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Financial Report

Livingston Council on Aging
Denham Springs, Louisiana

June 30, 1999

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Release Date DEC 01 1999

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Livingston Council on Aging
Denham Springs, Louisiana

June 30, 1999

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Livingston Council on Aging
Denham Springs, Louisiana.

I have audited the accompanying general purpose financial statements of the Livingston Council on Aging, Denham Springs, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Council's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Livingston Council on Aging, Denham Springs, Louisiana, as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated October 28, 1999, on my consideration of the Livingston Council on Aging's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedules 1 through 5, listed in the table of contents as supplementary information, are presented for purposes of additional analysis as required by the Governor's Office of Elderly Affairs and are not a required part of the general purpose financial statements. The information in Schedules 1 through 5 has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects, in relation to the general purpose financial statements taken as a whole. The disclosure about the Year 2000 issue in Schedule 6 of the supplementary information is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information in Schedule 6. However, I did not audit the information and express no opinion on it. In addition, I do not provide assurance that the Livingston Council on Aging is or will become year 2000 compliant, that the Livingston Council on Aging's year 2000 remediation efforts will be successful in whole or in part, or that parties with which Livingston Council on Aging does business are or will become year 2000 compliant.

Neil B. Ferrari, CPA

Baton Rouge, Louisiana,
October 28, 1999.

NEIL G. FERRARI

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

To the Board of Directors,
Livingston Council on Aging
Denham Springs, Louisiana.

I have audited the general purpose financial statements of the Livingston Council on Aging, Denham Springs, Louisiana, as of and for the year ended June 30, 1999, and have issued my report thereon dated October 28, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Livingston Council on Aging's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Livingston Council on Aging's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters

in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the Council's board of directors, management, federal awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.

Neil B. Ferrari, CPA

Baton Rouge, Louisiana,
October 28, 1999.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP

Livingston Council on Aging
Denham Springs , Louisiana

June 30, 1999

With Comparative Totals for the Year Ended June 30, 1998

	Governmental Fund Types		Account Group	Totals (Memorandum Only)	
	General	Special Revenue	General Fixed Assets	1999	1998
ASSETS AND OTHER DEBITS					
Assets:					
Cash	\$ 39,017	\$ 11,339	\$ 0	\$ 50,356	\$ 52,652
Investments	132,171	0	0	132,171	156,356
Grants and contracts receivable	0	4,043	0	4,043	24,032
Accounts receivable	2,420	0	0	2,420	2,420
Prepaid expense	110,717	0	0	110,717	113,317
Due from Special Revenue funds	3,735	0	0	3,735	19,594
Restricted assets:					
Cash	0	2,110	0	2,110	3,033
Deposit towards vehicle purchase	7,000	0	0	7,000	6,800
Fixed assets	0	0	266,845	266,845	273,668
Total assets and other debits	\$ 295,060	\$ 17,492	\$ 266,845	\$ 579,397	\$ 651,872
LIABILITIES, FUND EQUITY, AND OTHER CREDITS					
Liabilities:					
Accounts payable	\$ 71	\$ 2,103	\$ 0	\$ 2,174	\$ 237
Payroll tax withholdings and accruals	1,446	0	0	1,446	1,356
Due to General Fund	0	3,735	0	3,735	19,594
Advances from funding agencies	0	9,544	0	9,544	8,745
Deposit escrow-utility assistance	0	100	0	100	100
Total liabilities	1,517	15,482	0	16,999	30,032
Fund Equity and Other Credits:					
Fund balances:					
Reserved for:					
Deposit toward vehicle purchase	7,000	0	0	7,000	6,800
Prepaid expense	110,717	0	0	110,717	113,317
Utility assistance	0	2,010	0	2,010	3,033
Unreserved - undesignated	175,826	0	0	175,826	225,022
Investment in general fixed assets	0	0	266,845	266,845	273,668
Total fund equity and other credits	293,543	2,010	266,845	562,398	621,840
Total liabilities, fund equity and and other credits	\$ 295,060	\$ 17,492	\$ 266,845	\$ 579,397	\$ 651,872

The accompanying notes are an integral part of this statement.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES**

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

With Comparative Totals for the Year Ended June 30, 1998

	General	Special Revenue	Totals (Memorandum Only)	
			1999	1998
REVENUES				
Intergovernmental	\$ 21,779	\$ 447,168	\$ 468,947	\$ 500,151
Public Support	9,194	30,197	39,391	45,769
Program Service Fees	27,390	5,996	33,386	17,538
Investment Income	7,944	143	8,087	15,525
Miscellaneous	465	0	465	827
In-kind Contributions	899	58,529	59,428	86,225
Total revenues	<u>67,671</u>	<u>542,033</u>	<u>609,704</u>	<u>666,035</u>
EXPENDITURES				
Current:				
Personnel	13,265	227,990	241,255	233,822
Fringe	1,187	27,087	28,274	27,355
Travel	20	483	503	636
Operating Services	8,989	52,887	61,876	76,278
Operating Supplies	2,325	15,862	18,187	22,704
Other Costs	974	32,392	33,366	30,900
Full Service Contracts	0	3,200	3,200	
Meals	0	180,406	180,406	174,618
Capital Outlay	29,787	0	29,787	11,981
Utility Assistance	0	6,041	6,041	8,751
In-kind Expenses	899	58,529	59,428	86,225
Total expenditures	<u>57,446</u>	<u>604,877</u>	<u>662,323</u>	<u>673,270</u>
Excess of revenues over(under) expenditures	10,225	(62,844)	(52,619)	(7,235)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	0	196,913	196,913	196,774
Operating transfers out	(57,383)	(139,530)	(196,913)	(196,774)
Excess of revenues and other sources over (under) expenditures and other uses	(47,158)	(5,461)	(52,619)	(7,235)
FUND BALANCES				
Beginning of year	<u>340,701</u>	<u>7,471</u>	<u>348,172</u>	<u>355,407</u>
End of year	<u>\$ 293,543</u>	<u>\$ 2,010</u>	<u>\$ 295,553</u>	<u>\$ 348,172</u>

The accompanying notes are an integral part of this statement.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND TYPE**

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	Budget	Actual	Variance- Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 21,779	\$ 21,779	\$ 0
Public Support	9,764	9,194	(570)
Program Service Fees	27,500	27,390	(110)
Investment Income	10,000	7,944	(2,056)
Miscellaneous	375	465	90
In-kind Contributions	2,644	899	(1,745)
	<hr/>	<hr/>	<hr/>
Total revenues	72,062	67,671	(4,391)
EXPENDITURES			
Current:			
Personnel	9,692	13,265	(3,573)
Fringe	1,221	1,187	34
Travel	18	20	(2)
Operating Services	2,940	8,989	(6,049)
Operating Supplies	92	2,325	(2,233)
Other Costs	184	974	(790)
Full Service Contracts	0	0	0
Meals	0	0	0
Capital Outlay	19,751	29,787	(10,036)
Utility Assistance	0	0	0
In-kind Expenses	2,644	899	1,745
	<hr/>	<hr/>	<hr/>
Total expenditures	36,542	57,446	(20,904)
Excess of revenues over(under) expenditures	35,520	10,225	(25,295)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	(88,613)	(57,383)	31,230
	<hr/>	<hr/>	<hr/>
Excess of revenues and other sources over(under) expenditures and other uses	(53,093)	(47,158)	\$ 5,935
FUND BALANCE			
Beginning of year	340,701	340,701	
	<hr/>	<hr/>	
End of year	\$ 287,608	\$ 293,543	

The accompanying notes are an integral part of this statement.

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

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental	\$ 447,150	\$ 447,168	\$ 18
Public Support	20,256	30,197	9,941
Program Service Fees	3,939	5,996	2,057
Investment Income	100	143	43
In-kind Contributions	89,019	58,529	(30,490)
	<hr/>	<hr/>	<hr/>
Total revenues	560,464	542,033	(18,431)
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current:			
Personnel	229,701	227,990	1,711
Fringe	29,448	27,087	2,361
Travel	1,009	483	526
Operating Services	69,667	52,887	16,780
Operating Supplies	16,102	15,862	240
Other Costs	24,899	32,392	(7,493)
Full Service Contracts	3,200	3,200	0
Meals	174,445	180,406	(5,961)
Capital Outlay	0	0	0
Utility Assistance	7,777	6,041	1,736
In-kind Expenses	89,019	58,529	30,490
	<hr/>	<hr/>	<hr/>
Total expenditures	645,267	604,877	40,390
	<hr/>	<hr/>	<hr/>
Excess of revenues over(under) expenditures	(84,803)	(62,844)	21,959
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	219,693	196,913	(22,780)
Operating transfers out	(131,080)	(139,530)	(8,450)
	<hr/>	<hr/>	<hr/>
Excess of revenues and other sources over(under) expenditures and other uses	3,810	(5,461)	\$ (9,271)
	<hr/>	<hr/>	<hr/>
FUND BALANCES			
Beginning of year	7,471	7,471	
	<hr/>	<hr/>	
End of year	\$ 11,281	\$ 2,010	
	<hr/>	<hr/>	

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

Livingston Council on Aging
Denham Springs, Louisiana

June 30, 1999

Note 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 Louisiana Governor's Office of Elderly Affairs. The Livingston Council on Aging is a non-profit, quasi-public corporation, which must comply with certain financial and administrative policies and regulations established by the Louisiana Governor's Office of Elderly Affairs and the State of Louisiana.

The primary function of the Livingston Council on Aging is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and assistance services, legal assistance, case management, outreach, in-home services, operating senior centers, and transportation. A Board of Directors, consisting of 18 voluntary members, who serve three-year terms, governs the Council.

The Livingston Council on Aging is not a component unit of another primary government nor does it have any component units which are related to it. The Council has presented its financial statements as a separate special-purpose government.

Note 1 - Summary of Significant Accounting Policies - (continued)

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, 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 VIII - Annual Financial Reporting, accounting manual for the Governor's Office of Elderly Affairs Contractors; and, the Louisiana Governmental Audit Guide.

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 governmental 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 for in individual funds based upon the purpose for which they are to be spent and the means by which

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting: - (continued)

spending activities are controlled. The various funds are grouped in these financial statements 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 programs comprise the Council's General Fund:

Local

Revenues, such as, donations from the general public, investment income earned on unrestricted fund balances, and net proceeds from the sale of fixed assets are recorded in the local program of the General Fund. Expenses which are not chargeable to specific programs because of budget limitations, or because of their nature, are recorded as local program expenditures.

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting: - (continued)

◆ General Fund - (continued)

PCOA

PCOA 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 benefitting people who are at least 60 years old. In fiscal year 1999, the Council transferred the PCOA funds to the Title III B fund to provide additional funds to pay for program costs.

Transportation

The Transportation program of the General Fund accounts for revenues earned under a contract with the Office of Family Support(OFS) and the expenses incurred to produce those revenues. This program provides transportation services to people who need a ride to and from a training facility.

◆ 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. A large percentage of the Council's special revenue funds are Title III funds. These 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.

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting: (continued)

◆ Special Revenue Funds - (continued)

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

Section 5311 Fund

Section 5311 funds are funds provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development which in turn passes these funds to the Council via the Livingston Parish Council. Funds earned and received by the Council are based on actual operating costs of providing transportation services to rural residents within Livingston Parish. As part of calculating the operating costs of this program, the Council may apportion some of the in-kind contributions it receives as allowable transportation expenses. This provision results in the Council receiving cash reimbursement for costs which did not require the Council to spend cash.

FEMA Fund

The FEMA fund is used to account for the administration of a program which purpose is to supplement food and shelter assistance to individuals who might currently be receiving assistance, as well as to assist those who are not receiving any. During the year the Council used the FEMA funds to provide 8,600 additional home-delivered meals. Funds were also used to purchase food which was used to make 700 boxes of food that were distributed to needy families and the local food bank. Funds are provided by the Federal Emergency Management Agency (FEMA) through the United Way of America which in turn passes through the funds to the Council.

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting:

◆ Special Revenue Funds - (continued)

Title III B Fund

The Title III B Fund is used to account for funds which are to provide a variety of supportive services, such as; information and assistance, homemaker services, outreach services, chore services, legal services, case management, senior center operation, recreation and transportation for people age 60 or older.

Revenues generated by performing Medicaid enrollment services using Title III B grant funds have been reported within the Title III B fund as program service fees. This revenue has been used to offset the costs associated with generating the revenues.

Title III C Area Agency Administration Fund

The Title III C Area Agency Administration Fund is used to account for some of the costs of administrating the Special Programs for the Aging. These funds are allocated to help pay for the administrative costs associated with operating the Title III and Senior Center programs.

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 at meal sites located in Denham Springs, Maurepas, Springfield, and French Settlement. During the year the Council served 33,871 meals to people eligible to participate in this program.

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting:

◆ Special Revenue Funds - (continued)

Title III C-2 Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional meals to home-bound older persons. Using Title III C-2 funds the Council served 30,050 meals(not including the 8,600 meals paid for with FEMA funds) during the year to people eligible to participate in this program.

Title III D Fund

The Title III D Fund is used to account for funds which are used to provide in-home services to the frail and elderly person who is home-bound, 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. During the year, the Council used its Title III D funds to provide Medic Alert units to an average of 10 eligible participants per month.

Title III F Fund

The Title III F Fund is used to account for funds used for disease prevention and health promotion activities. The law directs the state agency administering this program to "give priority to areas of the state which are medically under served and in which there are a large number of older individuals who have the greatest economic and social need."

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting:

◆ Special Revenue Funds - (continued)

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 a community service center 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 senior center for Livingston Parish is located in Denham Springs. During fiscal year 1999, the Senior Center Fund received the grant revenue but transferred all of it to the Title III B Fund to subsidize that program's cost of providing supportive services to participants at the senior center.

Utility Assistance Fund

This fund is used to account for the administration of utility assistance programs which are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on the aging to provide assistance to the elderly for the payment of utility bills. The Council receives its Project Care donations directly from Entergy Corporation. L P & L Helping Hands donations are provided through the Louisiana Association of Councils on Aging, Inc. (LACOA).

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting:

◆ Special Revenue Funds - (continued)

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 grant for senior centers. The Livingston Council on Aging was one of the parish councils to receive a supplemental grant. The money received by this fund during the year was transferred to the Title III B Fund to supplement the supportive services provided by this fund. The Governor's Office of Elderly Affairs provided these funds to the Council.

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 Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis (about 56 cents/meal) 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 nutrition programs.

Note 1 - Summary of Significant Accounting Policies - (continued)

d. Account Group:

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

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

Note 1 - Summary of Significant Accounting Policies - (continued)

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.

g. Budget Policy:

The Council follows these procedures in establishing the budgetary data which has been presented in Exhibits C and D of these financial statements.

- ◆ The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for its programs.
- ◆ The Livingston Parish Council (LPC) also provides funds to the Council via the Section 5311 program administered by the Louisiana Department of Transportation and Development (DOTD). Accordingly, the Council obtains information from DOTD regarding projected funding under the Section 5311 program.
- ◆ Revenue projections are also made based on grants from other agencies, program service fees, public support (including client contributions), interest income, and other miscellaneous sources.
- ◆ Once information regarding projected revenues has been obtained, the Council's executive director prepares a proposed budget based on these projections, 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 fiscal year.
- ◆ The adopted budget is forwarded to GOEA for final approval before June 30.

Note 1 - Summary of Significant Accounting Policies - (continued)

g. Budget Policy: - (continued)

- ◆ Most budgetary appropriations, particularly those involving funds received from GOEA, 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. There was one amendment during the fiscal year. The budget amendment was approved by the Council's Board of Directors and by GOEA using a similar procedure as the approval of the original budget.
- ◆ 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 approval from the Governor's Office of Elderly Affairs(GOEA) for funds received under grants from this agency. As part of its grant awards, GOEA requires the Council to amend its budget in cases where actual costs for a particular line item exceed the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.
- ◆ Expenditures cannot legally exceed appropriations on an individual fund level.

Note 1 - Summary of Significant Accounting Policies - (continued)

g. Budget Policy: - (continued)

- ◆ 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 may not be budgeted, particularly if they are deemed to be immaterial by management.

h. Cash:

Cash is reported at carrying amount which equals its fair value.

i. Investments:

Investments are reported at fair value. Investments which include securities traded on a national or international exchange are valued based on their last reported sales price. Investments that do not have an established market are reported at estimated fair value.

j. 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 grant agreements. The fund balances in the governmental fund types have been reserved for the prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditure.

k. Fixed Assets:

Assets which cost at least \$250 and which have an estimated useful life of at least 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.

Note 1 - Summary of Significant Accounting Policies - (continued)

l. Restricted Assets:

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

m. 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. There were no designated funds at June 30, 1999.

n. Compensated Absences:

The Council's annual and sick leave policy does not provide the accumulation and vesting of leave. In other words, an employee must "use or lose" any earned leave during the fiscal year. As a result, the Council has not accrued any unpaid costs relating to unused leave in the financial statements.

Note 1 - Summary of Significant Accounting Policies - (continued)

o. Comparative Data:

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

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position or results of operations 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.

p. Related Party Transactions:

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

q. Management's Use of Estimates:

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

Note 2 - Revenue Recognition - Intergovernmental Grants, Program Service Fees, Public Support, Interest Income and Miscellaneous Revenues

Intergovernmental grant revenues, program service fees, and interest income 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). 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.

Note 3 - Cash

The Council maintains a consolidated bank account to deposit most of the monies 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 resources to temporarily cover any negative cash balances in other funds. In addition to the consolidated bank account the Council has a separate bank account to deposit and disburse FEMA funds and the Council had a non-interest bearing cash balance with a brokerage firm (Merrill Lynch) for the purpose of purchasing securities.

At June 30, 1999, the carrying amount of the Council's cash balances on the books, including \$500 of petty cash, was \$52,466 whereas the related bank and brokerage firm balances were \$75,841. The difference in the book, bank, and brokerage firm balances for cash relate primarily to deposits made and checks written which did not clear the bank accounts by June 30, 1999. \$55,749 of the bank balances were covered by federal depository insurance whereas \$20,092 of the cash on deposit at Merrill Lynch was covered by the Securities Investors Protection Corporation (SIPC). All cash balances are classified as "Category 1" balances in accordance with GASB Statement 3.

Note 4 - Investments

At June 30, 1999, investments consisted of the following:

<u>Investments</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity</u>
Investments Held by Merrill Lynch in the Council's name:				
Federal National Mortgage (FNMA)	22,181	20,343	6.24%	2009
Federal Home Loan Mortgage (FNMA)	18,662	19,611	7.13%	2009
Govt. National Mortgage (GNMA)	23,842	26,732	7.15%	2024
Certificates of Deposit:				
Citizens Federal Bank	17,000	17,399	6.10%	01/31/01
U.S. Bank Minneapolis	12,000	12,080	6.09%	08/27/02
Mid First Bank	13,000	12,953	5.51%	04/16/01
American Bank	<u>24,000</u>	<u>23,053</u>	5.10%	02/30/04
 Total investments	 \$130,685 =====	 \$132,171 =====		

State statutes authorize the Council to invest temporarily idle monies in the following:

1. United States Treasury Bonds,
2. United States Treasury Notes,
3. United States Treasury Bills,
4. Obligations of U.S. Government Agencies, including such instruments as Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds,
5. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana,
6. Fully collateralized repurchase agreements,
7. Fully collateralized interest-bearing checking accounts,

Note 4 - Investments - (continued)

8. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies,
9. Any other investment allowed by state statute for local governments, and
10. Louisiana Asset Management Pool (LAMP).

The cumulative net unrealized gain on the Council's investments as of June 30, 1999, was \$1,486. Changes in the fair value of the Council's investments from year end to year end are recognized as revenue in the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund Types under the caption "investment income".

The Council's primary purpose for investing is to earn interest income on money that has been determined to be in excess of immediate cash needs. All of the Council's investments are classified as "category 1" type investments in accordance with GASB Statement 3.

Note 5 - Government Grants and Contracts Receivable

Government grants and contracts receivable represent amounts owed to the Council under a grant award or contract with a provider of federal, state, or local funds; such amounts being measurable and available as of year end.

Government grants and contracts receivable at June 30, 1999, consist of reimbursements for expenses incurred under the following programs:

<u>Program</u>	<u>Provider</u>	<u>Fund</u>	<u>Total</u>
U.S.D.A.	GOEA	Special Revenue	\$ 3,735
Title III B	DHH	Special Revenue	<u>308</u>
			\$ 4,043
			=====

Note 6 - Prepaid Expense

The Council has elected not to expense amounts paid for future services until those services are consumed. The fund balances in the governmental fund types have been reserved for the prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditure.

Prepaid expense consisted of the following at June 30, 1999:

	<u>Amount</u>
Rent (see Note 12)	\$110,717 =====

Note 7 - Advances From Funding Agencies

This account represents funds received but which cannot be recognized as income under the terms of the grant award because allowable expenditures have not been incurred which permit the Council to record these funds as revenue. At June 30, 1999, the advances were as follows:

<u>Program</u>	<u>Provider</u>	<u>Fund</u>	<u>Amount</u>
Title IIIF	GOEA	Special Revenue	\$ 158
FEMA	United Way	Special Revenue	<u>9,386</u>
			\$ 9,544 =====

Expenses relating to the deferred FEMA revenue will be incurred in fiscal year 2000. However, the Title III F revenue was unearned for fiscal year 1999 because insufficient expenditures were incurred for this program and the money will be returned to GOEA.

Note 8 - Changes in Fixed Assets

A summary of changes in general fixed assets is as follows:

	<u>Balances</u> <u>07-01-98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>06-30-99</u>
Vehicles	\$203,602	\$ 17,000	\$(17,922)	\$202,680
Furniture & equipment	42,597	4,734	(6,772)	40,559
Computer equipment	12,786	783	(5,225)	8,344
Nutrition equipment	3,128	579	-	3,707
Leasehold improvements	9,737	-	-	9,737
Health maintenance equipment	<u>1,818</u>	<u>-</u>	<u>-</u>	<u>1,818</u>
 Totals	 \$273,668 =====	 \$ 23,096 =====	 \$(29,919) =====	 \$266,845 =====

Donated assets represent \$2,000 of the year end total.

Note 9 - 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 in accordance with the State of Louisiana's travel reimbursement policy when attending meetings on behalf of the Council.

Note 10 - In-Kind Contributions

The Council received \$59,428 in various in-kind contributions during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenses, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income.

The primary in-kind contributions consisted of free rent for the Maurepas, Springfield, and French Settlement meal sites; free utilities for these three sites plus the Denham Springs administrative office and senior center; and wages and fringe benefits for two public service workers at the Denham Springs facilities.

Note 10 - In-Kind Contributions - (continued)

A summary of the in-kind contributions and their respective assigned values is as follows:

Wages of 2 public service workers (valued at \$5.15/hour)	\$21,424
Fringe benefits related to wages (including payroll taxes and workman's compensation)	2,012
Facility rental	13,200
Utilities for facilities	18,996
Telephone	1,200
Garbage pickup	1,020
Insurance	732
Maintenance and repairs	<u>844</u>
 Total in-kind contributions	 \$59,428 =====

Note 11 - Income Tax Status

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501 (c)(4) 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.

The Council does not file a Form 990 because it has been determined to be an "affiliate of a governmental unit" within the meaning of Section 4 of Revenue Procedure 95-48, 1995-2 C.B. 418.

Note 12 - Lease and Rental Commitments

The Council has no capital leases but on February 1, 1993, it entered into an operating lease with the City of Denham Springs, Louisiana, to lease the building that the Council currently occupies at 949 Government Street, Denham Springs, Louisiana. Also included in this lease is the use of an addition (the Senior Center) that is adjacent to that building. Terms of the lease required the Council to prepay the rent in a lump-sum for the entire lease term of 600 months (February 1, 1993 to January 31, 2042); such prepayment being \$130,000. As a result, the Council will amortize this prepaid rent at \$216.67 per month over the term of this lease (\$2,600 annually). The unamortized balance as of June 30, 1999, was \$110,717.

Note 12 - Lease and Rental Commitments - (continued)

Other significant terms of the lease require the Council to (1) maintain at least \$500,000 of liability insurance, (2) pay all the contents insurance of the buildings, and (3) be responsible for the costs of interior maintenance. The City of Denham Springs is responsible for all costs relating to utilities, building fire and flood insurance, and major repairs to the external structure, heating and cooling system, and plumbing.

Rent expense, included under the operating services category on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended June 30, 1999, was \$4,638.

On January 1, 1996, the Council entered into a lease with the Young at Heart Club to use the Young at Heart Club's facility in Springfield. The lease term commences January 1, 1996 and ends January 1, 2021. The Council is responsible for maintaining a congregate meal and service delivery site within the premises during the term of the lease. The Council is required to pay for any insurance premiums relating to general liability and facility contents, while the Young at Heart Club has agreed to pay for utilities, garbage pickup, building insurance, and building maintenance and repairs. The Council is not required to pay any monthly rent and, if the Council's government funding is not provided in the future, the Council may terminate the lease.

Note 13 - FTA - Public Transportation For Nonurbanized Areas - Section 5311

The Council earned and received \$56,237 under the "Section 5311" program. Total rural transportation costs incurred by the Council were \$195,570 for the year ended June 30, 1999. These costs were funded as follows:

Section 5311	\$ 56,237
In-kind contributions	13,095
Title III B grant funds	40,582
Client contributions	2,138
Public fares	1,430
Find Work program fees	27,390
State funding:	
PCOA	21,779
State transportation	10,833
Senior Center funds	9,132
Local funds	<u>12,954</u>
 Total	 \$195,570 =====

Note 14 - Judgments, Claims, and Similar Contingencies

There is no litigation pending against the Council as of June 30, 1999. The Council's management believes that any potential lawsuits would be adequately covered by insurance.

Note 15 - Federal Award Programs

The Council participates in a number of federal award programs. These programs are audited on accordance with *Government Auditing Standards*. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs to such an extent that they would materially affect the Council's financial position. Any costs that would be disallowed would be recognized in the period agreed upon by the agency and the Council.

Note 16 - Economic Dependency

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

Note 17 - Interfund Loans

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

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 3,735	\$ -
Special Revenue Funds:		
U.S.D.A.	-	3,735
Total	\$ 3,735	\$ 3,735

Note 18 - Interfund Transfers

Operating transfers in and out are listed by fund for 1999 as follows:

<u>Transfers From</u>	Funds Transferred Into These Title III Programs				<u>Total</u>
	3B	C-1	C-2	D	
General Fund:					
Local	\$ 12,954	\$12,893	\$ -	\$ 720	\$ 26,567
PCOA	21,779	-	-	-	21,779
Find Work	9,037	-	-	-	9,037
Total General Fund	43,770	12,893	-	720	57,383
Special Revenue Funds:					
Section 5311	50,795	-	-	-	50,795
FEMA	-	-	792	-	792
Senior Center	38,848	-	-	-	38,848
Miscellaneous Grant	4,500	-	-	-	4,500
USDA	-	5,192	39,403	-	44,595
Total Special Revenue Funds	94,143	5,192	40,195	-	139,530
Total all funds	\$137,913	\$18,085	\$40,195	\$ 720	\$196,913
	=====	=====	=====	=====	=====

Note 19 - Risk Management

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

Note 20 - Purchase Commitment

The Council has committed to provide 20% of the funds of a contract the Livingston Parish Council has entered into with the Louisiana Department of Transportation and Development (DOTD) to purchase one new van. The Council has remitted the required matching funds (\$7,000) for the van as of June 30, 1999. The van is expected to be delivered in fiscal year 2000. When the van is delivered the Council will be allowed to use it even though the van will be titled in the name of the Livingston Parish Council.

SUPPLEMENTARY FINANCIAL INFORMATION

**SCHEDULE OF PROGRAM REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND**

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	Programs of the General Fund			Total
	Local	PCOA	Transportation	
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 0	\$ 21,779	\$ 0	\$ 21,779
Public Support:				
Young at Heart Club - unrestricted	7,850	0	0	7,850
Contributions - unrestricted	385	0	0	385
Contributions - restricted for pool table	959	0	0	959
Program Service Fee:				
Office of Family Support	0	0	27,390	27,390
Investment Income	7,944	0	0	7,944
Miscellaneous	465	0	0	465
In-kind Contributions	0	0	899	899
Total revenues	17,603	21,779	28,289	67,671
EXPENDITURES				
Current:				
Personnel	0	0	13,265	13,265
Fringe	0	0	1,187	1,187
Travel	0	0	20	20
Operating Services	2,613	0	6,376	8,989
Operating Supplies	0	0	2,325	2,325
Other Costs	104	0	870	974
Full Service Contracts	0	0	0	0
Meals	0	0	0	0
Capital Outlay:				
Matching funds on vehicle purchase	6,691	0	0	6,691
Fixed asset additions	23,096	0	0	23,096
In-kind Expenses	0	0	899	899
Total expenditures	32,504	0	24,942	57,446
Excess of revenues over(under) expenditures	(14,901)	21,779	3,347	10,225
OTHER FINANCING SOURCES (USES)				
Operating transfers in	0	0	0	0
Operating transfers out	(26,567)	(21,779)	(9,037)	(57,383)
Excess of revenues and other sources over(under) expenditures and other uses	(41,468)	0	(5,690)	(47,158)
FUND BALANCES				
Beginning of year	335,011	0	5,690	340,701
End of year	\$ 293,543	\$ 0	\$ 0	\$ 293,543

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS

Livingston Council on Aging
Denham Springs, Louisiana
For the year ended June 30, 1999

Section	FEMA	Title III B	Title III AAA	Title III C-1	Title III C-2	Title III D	Title III F	Senior Center	Utility Assistance	Audit	Supp. Sr. Center	U.S.D.A.	Totals
REVENUES													
Intergovernmental:													
Governor's Office of Elderly Affairs	\$ 0	\$ 74,207	\$ 20,928	\$ 110,081	\$ 58,161	\$ 2,329	\$ 3,553	\$ 38,848	\$ 0	\$ 2,171	\$ 4,500	\$ 40,157	\$ 354,935
United Way of America	0	0	0	0	0	0	0	0	0	0	0	0	35,986
Livingston Parish Council	56,237	0	0	0	0	0	0	0	0	0	0	0	56,237
Public Support (Restricted):													
Public donations	0	0	0	0	1,426	0	0	0	0	0	0	0	1,426
Energy Project Care	0	0	0	0	0	0	0	0	4,141	0	0	0	4,141
L P & L Helping Hands (via LACOA)	0	0	0	0	0	0	0	0	877	0	0	0	877
Client contributions	0	2,138	0	17,024	4,591	0	0	0	0	0	0	0	23,753
Program Service Fees:													
Medic alert unit rentals	0	3,124	0	0	0	0	0	0	0	0	0	0	3,124
Public fares	1,430	0	0	0	0	0	0	0	0	0	0	0	1,430
Medicaid waiver fees	0	1,442	0	0	0	0	0	0	0	0	0	0	1,442
Investment Income	0	0	0	0	0	0	0	0	0	0	0	0	1,442
In-kind Contributions	252	8,191	0	26,170	3,907	114	133	19,762	0	0	0	0	143
Total revenues	57,919	89,102	20,928	153,275	68,095	2,443	3,686	58,610	5,018	2,171	4,500	40,157	542,033
EXPENDITURES													
Current:													
Personnel	772	138,031	11,401	54,675	19,581	554	2,976	0	0	0	0	0	227,990
Fringe	91	16,211	1,321	6,839	2,211	65	349	0	0	0	0	0	27,087
Travel	6	184	77	122	88	3	3	0	0	0	0	0	483
Operating Services	1,128	36,282	5,482	3,103	6,747	69	76	0	0	0	0	0	52,887
Operating Supplies	823	11,909	982	857	1,251	19	21	0	0	0	0	0	15,862
Other Costs	4,052	13,007	1,665	5,253	3,777	2,339	128	0	0	2,171	0	0	32,392
Full Service Contracts	0	3,200	0	0	0	0	0	0	0	0	0	0	3,200
Meals	0	0	0	0	0	0	0	0	0	0	0	0	180,406
Capital Outlay	0	0	0	74,341	70,718	0	0	0	0	0	0	0	145,059
Utility Assistance	0	0	0	0	0	0	0	0	6,041	0	0	0	6,041
In-kind Expenses	252	8,191	0	26,170	3,907	114	133	19,762	0	0	0	0	58,529
Total expenditures	7,124	227,015	20,928	171,360	108,280	3,163	3,686	19,762	6,041	2,171	0	0	604,877
Excess of revenues over (under) expenditures	50,795	(137,913)	0	(18,085)	(40,195)	(720)	0	38,848	(1,023)	0	4,500	40,157	(62,844)
OTHER FINANCING SOURCES (USES)													
Operating transfers in	0	137,913	0	18,085	40,195	720	0	0	0	0	0	0	196,913
Operating transfers out	(50,795)	(792)	0	0	0	0	0	(38,848)	0	0	(4,500)	(44,595)	(139,530)
Excess of revenues and other sources over (under) expenditures and other uses	0	0	0	0	0	0	0	0	(1,023)	0	0	(4,438)	(5,461)
FUND BALANCE													
Beginning of year	0	0	0	0	0	0	0	0	3,033	0	0	4,438	7,471
End of year	0	0	0	0	0	0	0	0	2,010	0	0	0	2,010

**SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VERSUS ACTUAL
CONTRACTS AND GRANTS PROVIDED THROUGH THE GOVERNOR'S OFFICE OF ELDERLY AFFAIRS**

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>PCOA</u>			
Transfers out to Title III B	\$ 21,779	\$ 21,779	\$ 0
Total	\$ 21,779	\$ 21,779	\$ 0
<u>TITLE III-B</u>			
Personnel	\$ 141,713	\$ 138,031	\$ 3,682
Fringe	18,079	16,211	1,868
Travel	398	184	214
Operating Services	52,313	36,282	16,031
Operating Supplies	13,752	11,909	1,843
Other Costs	10,009	13,007	(2,998)
Full Service Contracts	3,200	3,200	0
Totals	\$ 239,464	\$ 218,824	\$ 20,640
<u>TITLE III C - Area Agency Administration</u>			
Personnel	\$ 12,471	\$ 11,401	\$ 1,070
Fringe	1,602	1,321	281
Travel	195	77	118
Operating Services	3,627	5,482	(1,855)
Operating Supplies	584	982	(398)
Other Costs	2,449	1,665	784
Full Service Contracts	0	0	0
Totals	\$ 20,928	\$ 20,928	\$ 0

**SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VERSUS ACTUAL
CONTRACTS AND GRANTS PROVIDED THROUGH THE GOVERNOR'S OFFICE OF ELDERLY AFFAIRS**

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	Budget	Actual	Variance- Favorable (Unfavorable)
<u>TITLE III C-1</u>			
Personnel	\$ 54,659	\$ 54,675	\$ (16)
Fringe	7,016	6,839	177
Travel	236	122	114
Operating Services	4,389	3,103	1,286
Operating Supplies	957	857	100
Other Costs	2,964	5,253	(2,289)
Full Service Contracts	0	0	0
Meals:			
Raw food	38,746	31,744	7,002
Labor and non-edibles	33,004	42,597	(9,593)
	\$ 141,971	\$ 145,190	\$ (3,219)
<u>TITLE III C-2</u>			
Personnel	\$ 16,727	\$ 19,581	\$ (2,854)
Fringe	2,170	2,211	(41)
Travel	161	88	73
Operating Services	7,586	6,747	839
Operating Supplies	734	1,251	(517)
Other Costs	2,023	3,777	(1,754)
Full Service Contracts	0	0	0
Meals			
Raw food	38,475	46,532	(8,057)
Labor and non-edibles	29,025	24,186	4,839
	\$ 96,901	\$ 104,373	\$ (7,472)
<u>TITLE III D</u>			
Personnel	\$ 531	\$ 554	\$ (23)
Fringe	40	65	(25)
Travel	5	3	2
Operating Services	89	69	20
Operating Supplies	14	19	(5)
Other Costs	2,222	2,339	(117)
Full Service Contracts	0	0	0
	\$ 2,901	\$ 3,049	\$ (148)

**SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VERSUS ACTUAL
CONTRACTS AND GRANTS PROVIDED THROUGH THE GOVERNOR'S OFFICE OF ELDERLY AFFAIRS**

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>TITLE III F</u>			
Personnel	\$ 3,064	\$ 2,976	\$ 88
Fringe	474	349	125
Travel	6	3	3
Operating Services	116	76	40
Operating Supplies	20	21	(1)
Other Costs	78	128	(50)
Full Service Contracts	0	0	0
Totals	<u>\$ 3,758</u>	<u>\$ 3,553</u>	<u>\$ 205</u>
<u>SENIOR CENTER</u>			
Transfer out to Title III B	\$ 38,848	\$ 38,848	\$ 0
Totals	<u>\$ 38,848</u>	<u>\$ 38,848</u>	<u>\$ 0</u>
<u>AUDIT</u>			
Other costs	\$ 2,171	\$ 2,171	\$ 0
Totals	<u>\$ 2,171</u>	<u>\$ 2,171</u>	<u>\$ 0</u>
<u>SUPPLEMENTAL SENIOR CENTER</u>			
Transfer out to Title III-B	\$ 4,500	\$ 4,500	\$ 0
Totals	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ 0</u>
<u>USDA</u>			
Transfers out to:			
Title III C-1	\$ 29,371	\$ 5,192	\$ 24,179
Title III C-2	6,032	39,403	(33,371)
Totals	<u>\$ 35,403</u>	<u>\$ 44,595</u>	<u>\$ (9,192)</u>

**LIVINGSTON COUNCIL ON AGING
DENHAM SPRINGS, LOUISIANA**

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

For the year ended June 30, 1999

		<u>Percent of GOEA Grant</u>
Access (30%):		
Assisted Transportation	\$ 6,562	
Case Management	10,017	
Transportation	153,752	
Information & assistance	7,513	
Outreach	<u>2,504</u>	
Total access expenses		180,348 284.58%
In-Home (15%):		
Homemaker	8,258	
Chore	0	
Home repair	<u>1,746</u>	
Total in-home expenses		10,004 15.79%
Legal (5%):		
Legal Assistance		3,200 5.05%
Non-priority services		<u>25,272</u> 39.88%
Total Title III B - Supportive Services Expenditures		218,824
Less: Participant contributions		(5,262)
Other public support		(1,442)
Transfers in		<u>(137,913)</u>
Title III B - Supportive Services Contract		74,207
Less: Transfers of contract allotments		0
State homemaker		0
State transportation		<u>(10,833)</u>
Original contract award net of state homemaker and transportation funds and transfers of contract allotments		<u>\$ 63,374</u>

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

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
<u>General fixed assets:</u>				
Vehicles	\$ 203,602	\$ 17,000	\$ (17,922)	\$ 202,680
Furniture and equipment	42,597	4,734	(6,772)	40,559
Computer equipment	12,786	783	(5,225)	8,344
Nutrition equipment	3,128	579	0	3,707
Leasehold improvements	9,737	0	0	9,737
Health maintenance equipment	1,818	0	0	1,818
Total general fixed assets	<u>\$ 273,668</u>	<u>\$ 23,096</u>	<u>\$ (29,919)</u>	<u>\$ 266,845</u>
<u>Investment in general fixed assets:</u>				
Property acquired with funds from -				
FTA	\$ 105,143	\$ 0	\$ (14,038)	\$ 91,105
Title III B	7,149	0	0	7,149
Title III C - Administration	4,041	0	(1,933)	2,108
Title III C-1	17,390	0	(4,973)	12,417
Title III C-2	1,428	0	(404)	1,024
Title III D	9	0	0	9
Title III F	1,855	0	0	1,855
Senior Center	10,566	0	(1,164)	9,402
General funds and local donations	122,362	23,096	(6,664)	138,794
PCOA	1,725	0	(743)	982
Section 5311	2,000	0	0	2,000
Total investments in general fixed assets	<u>\$ 273,668</u>	<u>\$ 23,096</u>	<u>\$ (29,919)</u>	<u>\$ 266,845</u>

DISCLOSURE ABOUT THE YEAR 2000 ISSUE

Livingston Council on Aging
Denham Springs, Louisiana

June 30, 1999

The Year 2000 issue arises because many computerized systems use two digits rather than four to identify a year. Date sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 issue may be experienced before, on or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure, which could affect the Council's ability to conduct normal business operations.

**DESCRIPTION OF WORK COMPLETED OR TO BE COMPLETED TO MAKE
THE COUNCIL'S COMPUTER SYSTEM AND OTHER ELECTRONIC EQUIPMENT
CRITICAL TO CONDUCTING OPERATIONS SYSTEM 2000 COMPLIANT**

The Council's management has taken action to minimize any adverse effects which might result from the year 2000 as follows:

GENERAL OPERATIONS AND ACCOUNTING SYSTEMS

The Council uses three computers to process information that is integral to the Council's operations. The Council's primary accounting software and the computer that runs this software have been tested and verified as Year 2000 compliant. The electronic spreadsheet program has also been updated to be Year 2000 compliant. The other computers process service records which are transmitted to various state agencies. The client tracking software and the computers that run the software have been tested and verified as Year 2000 compliant.

**PURCHASE OF GOODS AND SERVICES INTEGRAL
TO THE COUNCIL'S OPERATIONS**

There are alternatives available whereby the Council can acquire the goods and services it needs to perform its routine functions should the Year 2000 prevent the usual vendors from meeting the Council's needs.

FINANCIAL RESOURCE COMMITMENTS

Management expects to have to spend no more than \$1,000 in FY2000 to upgrade its software and hardware to be Year 2000 compliant.

DISCLAIMER

Despite all the efforts the Council's management can and will take to assess, remediate, and validate through testing the problems associated with the year 2000, management makes no guarantee that all systems and equipment used by the Council, its service organization, suppliers, or other third parties will be year 2000 compliant.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Livingston Council on Aging
Denham Springs, Louisiana**

For the year ended June 30, 1999

I have audited the financial statements of the Livingston Council on Aging, Denham Springs, Louisiana as of and for the year ended June 30, 1999, and have issued my report thereon dated October 28, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 1999 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weaknesses	<u> </u> Yes	<u> X </u> No
Reportable Conditions	<u> </u> Yes	<u> X </u> No

Compliance:

Compliance Material to Financial Statements	<u> </u> Yes	<u> X </u> No
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b. Federal Awards

Federal awards were less than \$300,000. This section is not applicable.

c. Identification of Major Programs

This section is not applicable.

d. Management Letter

The auditor issued a management letter relating to this year's audit:	<u> </u> Yes	<u> X </u> No
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Section II - Financial Statement Findings

There were no findings that are required to be reported in this section of the report.

Section III - Federal Award Findings and Questioned Costs

This section is not applicable.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Livingston Council on Aging
Denham Springs, Louisiana**

June 30, 1999

There were not any findings reported in last year's Schedule of Findings and Questioned Costs. Also, no management letter was issued by the auditor last year. Accordingly, there is nothing to report in this schedule.

MANAGEMENT'S CORRECTIVE ACTION PLAN

**Livingston Council on Aging
Denham Springs, Louisiana**

June 30, 1999

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

There were no findings reported in this section.

**SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL
AWARDS**

There were no findings reported in this section.

SECTION III - MANAGEMENT LETTER

No management letter was issued this year by the auditor.

If you have any questions regarding this plan, please call
Mary Alice Core at (225) 664-9343.