
Audit Funds	1,060
Senior Center	18,695
Title III F - Preventive Health	2,992
Title III D-In-Home	2,439
Supplemental Senior Center	4,500
USDA	<u>25,737</u>
TOTAL SPECIAL REVENUE GRANTS	<u>\$ 225,406</u>

Plaquemines Council on Aging, Inc. receives contributions from clients to help offset the costs of programs. The participant contributions for the Title III C-1 Congregate Meals Program and the Title III C-2 Home-Delivered Meals Program totaled \$4,064 and \$2,538 respectively. Contributions for the Title III-B Supportive Services Program totaled \$3,176. These amounts are shown as contributions on the financial statements.

The following details Plaquemines Council on Aging, Inc.'s General Fund Grants and their inclusion in the accompanying financial statements.

<u>Grants</u>	<u>Period</u>	<u>Grant Award</u>	<u>Revenue Received</u>
Plaquemines Parish	7/1/97 - 6/30/98	\$182,175	\$ 182,175
PCOA	7/1/97 - 6/30/98	11,779	11,779
TOTAL			<u>\$ 193,954</u>

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 3 - CASH AND INVESTMENTS

At June 30, 1998, the carrying amount of the Council's deposits were as follows:

<u>Regions Bank</u>		
Operating - Checking		\$ 98,283
Payroll - Checking		340
Regular Savings		2,629
Total Regions Bank		<u>101,252</u>
<u>Mississippi River Bank</u>		
Money Market Savings		7,655
Total Cash on Deposit in Banks		<u>\$ 108,907</u>

The related bank balances (collected deposits) at June 30, 1998 totaled \$106,256 for the accounts located in Regions Bank and \$7,655 for the Mississippi River Bank savings account. At June 30, 1998, the total deposits at Regions Bank exceeded the maximum amount insured by FDIC. The excess funds are uncollateralized.

Other amounts classified as cash on the accompanying financial statements are petty cash funds totaling \$150. The money market savings account listed above is classified as an investment on the accompanying balance sheet.

NOTE 4 - GRANTS RECEIVABLE

Grants receivable at June 30, 1998, consisted of reimbursements for expenses incurred under the following programs:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
U.S.D.A.	Special Revenue	GOEA	<u>\$ 4,110</u>

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

The changes in general fixed assets are as follows:

	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Balance at July 1, 1997	\$ 185,834	\$ 80,477	\$ 266,311
Current year acquisitions	0	2,800	2,800
Deletions	(59,236)	(12,179)	(74,415)
Balance at June 30, 1998	<u>\$ 126,598</u>	<u>\$ 71,098</u>	<u>\$ 197,696</u>

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS, Cont'd

Current year additions include \$2,800 of donated assets.

NOTE 6 - IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. Except for the donated equipment described in Note 5, these in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded.

In addition to the donated equipment, the primary in-kind contributions consisted of free rent for the senior centers, and wages and fringe benefits for volunteer workers.

NOTE 7 - 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 8 - 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 of 1986, and as an organization that is not a private foundation as defined in Section 509(a) of the code. It is also exempt from Louisiana income tax.

NOTE 9 - JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council at June 30, 1998. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

NOTE 10 - FEDERAL AWARD PROGRAMS

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendments*

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 10 - FEDERAL AWARD PROGRAMS, Cont'd

of 1996. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

NOTE 11 - ECONOMIC DEPENDENCY

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

NOTE 12 - PENSION PLAN

Plaquemines Council on Aging, Inc. provides pension benefits for all eligible full-time employees through a defined contribution plan. The benefits, at retirement, are calculated as if the sum of the employer's contribution and earnings on investments were used to purchase an annuity.

Employees may retire at age 55. The employee is fully vested after seven years. The contribution rate for employer is 5% of payroll.

The pension expense for the year ended June 30, 1998 was approximately \$6,474.

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 insurance coverage.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONT'D

For the Year Ended June 30, 1998

NOTE 14 - INTERFUND TRANSFERS

Funds Transferred In	Funds Transferred Out						Total In
	USDA	Senior Center	Port Sulphur Special	Helping Hands	Bill Chasse Special	General Fund	
Title III B Admin	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,066	\$ 6,066
Title III B Supportive Services	0	4,500	2,007	378	1,634	83,818	92,337
Title III C-1	11,581	0	0	0	0	43,198	54,779
Title III C-2	14,156	0	0	0	0	52,576	66,732
Senior Center	0	0	0	0	0	1,775	1,775
Title III D	0	0	0	0	0	39	39
Title III F	0	0	0	0	0	10	10
Total Out	<u>\$25,737</u>	<u>\$4,500</u>	<u>\$2,007</u>	<u>\$ 378</u>	<u>\$ 1,634</u>	<u>\$187,482</u>	<u>\$221,738</u>

Saunders & Associates

Certified Public Accountants

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

Board of Directors
Plaquemines Council on Aging, Inc.
Port Sulphur, Louisiana

We have audited the financial statements of Plaquemines Council on Aging, Inc. as of and for the year ended June 30, 1998 and have issued our report thereon dated December 3, 1998, which was qualified due to the omission of the year 2000 disclosures that are required by Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

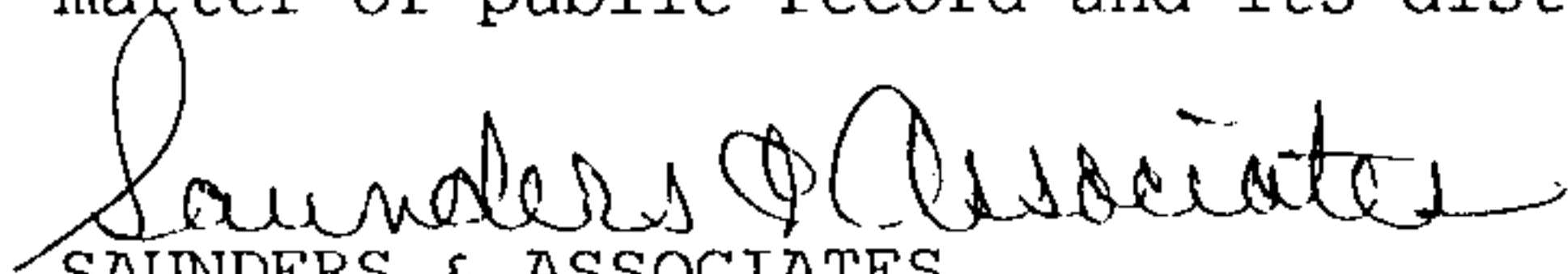
As part of obtaining reasonable assurance about whether the organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions 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 Auditing Standards*.

Internal Control Over Financial Reporting

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

However, we noted certain other matters involving the internal control over financial reporting that we have reported to management of the organization in a separate letter dated December 3, 1998.

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

A handwritten signature in cursive script that reads "Saunders & Associates".

SAUNDERS & ASSOCIATES
Certified Public Accountant

December 3, 1998

SUPPLEMENTAL INFORMATION

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 1998

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenues Recognized</u>	<u>Expenditures</u>
<u>U. S. Department of Health and Human Services</u>				
Passed Through the Louisiana Governor's Office of Elderly Affairs:				
Title III B - Administrative	93.044	\$ 12,637	\$ 12,637	\$ 12,637
Title III B - Supportive Services	93.044	42,693	42,693	42,693
Title III C-1 - Congregate Meals	93.045	43,674	43,674	43,674
Title III C-2 - Home Delivered Meals	93.045	22,753	22,753	22,753
Title III D - In-Home	93.046	2,073	2,073	2,073
Title III F - Preventive Health	93.043	<u>2,543</u>	<u>2,543</u>	<u>2,543</u>
Total U. S. Department of Health and Human Services		126,373	126,373	126,373
<u>U. S. Department of Agriculture</u>				
Passed Through the Louisiana Governor's Office of Elderly Affairs:				
USDA - Cash in Lieu of Commodities	10.570	<u>25,737</u>	<u>25,737</u>	<u>25,737</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ <u>152,110</u>	\$ <u>152,110</u>	\$ <u>152,110</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

GENERAL FUND

For the Year Ended June 30, 1998

	Parish Funds	PCOA Act 735	Special	Total
<u>REVENUES</u>				
Governor's Office of Elderly Affairs	\$ 0	\$ 11,779	\$ 0	\$ 11,779
Other Intergovernmental Grant	182,175	0	0	182,175
Interest Income	0	0	0	0
Contributions	3,076	0	1,243	4,319
Other	373	0	0	373
	<u>185,624</u>	<u>11,779</u>	<u>1,243</u>	<u>198,646</u>
Total Revenues				
<u>EXPENDITURES</u>				
Salaries	0	0	0	0
Fringe Benefits	0	0	0	0
Travel	0	0	0	0
Operating Expenses	(36)	0	0	(36)
Operating Supplies	0	0	0	0
Other Expenditures	0	0	0	0
Capital Outlay	2,800	0	0	2,800
	<u>2,764</u>	<u>0</u>	<u>0</u>	<u>2,764</u>
Total Expenditures				
Excess of Revenues Over (Under) Expenditures	182,860	11,779	1,243	195,882
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	(175,703)	(11,779)	0	(187,482)
Proceeds From Sale of Fixed Assets	2,500	0	0	2,500
	<u>2,500</u>	<u>0</u>	<u>0</u>	<u>2,500</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other (Uses)	9,657	0	1,243	10,900
Fund Balance, July 1, 1997	<u>86,261</u>	<u>0</u>	<u>2,276</u>	<u>88,537</u>
FUND BALANCE, JUNE 30, 1998	<u>\$ 95,918</u>	<u>\$ 0</u>	<u>\$ 3,519</u>	<u>\$ 99,437</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1998

	Title III B Admin- istration	Title III B Supportive Services	Title III C1 Congregate Meals	Title III C2 Home Delivered Meals
<u>REVENUES</u>				
Governor's Office of Elderly Affairs	\$ 16,849	\$ 50,227	\$ 45,167	\$ 57,740
Interest Income	0	1,080	0	0
Contributions	0	3,176	4,064	2,538
Other	0	0	410	0
	<u>16,849</u>	<u>54,483</u>	<u>49,641</u>	<u>60,278</u>
<u>EXPENDITURES</u>				
Salaries	8,075	88,221	44,073	41,157
Fringe Benefits	921	10,654	5,252	4,945
Travel	935	6,752	375	383
Operating Expenses	10,733	23,618	16,138	28,854
Operating Supplies	2,251	13,855	37,238	50,207
Other Expenditures	0	3,720	1,344	1,464
Capital Outlay	0	0	0	0
	<u>22,915</u>	<u>146,820</u>	<u>104,420</u>	<u>127,010</u>
Excess of Revenues Over (Under) Expenditures	(6,066)	(92,337)	(54,779)	(66,732)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	6,066	92,337	54,779	66,732
Operating Transfers Out	0	0	0	0
	<u>6,066</u>	<u>92,337</u>	<u>54,779</u>	<u>66,732</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other (Uses)	0	0	0	0
Fund Balance, July 1, 1997	0	0	0	0
FUND BALANCE, JUNE 30, 1998	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1998

	<u>Senior Center</u>	<u>Supplemental Senior Center</u>	<u>Title III D</u>	<u>U.S.D.A.</u>
<u>REVENUES</u>				
Governor's Office of Elderly Affairs	\$ 18,695	\$ 4,500	\$ 2,439	\$ 25,737
Interest Income	0	0	0	0
Contributions	0	0	0	0
Other	313	0	0	0
	<u>19,008</u>	<u>4,500</u>	<u>2,439</u>	<u>25,737</u>
<u>EXPENDITURES</u>				
Salaries	18,526	0	1,139	0
Fringe Benefits	2,271	0	101	0
Travel	0	0	5	0
Operating Expenses	0	0	237	0
Operating Supplies	(14)	0	41	0
Other Expenditures	0	0	955	0
Capital Outlay	0	0	0	0
	<u>20,783</u>	<u>0</u>	<u>2,478</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(1,775)	4,500	(39)	25,737
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	1,775	0	39	0
Operating Transfers Out	0	(4,500)	0	(25,737)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other (Uses)	0	0	0	0
Fund Balance, July 1, 1997	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE, JUNE 30, 1998	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1998

	<u>Audit</u>	<u>Helping Hands</u>	<u>Heating Help</u>	<u>Title III F Preventive Health</u>
<u>REVENUES</u>				
Governor's Office of Elderly Affairs	\$ 1,060	\$ 0	\$ 0	\$ 2,992
Other Intergovernmental Grants	0	0	0	0
Interest Income	0	0	0	0
Contributions	0	0	0	0
Other	0	2,646	0	0
	<u>1,060</u>	<u>2,646</u>	<u>0</u>	<u>2,992</u>
Total Revenues				
<u>EXPENDITURES</u>				
Salaries	0	0	0	1,578
Fringe Benefits	0	0	0	84
Travel	0	0	0	8
Operating Expenses	1,060	2,400	0	222
Operating Supplies	0	0	0	90
Other Expenditures	0	0	0	1,020
Capital Outlay	0	0	0	0
	<u>1,060</u>	<u>2,400</u>	<u>0</u>	<u>3,002</u>
Total Expenditures				
Excess of Revenues Over (Under) Expenditures	0	246	0	(10)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	10
Operating Transfers Out	0	(378)	0	0
	<u>0</u>	<u>(378)</u>	<u>0</u>	<u>10</u>
Operating Transfers Out				
Excess of Revenues and Other Sources Over (Under) Expenditures and Other (Uses)	0	(132)	0	0
Fund Balance, July 1, 1997	<u>0</u>	<u>1,143</u>	<u>0</u>	<u>0</u>
FUND BALANCE, JUNE 30, 1998	<u>\$ 0</u>	<u>\$ 1,011</u>	<u>\$ 0</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1998

	Belle Chasse Special	Port Sulphur Special	Booth- ville Special	Combined Total (Memo Only)
<u>REVENUES</u>				
Governor's Office of Elderly Affairs	\$ 0	\$ 0	\$ 0	\$ 225,406
Interest Income	0	0	0	1,080
Contributions	0	3,500	0	13,278
Other	0	0	0	3,369
	<u>0</u>	<u>3,500</u>	<u>0</u>	<u>243,133</u>
Total Revenues				
<u>EXPENDITURES</u>				
Salaries	0	0	0	202,769
Fringe Benefits	0	0	0	24,228
Travel	0	0	0	8,458
Operating Expenses	0	0	0	83,262
Operating Supplies	0	257	0	103,925
Other Expenditures	0	0	0	8,503
Capital Outlay	0	0	0	0
	<u>0</u>	<u>257</u>	<u>0</u>	<u>431,145</u>
Total Expenditures				
Excess of Revenues Over (Under) Expenditures	0	3,243	0	(188,012)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	221,738
Operating Transfers Out	(1,634)	(2,007)	0	(34,256)
	<u>(1,634)</u>	<u>1,236</u>	<u>0</u>	<u>(530)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other (Uses)				
Fund Balance, July 1, 1997	<u>2,089</u>	<u>2,500</u>	<u>(24)</u>	<u>5,708</u>
FUND BALANCE, JUNE 30, 1998	<u>\$ 455</u>	<u>\$ 3,736</u>	<u>\$ (24)</u>	<u>\$ 5,178</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET TO ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS (GOEA)

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Budgeted Over (Under) Actual Expenditures</u>
<u>TITLE III B - ADMINISTRATION</u>			
Salaries	\$ 7,623	\$ 8,075	\$ (452)
Fringes	904	921	(17)
Travel	991	935	56
Operating Services	10,876	10,733	143
Operating Supplies	2,345	2,251	94
Other Expenditures	0	0	0
Capital Outlay	0	0	0
TOTAL TITLE III B - ADMINISTRATION	<u>\$ 22,739</u>	<u>\$ 22,915</u>	<u>\$ (176)</u>
<u>TITLE III B - SUPPORTIVE SERVICES</u>			
Salaries	\$ 84,593	\$ 88,221	\$ (3,628)
Fringes	10,249	10,654	(405)
Travel	5,333	6,752	(1,419)
Operating Services	22,424	23,618	(1,194)
Operating Supplies	14,088	13,855	233
Other Expenditures	3,719	3,720	(1)
Capital Outlay	0	0	0
TOTAL TITLE III B - SUPPORTIVE SERVICES	<u>\$ 140,406</u>	<u>\$ 146,820</u>	<u>\$ (6,414)</u>
<u>AUDIT FUNDS</u>			
Operating Services	<u>\$ 1,060</u>	<u>\$ 1,060</u>	<u>\$ 0</u>
<u>TITLE III C-1 CONGREGATE MEALS</u>			
Salaries	\$ 42,814	\$ 44,073	\$ (1,259)
Fringes	5,176	5,252	(76)
Travel	1,018	375	643
Operating Services	14,950	16,138	(1,188)
Operating Supplies	37,623	37,238	385
Other Expenditures	1,344	1,344	0
Capital Outlay	0	0	0
TOTAL TITLE III C-1 CONGREGATE MEALS	<u>\$ 102,925</u>	<u>\$ 104,420</u>	<u>\$ (1,495)</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET TO ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS (GOEA)

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Budgeted Over (Under) Actual Expenditures</u>
<u>TITLE III C-2 HOME DELIVERED MEALS</u>			
Salaries	\$ 47,185	\$ 41,157	\$ 6,028
Fringes	5,704	4,945	759
Travel	1,118	383	735
Operating Services	29,071	28,854	217
Operating Supplies	50,846	50,207	639
Other Expenditures	1,345	1,464	(119)
Capital Outlay	0	0	0
TOTAL III C-2 HOME DELIVERED MEALS	<u>\$ 135,269</u>	<u>\$ 127,010</u>	<u>\$ 8,259</u>
 <u>TOTAL III D</u>			
Salaries	\$ 1,069	\$ 1,139	\$ (70)
Fringes	128	101	27
Travel	20	5	15
Operating Services	222	237	(15)
Operating Supplies	49	41	8
Other Expenditures	956	955	1
Capital Outlay	0	0	0
TOTAL III D	<u>\$ 2,444</u>	<u>\$ 2,478</u>	<u>\$ (34)</u>
 <u>SENIOR CENTER</u>			
Salaries	\$ 18,189	\$ 18,526	\$ (337)
Fringes	2,208	2,271	(63)
Travel	0	0	0
Operating Services	0	0	0
Operating Supplies	0	(14)	14
Other Expenditures	0	0	0
Capital Outlay	0	0	0
TOTAL SENIOR CENTER	<u>\$ 20,397</u>	<u>\$ 20,783</u>	<u>\$ (386)</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

SCHEDULE OF EXPENDITURES - BUDGET TO ACTUAL

CONTRACTS AND GRANTS PROVIDED THROUGH
LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS (GOEA)

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Budgeted Over (Under) Actual Expenditures</u>
<u>TITLE III F PREVENTIVE HEALTH</u>			
Salaries	\$ 1,400	\$ 1,578	\$ (178)
Fringes	168	84	84
Travel	25	8	17
Operating Services	281	222	59
Operating Supplies	61	90	(29)
Other Expenditures	1,152	1,020	132
Capital Outlay	0	0	0
TOTAL TITLE III F PREVENTIVE HEALTH	<u>\$ 3,087</u>	<u>\$ 3,002</u>	<u>\$ 85</u>
 <u>SUPPLEMENTAL SENIOR CENTER</u>			
Transfers Out:	\$ 4,500	\$ 4,500	\$ 0
III B Supportive Services			
TOTAL SUPPLEMENTAL SENIOR CENTER	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ 0</u>
 <u>PCOA (Act 735)</u>			
Transfers Out:			
Administration	\$ 5,890	\$ 5,890	\$ 0
III B Supportive Services	5,889	5,889	0
TOTAL PCOA (ACT 735)	<u>\$ 11,779</u>	<u>\$ 11,779</u>	<u>\$ 0</u>
 <u>U.S.D.A.</u>			
Transfers Out:			
Title III C-1 Congregate Meals	\$ 11,581	\$ 11,581	\$ 0
Title III C-2 Home Delivered Meals	14,156	14,156	0
	<u>\$ 25,737</u>	<u>\$ 25,737</u>	<u>\$ 0</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

SCHEDULE OF PRIORITY SERVICES
TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES

For the Year Ended June 30, 1998

			<u>% of GOEA Grant</u>
Access (30%):	Assisted Transportation	\$ 0	
	Case Management	30,558	
	Transportation	75,016	
	Information and Assistance	3,526	
	Outreach	<u>1,186</u>	
	Total Access Expense	\$ 110,286	219.58%
In-Home (15%):	Homemaker	0	
	Chore	408	
	Telephoning	2,893	
	Visiting	7,040	
	Adult/Daycare/Health	0	
	Personal Care	<u>0</u>	
	Total In-Home Expense	10,341	<u>20.59%</u>
Legal (5%):	Legal Assistance	4,168	<u>8.30%</u>
Non-Priority Services		<u>22,025</u>	
Total Title III B - Supportive Services Expenditures		146,820	
Less: Participant Contributions		(3,176)	
Interest Income		(1,080)	
Transfers In		<u>(92,337)</u>	
Title III B - Supportive Services Grant		50,227	
Less: Transfers of Contract Allotments		<u>0</u>	
Original Grant Award Net of Transfers of Contract Allotments		<u>\$ 50,227</u>	

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS AND
CHANGES IN GENERAL FIXED ASSETS

For the Year Ended June 30, 1998

	<u>Balance at 06/30/97</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 06/30/98</u>
<u>FIXED ASSETS AT COST</u>				
Vehicles	\$ 185,834	\$ 0	\$ 59,236	\$ 126,598
Equipment	<u>80,477</u>	<u>2,800</u>	<u>12,179</u>	<u>71,098</u>
TOTAL FIXED ASSETS AT COST	<u>\$ 266,311</u>	<u>\$ 2,800</u>	<u>\$ 71,415</u>	<u>\$ 197,696</u>
 <u>INVESTMENT IN FIXED ASSETS</u>				
Property Acquired prior to 1988 (No Records)	\$ 13,884	\$ 0	\$ 890	\$ 12,994
Title IIIC	14,842	0	3,589	11,253
Senior Center	1,412	0	0	1,412
Parish Funds	200,250	0	60,698	139,552
PCOA (Act 735)	3,993	0	0	3,993
Private Donations:				
Port Sulphur	1,978	0	345	1,633
Belle Chasse	200	0	200	0
Senior Center	1,936	0	874	1,062
Other	<u>27,816</u>	<u>2,800</u>	<u>4,819</u>	<u>25,797</u>
TOTAL INVESTMENT IN FIXED ASSETS	<u>\$ 266,311</u>	<u>\$ 2,800</u>	<u>\$ 71,415</u>	<u>\$ 197,696</u>

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 1998

There were no findings or questioned costs in the prior audit.

* The accompanying notes are an integral part of the financial statements.

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 1998

There are no findings or questioned costs as a result of our examination.

* The accompanying notes are an integral part of the financial statements.

**Memorandum of Suggestions on Accounting
Procedures and System of Internal Controls**

**Plaquemines Council on Aging, Inc.
Port Sulphur, Louisiana**

For the Year Ended June 30, 1998

**Contact Person
G. B. SAUNDERS**

December 3, 1998

**SAUNDERS & ASSOCIATES
Certified Public Accountants
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P. O. Box 1406
Ada, Oklahoma 74820
(580) 436-5330
FAX: (580) 332-2272**

Saunders & Associates

Certified Public Accountants

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E-mail www.sndrsgrp@chickasaw.com

Board of Directors
Plaquemines Council on Aging, Inc.
Port Sulphur, Louisiana

The accompanying Management Letter includes suggestions for improvement of accounting procedures and internal accounting controls that came to our attention as a result of our examination of the financial statements of the Plaquemines Council on Aging, Inc., Port Sulphur, Louisiana, for the year ended June 30, 1998. The matters discussed herein were considered by us during our examination and do not modify the opinion expressed in our auditor's report dated December 3, 1998 on such financial statements.

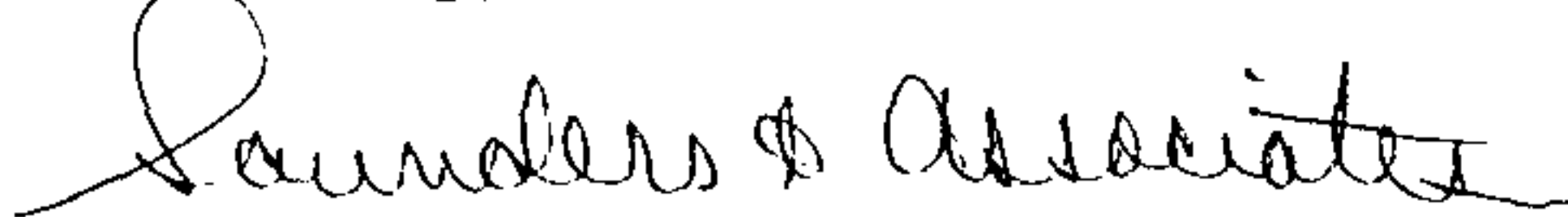
In accordance with generally accepted auditing standards we made a review of the Plaquemines Council on Aging, Inc.'s system of internal accounting controls for the purpose of providing a basis for reliance thereon, in determining the nature, timing and extent of substantive testing of the June 30, 1998 financial statements. While certain matters that came to our attention during the review are presented in the accompanying Management Letter for the consideration of the Board, our review did not encompass all control procedures and techniques and was not designed for the purpose of making detailed recommendations.

The accompanying Management Letter also includes comments and suggestions with respect to other financial and administrative matters that came to our attention during the course of our examination. These matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving accounting control and other financial and administrative practices and procedures.

This Management Letter is intended solely for the benefit of management and the board of directors, and is not to be used for any other purpose.

We wish to express our appreciation for the courtesies and cooperation extended to our representatives during the course of their work. We would be pleased to discuss these suggestions and comments in greater detail or otherwise assist in their implementation.

Sincerely,



SAUNDERS & ASSOCIATES
Certified Public Accountants

December 3, 1998

PLAQUEMINES COUNCIL ON AGING, INC.
Port Sulphur, Louisiana

MANAGEMENT LETTER

June 30, 1998

1. BANK ACCOUNTS EXCEEDING \$100,000 FDIC COVERAGE

Criteria: It is the responsibility of Plaquemines Council on Aging, Inc. to safeguard its assets, including cash. Banks have \$100,000 of FDIC coverage for each tax identification number.

Condition: Out of a population of 12 months, we noted 5 months out the 12 months tested, where the balance exceeded the \$100,000 of FDIC coverage at least once during the month.

Cause/Effect: Plaquemines Council on Aging, Inc. potentially had exposure to loss of funds in the amounts where the bank balances exceeded the FDIC coverage.

Recommendation: SAUNDERS & ASSOCIATES recommends that Plaquemines Council on Aging, Inc. approach their bank to obtain pledges in amounts sufficient to cover their unprotected balances, or enter into a repurchase agreement (sweep agreement) where the bank sweeps amounts exceeding the FDIC coverage to low risk securities.

2. SOFTWARE AND HARDWARE YEAR 2000 COMPLIANCE (Y2K)

Criteria: It is the responsibility of Plaquemines Council on Aging, Inc. to account for and document your financial and programmatic activities, and produce accurate and timely financial statements and programmatic reports.

Condition: Plaquemines Council on Aging, Inc. has not addressed the current computer software and hardware systems in use for Y2K compliance.

Cause/Effect: Should Plaquemines Council on Aging, Inc. have any systems fail due to Y2K non-compliance, Plaquemines Council on Aging, Inc. could potentially lose the ability to produce timely and accurate programmatic and financial information.

Recommendation: SAUNDERS & ASSOCIATES strongly recommends that Plaquemines Council on Aging, Inc. review all software programs and hardware to ensure that they are Y2K compliant. Priorities should be placed on systems that utilize dates or are date sensitive. Plaquemines Council on Aging, Inc. should especially ensure any data base they control or have access to is Y2K compliant. Plaquemines Council on Aging, Inc. should also assess the effect of Y2K on major grantors, vendors, service providers, banks and other third party organizations and how non-compliance could possibly affect Plaquemines Council on Aging, Inc. Plaquemines Council on Aging, Inc. should consider developing a Y2K contingency plan.