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**NATCHITOCHE PARISH
COUNCIL ON AGING, INC.
NATCHITOCHE, LOUISIANA**

**ANNUAL FINANCIAL REPORT
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 JAN 13 1999

Natchitoches Parish Council on Aging, Inc.

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Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, C.P.A. - A Professional Corporation (1962-1996)

Mark D. Thomas, C.P.A. - A Professional Corporation

Roger M. Cunningham, C.P.A. - A Professional Corporation

*321 Bienville Street
Natchitoches, Louisiana 71457*

(318) 352-3652

Fax (318) 352-4447

UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Independent Auditors' Report

To the Board of Directors of
Natchitoches Parish Council on Aging, Inc.
Natchitoches, Louisiana

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

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to 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 that our audit provides a reasonable basis for our opinion.

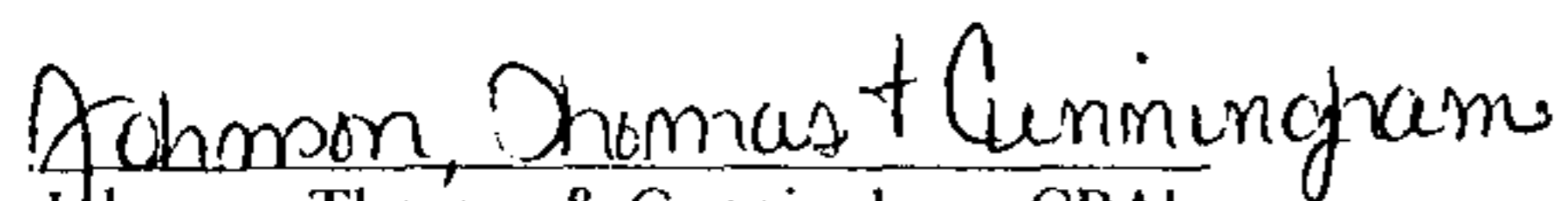
In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Natchitoches Parish Council on Aging, Inc. as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 1998, on our consideration of the Natchitoches Parish Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Natchitoches Parish Council on Aging, Inc. taken as a whole. The accompanying financial information listed as "Schedules" and "Supplementary Information" in the table of contents, including the schedule of expenditures of federal awards is 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 general purpose financial

statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Natchitoches Parish Council on Aging, Inc.


Johnson, Thomas & Cunningham, CPA's

December 17, 1998
Natchitoches, Louisiana

Johnson, Thomas & Cunningham

Certified Public Accountants

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Eddie G. Johnson, C.P.A. - A Professional Corporation (1968-1996)

Mark D. Thomas, C.P.A. - A Professional Corporation

Roger M. Cunningham, C.P.A. - A Professional Corporation

*321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447*

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

To the Board of Directors of
Natchitoches Parish Council on Aging, Inc.
Natchitoches, Louisiana

We have audited the financial statements of Natchitoches Parish Council on Aging, Inc., as of and for the year ended June 30, 1998, and have issued our report thereon dated December 17, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Natchitoches Parish Council on Aging, Inc. 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 Natchitoches Parish Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPA's

December 17, 1998
Natchitoches, Louisiana

Johnson, Thomas & Cunningham

Certified Public Accountants

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Eddie G. Johnson, C.P.A. - A Professional Corporation (1988-1996)

Mark D. Thomas, C.P.A. - A Professional Corporation

Roger M. Cunningham, C.P.A. - A Professional Corporation

*321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447*

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors of
Natchitoches Parish Council on Aging, Inc.
Natchitoches, Louisiana

Compliance

We have audited the compliance of the Natchitoches Parish Council on Aging, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1998. The Natchitoches Parish Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Natchitoches Parish Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the Natchitoches Parish Council on Aging, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Natchitoches Parish Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Natchitoches Parish Council on Aging, Inc.'s compliance with those requirements.

In our opinion, the Natchitoches Parish Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

Internal Control Over Compliance

The management of the Natchitoches Parish Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Natchitoches Parish Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 that risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

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.


Johnson, Thomas & Cunningham, CPA's

December 17, 1998
Natchitoches, Louisiana

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

Natchitoches Parish Council on Aging, Inc.
Combined Balance Sheet-All Fund Types and Account Group
June 30, 1998 and 1997

	<u>Fund Types</u>		<u>Account Groups</u>		<u>Totals</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>General Fixed Assets</u>	<u>General Long-term Debt</u>	<u>(Memorandum Only)</u>	
					<u>1998</u>	<u>1997</u>
<u>Assets</u>						
Cash	\$35,557	\$ 26,272	\$ 0	\$ 0	\$ 61,829	\$ 44,913
Accounts Receivable	0	8,225	0	0	8,225	5,669
Furniture & Equipment	0	0	279,910	0	279,910	226,662
Amount Available for Debt Retirement	0	0	0	0	0	0
Amount to be Provided for Debt Retirement	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,491</u>	<u>16,491</u>	<u>3,264</u>
Total Assets	<u>\$35,557</u>	<u>\$34,497</u>	<u>\$279,910</u>	<u>\$16,491</u>	<u>\$366,455</u>	<u>\$280,508</u>
<u>Liabilities & Fund Equity</u>						
<u>Liabilities-</u>						
Accounts Payable	\$ 0	\$ 48,697	\$ 0	\$ 0	\$ 48,697	\$ 24,901
Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,491</u>	<u>16,491</u>	<u>3,264</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 48,697</u>	<u>\$ 0</u>	<u>\$16,491</u>	<u>\$ 65,188</u>	<u>\$ 28,165</u>
<u>Fund Equity-</u>						
Fund Balances- Unreserved- Undesignated	\$35,557	\$(14,200)	\$ 0	\$ 0	\$ 21,357	\$ 25,681
Investment in General Fixed Assets	<u>0</u>	<u>0</u>	<u>279,910</u>	<u>0</u>	<u>279,910</u>	<u>226,662</u>
Total Liabilities & Fund Equity	<u>\$35,557</u>	<u>\$34,497</u>	<u>\$279,910</u>	<u>\$16,491</u>	<u>\$366,455</u>	<u>\$280,508</u>

See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances-
 All Governmental Fund Types
 Year Ended June 30, 1998
 With Comparative Amounts from Year Ended June 30, 1997

	General Fund Types	Special Revenue Fund Types	Totals (Memorandum Only)	
			<u>1998</u>	<u>1997</u>
REVENUES:				
Intergovernmental	\$11,779	\$749,595	\$761,374	\$655,580
Miscellaneous	<u>13,196</u>	<u>20,866</u>	<u>34,062</u>	<u>70,887</u>
Total Revenues	<u>\$24,975</u>	<u>\$770,461</u>	<u>\$795,436</u>	<u>\$726,467</u>
EXPENDITURES:				
Current-				
Salaries	\$ 0	\$287,298	\$287,298	\$241,920
Fringe	0	52,213	52,213	37,853
Travel	0	1,415	1,415	2,511
Operating Services	4,962	105,565	110,527	87,933
Operating Supplies	3,533	25,689	29,222	27,443
Other Costs	0	272,749	272,749	303,774
Capital Expenditures	1,709	35,583	37,292	8,638
Debt Service-				
Principal	5,438	2,264	7,702	7,599
Interest	<u>1,284</u>	<u>58</u>	<u>1,342</u>	<u>838</u>
Total Expenditures	<u>\$16,926</u>	<u>\$782,834</u>	<u>\$799,760</u>	<u>\$718,509</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 8,049	\$ (12,373)	\$ (4,324)	\$ 7,958
OTHER FINANCING SOURCES (USES):				
Operating Transfers In (Out)	(2,879)	2,879	0	0
Contribution-				
Meals Contract, N.P.H.	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,311</u>
Excess (Deficiency) of Revenues and Other Sources Over Expen- ditures and Other Uses	\$ 5,170	\$ (9,494)	\$ (4,324)	\$ 12,269
Fund Balance-Beginning of Year	<u>30,387</u>	<u>(4,706)</u>	<u>25,681</u>	<u>13,412</u>
Fund Balance-End of Year	<u>\$35,557</u>	<u>\$(14,200)</u>	<u>\$ 21,357</u>	<u>\$ 25,681</u>

See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
General Fund
Combined Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended June 30, 1998
With Comparative Actual Amounts from Year Ended June 30, 1997

	1998		Variance- Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
REVENUES:				
Intergovernmental	\$11,779	\$11,779	\$ 0	\$11,779
EXPENDITURES:				
Current-				
Salaries	\$ 0	\$ 0	\$ 0	\$ 0
Fringe	0	0	0	0
Operating Services	561	561	0	1,500
Operating Supplies	3,500	2,787	713	3,864
Capital Outlay	996	1,709	(713)	2,562
Debt Service-				
Principal	5,438	5,438	0	2,994
Interest	1,284	1,284	0	350
Total Expenditures	\$11,779	\$11,779	\$ 0	\$11,270
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0	\$ 509
OTHER FINANCING SOURCES (USES):				
Operating Transfers In (Out)	0	0	0	(509)
Excess (Deficiency) of Revenues and Other Sources Over Expen- ditures and Other Uses	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balance-Beginning of Year	0	0	0	0
Fund Balance-End of Year	\$ 0	\$ 0	\$ 0	\$ 0

See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
Special Revenues Fund
Combined Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended June 30, 1998
With Comparative Actual Amounts from Year Ended June 30, 1997

	1998			
	Budget	Actual	Variance- Favorable (Unfavorable)	1997 Actual
REVENUES:				
Intergovernmental	\$746,129	\$749,595	\$ 3,466	\$643,801
Miscellaneous	<u>7,301</u>	<u>20,866</u>	<u>13,565</u>	<u>64,173</u>
Total Revenues	<u>\$753,430</u>	<u>\$770,461</u>	<u>\$ 17,031</u>	<u>\$707,974</u>
EXPENDITURES:				
Current-				
Salaries	\$270,489	\$287,298	\$(16,809)	\$241,920
Fringe	51,143	52,213	(1,070)	37,853
Travel	1,935	1,415	520	2,511
Operating Services	88,424	105,565	(17,141)	83,026
Operating Supplies	23,059	25,689	(2,630)	23,579
Other Costs	303,929	272,749	31,180	303,774
Capital Expenditures	18,744	35,583	(16,839)	6,076
Debt Service-				
Principal	0	2,264	(2,264)	4,605
Interest	<u>0</u>	<u>58</u>	<u>(58)</u>	<u>488</u>
Total Expenditures	<u>\$757,723</u>	<u>\$782,834</u>	<u>\$(25,111)</u>	<u>\$703,832</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (4,293)	\$ (12,373)	\$ (8,080)	\$ 4,142
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	51,576	51,576	0	59,746
Operating Transfers Out	(48,697)	(48,697)	0	(59,237)
Contribution- Meals Contract N.P.H.	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,311</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	\$ (1,414)	\$ (9,494)	\$ (8,080)	\$ 8,962
Fund Balance-Beginning of Year	<u>(4,706)</u>	<u>(4,706)</u>	<u>0</u>	<u>(13,668)</u>
Fund Balance-End of Year	<u>\$ (6,120)</u>	<u>\$ (14,200)</u>	<u>\$ (8,080)</u>	<u>\$ (4,706)</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

1. 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 in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Natchitoches Parish Council on Aging, Inc. 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 most of its revenues. Other entities that provide the Council with federal, state, or local funds may impose some additional requirements.

The primary function of the Natchitoches Parish Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. 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 voluntary members 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*.

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

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 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 an account for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are 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 and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the Council's General Fund:

- Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund 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

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

fund-raising income are charged as "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 Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council may use the "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 Ombudsman Fund

The Ombudsman Fund is used to account for funds used to provide people age 60 and older residing in long-term care facilities a representative to ensure that such residents' rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility.

Title III-B Supportive Services Fund

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

Title III C Area Agency Administration (AAA) Fund

The Title III C Area Agency Administration (AAA) Fund is used to account for some of the administrative costs associated with operating the Special Programs for the Aging.

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

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.

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, *home delivered* meals to homebound older persons.

Title III-D Fund

The 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-F Fund is used to account for funds used for disease prevention and health promotion activities or services, such as; (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need."

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.

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 (or compilation) of the Council's financial statements.

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the Council or to the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to the Red River Parish Council on Aging, Inc. to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

FTA Fund

The FTA Fund 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.

Legislative Enrichment Fund

The Council may use these funds at its discretion to supplement other programs.

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 States Department of Agriculture through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Medicaid Transportation

These funds are used to provide non-emergency medical transportation to medicaid recipients.

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 it does not directly affect net expendable available financial resources. The following account group is not a "fund".

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of the Natchitoches Parish 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.

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account 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 General Fund because the Council intends to use unrestricted 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 judgments 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.

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

g. Budget Policy:

The Council used the following procedures to derive in the budgetary data which has been presented in Exhibits D and E of 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 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 a specified date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amount 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 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.

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

- 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.

h. Comparative Data:

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

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

i. Fixed Assets, Including Property Leased Under Capital Leases:

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.

Capital leases are recorded at the inception of the lease as capital outlay expenditures and other financing sources in governmental fund types and as assets and liabilities in the General Fixed Asset and General Long-term Debt account groups, respectively, at the present value of the minimum lease payments, using the interest rates stated in the leases. Lease payments are recorded as expenditures on the due date; the portion of the payments applicable to principal, determined by using interest rates implicit in the lease, is reported as a reduction of the capitalized lease obligation in the General Long-term Debt account group.

j. Related Party Transactions:

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

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

k. **Reservation and Designations of Fund Balances:**

The Council "reserves" 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.

l. **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 not any prepaid expenses.

m. **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.

2. **Revenue Recognition - Intergovernmental, Program Service Fees, Public Support, and Miscellaneous Revenues-**

Intergovernmental

Intergovernmental 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.

Program Service Fees

Program service fees are recognized when the Council provides 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 offset the costs of the Title III-B, C-1, C-2, and D programs. Utility assistance funds are provided from public donations via utility company programs. In addition, various fund raisers are held during the

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

year to obtain funds to offset costs of general operations and senior 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.

3. Cash in Bank-

The Council maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 1998, the balance of the Council's consolidated bank account was \$61,829. 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.

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.-CILC	Special Revenue	U.S. Dept. of Agriculture	\$7,777
Medicaid/Medicaid Waiver	Special Revenue	DHHS	<u>448</u>
Total			<u>\$8,225</u>

5. In-kind Contributions-

The Council receives various in-kind contributions. Although these contributions have not been reported as revenues, the offsetting expenses have not been reported, thereby producing no effect on the financial statements.

6. 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.

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

7. Changes in General Fixed Assets-

The following changes were made in the general fixed assets for the year ended June 30, 1998:

	Balance <u>7-1-97</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6-30-98</u>
Buildings, Furniture, Vehicles, Equipment, and Capital Improvements	\$226,662	\$53,248	\$0	\$279,910

8. Pension Plans-

The employees of the Council are not covered by any pension system.

9. 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.

10. 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.

	Balance <u>07-01-97</u>	<u>Principal</u>		Balance <u>06-30-98</u>
		<u>Additions</u>	<u>Reductions</u>	
N/P-Ford Motor Credit	\$3,264	\$19,664	\$(6,437)	\$16,491

11. Judgments, 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.

12. Federal Award Programs-

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendments of 1996*. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the

Natchitoches Parish Council on Aging, Inc.
Notes to Financial Statements
June 30, 1998

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.

13. 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.

14. Encumbrances-

The Council does not use the encumbrance system for financial records.

15. Annual and Sick Leave-

The Council has no unpaid vacation or sick leave at June 30, 1998.

16. Interfund Transfers-

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

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>		
	<u>Local Funds</u>	<u>U.S.D.A. CILC</u>	<u>Total In</u>
Medicaid/Medicaid Waiver	\$2,879	\$ 0	\$ 2,879
Title III C-2	<u>0</u>	<u>48,697</u>	<u>48,697</u>
Total	<u>\$2,879</u>	<u>\$48,697</u>	<u>\$51,576</u>

17. Year 2000 Issue-

The Natchitoches Parish Council on Aging, Inc. currently has a computerized system in place. The Council receives updates on this system and does expect to experience any problems or costs associated with the Year 2000 Issue.

COMBINING FINANCIAL STATEMENTS

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Revenues, Expenditures and Changes in Fund Balances-
General Fund Types
Year Ended June 30, 1998

	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Totals</u>
REVENUES:			
Intergovernmental-			
Office of Elderly Affairs	\$ 0	\$11,779	\$11,779
Miscellaneous	<u>13,196</u>	<u>0</u>	<u>13,196</u>
Total Revenues	<u>\$13,196</u>	<u>\$11,779</u>	<u>\$24,975</u>
EXPENDITURES:			
Current-			
Operating Services	\$ 4,401	\$ 561	\$ 4,962
Operating Supplies	746	2,787	3,533
Other Costs	<u>0</u>	<u>8,431</u>	<u>8,431</u>
Total Expenditures	<u>\$ 5,147</u>	<u>\$11,779</u>	<u>\$16,926</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 8,049	\$ 0	\$ 8,049
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	<u>(2,879)</u>	<u>0</u>	<u>(2,879)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expen- ditures and Other Uses	\$ 5,170	\$ 0	\$ 5,170
Fund Balance-Beginning of Year	<u>30,387</u>	<u>0</u>	<u>30,387</u>
Fund Balance-End of Year	<u>\$35,557</u>	<u>\$ 0</u>	<u>\$35,557</u>

See notes to financial statements

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 1998

	<u>Legislative Enrichment</u>	<u>Title III-B</u>	<u>Senior Center</u>
REVENUES:			
Intergovernmental-			
Governor's Office of Elderly Affairs	\$8,000	\$87,366	\$31,000
Local Governments	0	0	0
La. Dept. of H & H	0	0	0
State of La.-Van Match	0	0	0
Public Support-			
La. Councils on Aging	0	0	0
Miscellaneous-			
Program Income & Other Income	<u>0</u>	<u>1,800</u>	<u>0</u>
Total Revenues	<u>\$8,000</u>	<u>\$89,166</u>	<u>\$31,000</u>
EXPENDITURES:			
Current-			
Salaries	\$ 1,974	\$66,182	\$26,308
Fringe	160	8,586	3,350
Travel	0	0	0
Operating Services	3,631	13,421	1,213
Operating Supplies	2,235	0	4
Other Costs	0	977	125
Capital Expenditures	0	0	0
Debt Service-			
Principal	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$8,000</u>	<u>\$89,166</u>	<u>\$31,000</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	0	0	0
Operating Transfers (Out)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	\$ 0	\$ 0
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 1998

	<u>Title III C-1</u>	<u>Title III C-2</u>	<u>Title III C-1 Administration</u>
REVENUES:			
Intergovernmental-			
Governor's Office of Elderly Affairs	\$109,189	\$ 79,689	\$25,327
Local Governments	0	0	0
La. Dept. of H & H	0	0	0
State of La.-Van Match	0	0	0
Public Support-			
La. Councils on Aging	0	0	0
Miscellaneous-			
Program Income & Other Income	<u>12,929</u>	<u>5,073</u>	<u>0</u>
Total Revenues	<u>\$122,118</u>	<u>\$ 84,762</u>	<u>\$25,327</u>
EXPENDITURES:			
Current-			
Salaries	\$ 0	\$ 0	\$18,472
Fringe	0	0	2,386
Travel	0	0	0
Operating Services	0	0	3,773
Operating Supplies	0	0	0
Other Costs	122,118	133,459	696
Capital Expenditures	0	0	0
Debt Service-			
Principal	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$122,118</u>	<u>\$133,459</u>	<u>\$25,327</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (48,697)	\$ 0
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	0	48,697	0
Operating Transfers (Out)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	\$ 0	\$ 0
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 1998

	<u>Audit Funds</u>	<u>USDA</u>	<u>NFRC</u>
REVENUES:			
Intergovernmental-			
Governor's Office of Elderly Affairs	\$2,167	\$ 48,697	\$ 0
Local Governments	0	0	2,768
La. Dept. of H & H	0	0	0
State of La.-Van Match	0	0	0
Public Support-			
La. Councils on Aging	0	0	0
Miscellaneous-			
Program Income & Other Income	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$2,167</u>	<u>\$ 48,697</u>	<u>\$2,768</u>
EXPENDITURES:			
Current-			
Salaries	\$ 0	\$ 0	\$ 0
Fringe	0	0	0
Travel	0	0	0
Operating Services	2,167	0	2,148
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Expenditures	0	0	0
Debt Service-			
Principal	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$2,167</u>	<u>\$ 0</u>	<u>\$2,148</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 48,697	\$ 620
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	0	0	0
Operating Transfers (Out)	<u>0</u>	<u>(48,697)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	\$ 0	\$ 620
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>620</u>

See notes to financial statements.

Continued next page.

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 1998

	<u>Title III-D</u>	Utilities Assistance <u>Fund</u>	<u>Title XIX Transportation</u>
REVENUES:			
Intergovernmental-			
Governor's Office of Elderly Affairs	\$3,666	\$ 0	\$ 0
Local Governments	0	0	186,359
La. Dept. of H & H	0	0	0
State of La.-Van Match	0	0	0
Public Support-			
La. Councils on Aging	0	136	0
Miscellaneous-			
Program Income & Other Income	<u>0</u>	<u>500</u>	<u>48</u>
Total Revenues	<u>\$3,666</u>	<u>\$636</u>	<u>\$186,407</u>
EXPENDITURES:			
Current-			
Salaries	\$2,757	\$ 0	\$116,536
Fringe	276	0	21,229
Travel	0	0	0
Operating Services	600	0	37,127
Operating Supplies	0	0	16,675
Other Costs	33	0	0
Capital Expenditures	0	0	2,160
Debt Service-			
Principal	0	0	647
Interest	<u>0</u>	<u>0</u>	<u>16</u>
Total Expenditures	<u>\$3,666</u>	<u>\$ 0</u>	<u>\$194,390</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$636	\$ (7,983)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	0	0	0
Operating Transfers (Out)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	\$636	\$ (7,983)
Fund Balance-Beginning of Year	<u>0</u>	<u>9</u>	<u>(4,195)</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$645</u>	<u>\$ (12,178)</u>

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See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 1998

	<u>Ombudsman</u>	<u>Medicaid Program</u>	<u>Title III-F</u>
REVENUES:			
Intergovernmental-			
Governor's Office of Elderly Affairs	\$3,558	\$ 0	\$4,495
Local Governments	0	0	0
La. Dept. of H & H	0	8,744	0
State of La.-Van Match	0	0	0
Public Support-			
La. Councils on Aging	0	0	0
Miscellaneous-			
Program Income & Other Income	<u>0</u>	<u>359</u>	<u>0</u>
Total Revenues	<u>\$3,558</u>	<u>\$ 9,103</u>	<u>\$4,495</u>
EXPENDITURES:			
Current-			
Salaries	\$2,666	\$ 0	\$1,965
Fringe	265	0	158
Travel	274	0	0
Operating Services	115	0	2,018
Operating Supplies	0	0	0
Other Costs	238	14,749	354
Capital Expenditures	0	0	0
Debt Service-			
Principal	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$3,558</u>	<u>\$14,749</u>	<u>\$4,495</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (5,646)	\$ 0
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	0	2,879	0
Operating Transfers (Out)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	\$ (2,767)	\$ 0
Fund Balance-Beginning of Year	<u>0</u>	<u>(520)</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ (3,287)</u>	<u>\$ 0</u>

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See notes to financial statements.

Natchitoches Parish Council on Aging, Inc.
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 1998

	FTA Section <u>5311</u>	<u>Total</u>
REVENUES:		
Intergovernmental-		
Governor's Office of Elderly Affairs	\$ 0	\$403,154
Local Governments	123,023	312,150
La. Dept. of H & H	0	8,744
State of La.-Van Match	25,547	25,547
Public Support-		
La. Councils on Aging	0	136
Miscellaneous-		
Program Income & Other Income	<u>21</u>	<u>20,730</u>
Total Revenues	<u>\$148,591</u>	<u>\$770,461</u>
EXPENDITURES:		
Current-		
Salaries	\$ 50,438	\$287,298
Fringe	15,803	52,213
Travel	1,141	1,415
Operating Services	39,352	105,565
Operating Supplies	6,775	25,689
Other Costs	0	272,749
Capital Expenditures	33,423	35,583
Debt Service-		
Principal	1,617	2,264
Interest	<u>42</u>	<u>58</u>
Total Expenditures	<u>\$148,591</u>	<u>\$782,834</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (12,373)
OTHER FINANCING SOURCES (USES):		
Operating Transfers In	0	51,576
Operating Transfers (Out)	<u>0</u>	<u>(48,697)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	\$ (9,494)
Fund Balance-Beginning of Year	<u>0</u>	<u>(4,706)</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ (14,200)</u>

See notes to financial statements.

INDIVIDUAL FUND INFORMATION

Natchitoches Parish Council on Aging, Inc.
Statement of Expenditures-Budget and Actual
For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES:			
Title III C-1:			
Raw Food	\$ 53,765	\$ 53,765	\$ 0
Labor/Non-Edibles	<u>63,424</u>	<u>55,424</u>	<u>8,000</u>
Total	<u>\$117,189</u>	<u>\$109,189</u>	<u>\$8,000</u>
Senior Center:			
Salaries	\$ 26,308	\$ 26,308	\$ 0
Fringe	3,350	3,350	0
Operating Services	1,213	1,213	0
Operating Supplies	4	4	0
Other Costs	<u>125</u>	<u>125</u>	<u>0</u>
Total	<u>\$ 31,000</u>	<u>\$ 31,000</u>	<u>\$ 0</u>
Title III C-2:			
Raw Food	\$ 39,003	\$ 39,003	\$ 0
Labor/Non-Edibles	<u>102,584</u>	<u>98,520</u>	<u>4,064</u>
Other Costs	<u>\$137,523</u>	<u>\$133,459</u>	<u>\$4,064</u>
Title III-B Supportive Services:			
Salaries	\$ 66,228	\$ 66,182	\$ 46
Fringe	8,661	8,586	75
Travel	235	0	235
Operating Services	7,335	13,421	(6,086)
Operating Supplies	1,830	0	1,830
Other Costs	<u>4,877</u>	<u>977</u>	<u>3,900</u>
Total	<u>\$ 89,166</u>	<u>\$ 89,166</u>	<u>\$ 0</u>

See notes to financial statements.

Continued next page.

Natchitoches Parish Council on Aging, Inc.
Statement of Expenditures-Budget and Actual
For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Ombudsman:			
Salaries	\$ 2,668	\$ 2,666	\$ 2
Fringe	344	265	79
Travel	209	274	(65)
Operating Services	130	115	15
Operating Supplies	29	0	29
Other Costs	<u>41</u>	<u>238</u>	<u>(197)</u>
Total	<u>\$ 3,421</u>	<u>\$ 3,558</u>	<u>\$ (137)</u>
Title III C-1- Administration:			
Salaries	\$18,484	\$18,472	\$ 12
Fringe	3,563	2,386	1,177
Operating Services	1,851	3,773	(1,922)
Operating Supplies	509	0	509
Other Costs	758	696	62
Travel	<u>162</u>	<u>0</u>	<u>162</u>
Total	<u>\$25,327</u>	<u>\$25,327</u>	<u>\$ 0</u>
Audit Funds:			
Operating Services	<u>\$ 2,167</u>	<u>\$ 2,167</u>	<u>\$ 0</u>
Title III D:			
Salaries	\$ 2,759	\$ 2,757	\$ 2
Fringe	360	276	84
Operating Services	461	600	(139)
Travel	9	0	9
Operating Supplies	31	0	31
Other Costs	<u>46</u>	<u>33</u>	<u>13</u>
Total	<u>\$ 3,666</u>	<u>\$ 3,666</u>	<u>\$ 0</u>
USDA - Cash in lieu of Commodities:			
Transfer to Title III C-2	<u>\$48,697</u>	<u>\$48,697</u>	<u>\$ 0</u>

Continued next page.

See notes to financial statements.

Natchitoches Parish Council On Aging, Inc.
Statement of Expenditures-Budget and Actual
For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
PCOA Funds:			
Operating Services	\$ 561	\$ 561	\$ 0
Operating Supplies	3,500	2,787	713
Other Costs	<u>7,718</u>	<u>8,431</u>	<u>(713)</u>
Total	<u>\$ 11,779</u>	<u>\$ 11,779</u>	<u>\$ 0</u>
Title XIX - Transportation			
Salaries	\$116,536	\$116,536	\$ 0
Fringe	21,229	21,229	0
Operating Services	37,127	37,127	0
Operating Supplies	13,885	16,675	(2,790)
Other Cost	0	663	(663)
Capital Expenditures	<u>2,823</u>	<u>2,160</u>	<u>663</u>
Total	<u>\$191,600</u>	<u>\$194,390</u>	<u>\$ (2,790)</u>
FTA Section 5311:			
Salaries	\$ 50,438	\$50,438	\$ 0
Fringe	15,802	15,803	(1)
Operating Supplies	6,775	6,775	0
Travel	1,268	1,141	127
Operating Services	39,353	39,352	1
Capital Expenditures	15,921	33,423	(17,502)
Other Costs	<u>0</u>	<u>1,659</u>	<u>(1,659)</u>
Total	<u>\$129,557</u>	<u>\$148,591</u>	<u>\$(19,034)</u>
Title III-Title F			
Salaries	\$ 3,654	\$ 1,965	\$ 1,689
Fringe	324	158	166
Operating Services	0	2,018	(2,018)
Travel	217	0	217
Other Costs	<u>300</u>	<u>354</u>	<u>(54)</u>
Total	<u>\$ 4,495</u>	<u>\$ 4,495</u>	<u>\$ 0</u>

See notes to financial statements.

ACCOUNT GROUP FINANCIAL STATEMENTS

Natchitoches Parish Council on Aging, Inc.
Comparative Statement of General Fixed Assets
June 30, 1998 and 1997

	June 30, <u>1998</u>	June 30, <u>1997</u>
GENERAL FIXED ASSETS		
Vans & Vehicles	\$234,190	\$182,592
Furniture, Fixtures & Equipment	<u>45,720</u>	<u>44,070</u>
Total	<u>\$279,910</u>	<u>\$226,662</u>
INVESTMENT IN GENERAL FIXED ASSETS:		
Property Acquired Prior to July 1, 1985*	\$ 48,715	\$ 48,715
Property Acquired After July 1, 1985 from- Local Funds	35,858	35,858
Property Acquired After July 1, 1985 from- Title V	549	549
Property Acquired After July 1, 1985 from- Title 20	223	223
Property Acquired After July 1, 1985 from- Title III-F	3,795	3,795
Property Acquired After July 1, 1985 from- Title III-B (Administration)	2,373	2,373
Property Acquired After July 1, 1985 from- Legislative Enrichment	8,612	8,612
Property Acquired After July 1, 1985 from- Title XIX	31,668	30,018
Property Acquired After July 1, 1985 from- FTA Section 5311	126,176	94,242
Property Acquired After July 1, 1985 from- ACT 735	<u>21,941</u>	<u>2,277</u>
Total Investment in General Fixed Assets	<u>\$279,910</u>	<u>\$226,662</u>

* Records reflecting source from which assets were acquired were not maintained prior to July 1, 1985.

The following change were made in the general fixed assets for the year ended June 30, 1998.

	Balance <u>7-1-97</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6-30-98</u>
Furniture, Vehicle and Equipment, and Capital Improvement	<u>\$226,662</u>	<u>\$53,248</u>	<u>\$0</u>	<u>\$279,910</u>

SCHEDULES AND OTHER INFORMATION

Natchitoches Parish Council on Aging, Inc.
Compensation to Board Members
Year Ended June 30, 1998

No per diem or travel was paid to the Board Members for attending the Board meetings for the year ended June 30, 1998.

Natchitoches Parish Council on Aging, Inc.
Findings and Questioned Costs
Year Ended June 30, 1998

I. SUMMARY OF AUDITORS' RESULTS

The following summarizes the auditors' results in accordance with OMB Circular A-133:

1. An unqualified opinion was issued on the general purpose financial statements of the Natchitoches Parish Council on Aging, Inc. as of and for the year ended June 30, 1998.
2. *There were no reportable conditions that were considered to be material weaknesses.*
3. *The audit did not disclose any instances of noncompliance that are required to be reported under Government Auditing Standards.*
4. *The audit did not disclose reportable conditions in internal control over major programs.*
5. *An unqualified opinion was issued on compliance for major programs.*
6. *The audit did not disclose findings related to federal awards that are required to be reported under OMB Circular A-133.*
7. *The following programs were major for the year ended June 30, 1998:*
 - a. *GOEA Cluster of Federal Programs*
 - b. *Dept. of Transportation-Public Transportation FTA Section 5311*
5. *\$300,000 was the threshold used to distinguish Type A from Type B programs.*
6. *The Natchitoches Parish Council on Aging, Inc. did qualify as a low-risk auditee.*

II. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

There were no findings or questioned costs related to the financial statements or major federal award programs that are required to be reported in accordance with *Government Auditing Standards*.

Natchitoches Parish Council on Aging, Inc.
Exit Conference
Year Ended June 30, 1998

An exit conference was held on December 29, 1998. The conference was attended by Mrs. Norma Metoyer, Director of the Council, and Paul Sklar, from the firm of Johnson, Thomas & Cunningham, Certified Public Accountants. The report and records of the Council were discussed, along with the annual tax return and annual inventory report. The firm of Johnson, Thomas & Cunningham will prepare the Federal income tax return (Form 990) for the year ended June 30, 1998. A representation letter was signed by Mrs. Norma Metoyer, Director.

Natchitoches Parish Council on Aging, Inc.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 1998

<u>Federal Grantor/Pass through Grantors/Program</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Department of Health and Human Services:				
Passed through La. Governor's Office of Elderly Affairs-				
Special Program for the Aging-				
Title III B-(Support Services)	93.044	\$ 74,822	\$ 74,822	\$ 74,822
Title III C-I (Administration)	93.045	18,995	18,995	18,995
Title III C-I (Meals)	93.045	61,009	61,009	61,009
Title III C-II (Home Deliveries Meals)	93.045	28,184	28,184	28,184
Title III D (In-home Services)	93.046	3,116	3,116	3,116
Ombudsman Services	93.044	3,081	3,081	3,081
Title III F (Frail Elderly)	93.043	3,821	3,821	3,821
Medicaid/Medicaid Waiver	1964581	8,744	8,744	8,744
Department of Agriculture:				
Passed through La. Governor's Office of Elderly Affairs-				
USDA-Cash in Lieu of Commodities	10.570	48,697	48,697	48,697
Department of Transportation:				
Passed through Natchitoches Parish Police Jury-				
Public Transportation FTA Section 5311	20.509	<u>123,023</u>	<u>123,023</u>	<u>123,023</u>
TOTALS		<u>\$373,492</u>	<u>\$373,492</u>	<u>\$373,492</u>