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Financial Report
Assumption Parish Council On Aging, Inc.
Napoleonville, Louisiana
June 30, 2004

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Release Date 12-8-04



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TABLE OF CONTENTS

Financial Report

Assumption Parish Council on Aging, Inc.
Napoleonville, Louisiana

June 30, 2004

| | Page |
|---|---------|
| 1. MANAGEMENT'S DISCUSSION AND ANALYSIS | 3 - 10 |
| 2. INDEPENDENT AUDITOR'S REPORT..... | 11 |
| 3. BASIC FINANCIAL STATEMENTS | |
| A. GOVERNMENT WIDE FINANCIAL STATEMENTS: | |
| • Statement of Net Assets | 12 |
| • Statement of Activities | 13 |
| B. FUND FINANCIAL STATEMENTS: | |
| • Balance Sheet..... | 14 |
| • Statement of Revenues, Expenditures and Changes in Fund Balances..... | 15 |
| • Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 16 |
| C. NOTES TO THE FINANCIAL STATEMENTS | 17 - 41 |
| 4. SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GASB STATEMENT 34: | |
| • Budgetary Comparison Schedule - General Fund | 42 |
| • Budgetary Comparison Schedule – Assumption Millage Fund | 43 |
| • Budgetary Comparison Schedule – Title III B Fund | 44 |

Assumption Council on Aging, Inc.
June 30, 2004

| | |
|---|----|
| • Budgetary Comparison Schedule – Section 5311 Fund | 45 |
| 5. SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA: | |
| • Schedule of Nonmajor Special Revenue | 46 |
| • Comparative Schedule of General Fixed Assets and Changes in General Fixed Assets | 47 |
| 6. REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS..... | 48 |
| 7. SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 49 |
| 8. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS | 50 |
| 9. MANAGEMENT’S CORRECTIVE ACTION PLAN..... | 51 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

Assumption Council on Aging, Inc. Fiscal Year Ended June 30, 2004

The Management's Discussion and Analysis of the Assumption Council on Aging, Inc.'s (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

The Management's Discussion and Analysis is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 issued in June 1999. As this is the first year that the Council has implemented this model, certain comparative information with the previous year, which is by design included in this reporting model, will not be included in this analysis as permitted by GASB Statement No. 34 with the respect to first year reporting. Beginning with next year's report, the Council will include this comparative analysis and information.

FINANCIAL HIGHLIGHTS

The Council's assets exceeded its liabilities at the close of fiscal year 2004 by \$360,482 (net assets), which represents a 28.2% increase from last fiscal year.

The Council's revenue increased \$81,582 (or 13.3%) primarily due to a one-time grant from the Assumption Parish Police Jury and Ad Valorem Taxes.

The Council's expenditures decreased \$25,276 (or 3.94%) primarily due to a reduction in capital outlay for assets.

The Council did not have any funds with deficit fund balances.

Capital assets decreased by \$256,488. This decrease was due to the sale or disposition of old un-used assets, the removal of three vans that were actually owned by the Police Jury, and the recording of depreciation. By mutual long-term agreement, the vans owned by the Police Jury continue to be used by the Council.

The Council has no long-term debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's annual report consists of five parts: (1) management's discussion and analysis (this section) (2) basic financial statements (3) required supplementary information, and (4) the optional section that presents combining statements for non-major governmental funds and other supplementary information and (5) various governmental compliance reports and schedules by certified public accountants and management.

The basic financial statements present different views of the Council using two kinds of statements, (1) Government-wide Financial Statements, and (2) Fund Financial Statements.

Government-wide Financial Statements

The government-wide financial statements (see pages 12 and 13) are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. The statement of net assets presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. The statement of activities presents information showing how the Council's net assets change during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Council is health and welfare which is comprised of various programs that include various supportive services, nutritional services, caregiver support, in-home services, and senior activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Council are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund

financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. (see pages 14 and 15)

The Council has presented the General Fund, Assumption Millage, Title III B - Supportive Services Fund, and Section 5311 – Public Transportation as major funds. (see page 15) All non-major governmental funds are presented in one column, titled Non-Major Funds. Combining financial statements of the non-major funds can be found in the Schedule of Non-Major Special Revenue Funds that follow the basic financial statements (see pages 46).

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provide in the government-wide and fund financial statements. The notes to the financial statements can be found on page 17 to 41 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (see pages 42, 43, 44, and 45). In addition to these required elements, the Council has a section of supplementary information. The Governor's Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about our non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (see pages 46 and 47).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the Council's

financial position. As of June 30, 2004, assets exceeded liabilities by \$360,482. A large portion of the Council's net assets (74.6%) reflects its cash and investments. 24% of net assets reflect its investment in capital assets (e.g., land; building; furniture, fixtures and equipment; vehicles). Consequently, 24% of net assets are not available for future spending.

Condensed Statement of Net Assets

| | June 30, 2004 |
|---|---------------|
| Assets | |
| Current Assets | \$ 289,732 |
| Capital assets, net of accumulated depreciation | 86,468 |
| Total Assets | \$ 376,200 |
| Liabilities | |
| Other Liabilities | \$ 5,481 |
| Accrued compensated absences | 10,237 |
| Total Liabilities | \$ 15,718 |
| Net Assets | |
| Invested in Capital Assets, net of debt | \$ 86,468 |
| Restricted for: | |
| Prescription Assistance | 2,400 |
| Unrestricted | 271,614 |
| Total Net Assets | \$ 360,482 |

Condensed Statement of Change in Net Assets

Revenues:

| | |
|--|----------------|
| Program revenues: | |
| Charges for services | \$ 1,452 |
| Operating grants and contributions | 297,046 |
| General revenues: | |
| Property taxes | 223,156 |
| Grants and contributions not restricted to specific programs | 154,957 |
| Unrestricted investment earnings | 1,165 |
| Miscellaneous | 12,995 |
| Special item - gain on sales of vehicles | 3,907 |
| Total revenues | <u>694,678</u> |

Expenses:

| | |
|------------------------------|-------------------|
| Health and welfare | 595,603 |
| Administration | 20,253 |
| Total expenses | <u>615,856</u> |
| Increase in net assets | 78,822 |
| Net assets beginning of year | <u>281,660</u> |
| Net assets end of year | <u>\$ 360,482</u> |

Cash increased \$102,852 due primarily to an increase in intergovernmental revenue.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Council's funds are governmental funds.

Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$ 284,251 an increase of \$97,887 in comparison with the prior year. An unreserved fund balance of \$276,664 is available for spending at the Council's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to prepaid expenses. This is reflected on page 14.

The Council uses two types of governmental funds, (1) general fund, and (2) special revenue funds.

The Council's general fund receives general revenue primarily from GOEA and the Assumption Parish Police Jury. Most of these funds are transferred to other funds.

The Assumption Millage special revenue fund receives ad valorem taxes from the parish and transfers amounts as needed to supplement other funds. Un-used funds are retained.

All other funds are special revenue funds used to directly account for providing services. Most of these funds have no change in fund balance because all revenue received is expended in the same year.

General Fund Budgetary Highlights

The budget was amended one time during the year. The primary reasons for amending the budget were to prevent compliance violations under the Council's grants from GOEA due to unanticipated changes in revenue and expenditures.

During the year, the major funds' revenues did not materially vary from budgetary estimates. However, expenditures were less than budgetary estimates. Required supplementary information budgetary comparisons schedules were prepared for the General Fund and each major Special Revenue Fund (see pages 42, 43, 44, and 45).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Council's investment in capital assets for its governmental activities as of June 30, 2004, amounts to \$86,468 (net of accumulated depreciation). This investment in capital assets includes land and buildings, vehicles, and equipment. (see table below).

| | Restated Balance at June 30, 2003 | Additions | Dispositions | Balance at June 30, 2004 |
|--------------------------------|--|--------------------|---------------------|-------------------------------------|
| Land & Buildings | \$ 94,486 | \$ 0 | \$ 0 | \$ 94,486 |
| Vehicles | 152,191 | 0 | (129,661) | 22,530 |
| Equipment | 8,414 | 0 | (4,828) | 3,586 |
| | <u>255,091</u> | <u>0</u> | <u>(134,489)</u> | <u>120,602</u> |
| Less: Accumulated Depreciation | <u>(151,777)</u> | <u>(10,993)</u> | <u>128,636</u> | <u>(34,134)</u> |
| Total | <u>\$ 103,314</u> | <u>\$ (10,993)</u> | <u>\$ (5,853)</u> | <u>\$ 86,468</u> |

Major capital asset events during the current fiscal year included the following:

- Sold three vans.
- Wrecked and totaled one van.
- Disposed of some un-used assets.
- Removed three vans actually owned by the Assumption Parish Police Jury.

Additional information on the Council's capital assets can be found in the Note 6 of this report.

Long-term Debt

The Council has no long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Council receives most of its funding from state agencies and local taxes. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and -therefore, revenues may vary from year to year. There have been no significant changes to the funding levels or terms of the grants and contracts, except for the elimination of a one-time grant from the Assumption Parish Police Jury. The Governor's Office of Elderly Affairs (GOEA) and the Capital Area Agency on Aging (CAAA) have approved the Council's budget for fiscal year 2004-2005. There are no plans to add any significant programs for next fiscal year.

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Consideration of funding to be received from GOEA and CAAA.
- The Ad Valorem Tax revenue budgeted represents the estimated amount of the November 2004 assessment, which the Council will receive, for the most part, in January 2005.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates.
- Services the Council will provide along with estimated service cost.
- Estimate of operating supplies needed to perform necessary services.
- Detail plan of equipment needed to be purchased.
- Detail plan of capital projects required to provide services.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Board of Directors
Assumption Parish Council on Aging, Inc.
P.O. Box 310
Napoleonville, LA 70390



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Assumption Parish Council on Aging, Inc., Napoleonville, Louisiana, as of and for the year ended June 30, 2004, as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. 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 financial statements referred to above present fairly, in all material respects, the financial position of the Assumption Parish Council on Aging, Inc., Napoleonville, Louisiana, as of June 30, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the Council has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as of June 30, 2004.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2004 on our consideration of the Assumption 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Assumption Parish Council on Aging, Inc., taken as a whole. The management's discussion and analysis and budgetary comparison information listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. The accompanying schedules, listed as supplemental information in the table of contents, 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 financial statements. The accompanying supplemental information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Thibodaux, Louisiana
October 28, 2004

Government-Wide Financial Statements

GOVERNMENT WIDE STATEMENT OF NET ASSETS

Assumption Parish Council on Aging Napoleonville, Louisiana

June 30, 2004

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| Assets | |
| Cash | \$ 268,935 |
| Grants and contracts receivable | 13,209 |
| Prepaid expenses: | |
| Van lease | 5,374 |
| Insurance | 2,214 |
| Capital assets, net of accumulated depreciation | <u>86,468</u> |
| Total Assets | <u>\$ 376,200</u> |
| Liabilities | |
| Accounts payable | \$ 1,912 |
| Payroll taxes withheld and accrued | 3,569 |
| Accrued compensated absences | <u>10,237</u> |
| Total Liabilities | <u>15,718</u> |
| Net Assets | |
| Invested in Capital Assets, net of debt | 86,468 |
| Restricted for: | |
| Prescription Assistance | 2,400 |
| Unrestricted | <u>271,614</u> |
| Total Net Assets | <u>\$ 360,482</u> |

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

GOVERNMENT WIDE STATEMENT OF ACTIVITIES

**Assumption Parish Council on Aging
Napoleonville, Louisiana**

For the year ended June 30, 2004

| Functions/Programs | Direct Expenses | | | Charges for Services | | | Program Revenues | | | Net (Expense) Revenue and Increases (Decrease) in Net Assets |
|---|-----------------|-------------------|----|----------------------|----|----|------------------------------------|----------------------------------|-------------------------------|--|
| | Direct Expenses | Indirect Expenses | | Charges for Services | | | Operating Grants and Contributions | Capital Grants and Contributions | Total Governmental Activities | |
| Governmental Activities | | | | | | | | | | |
| Health, Welfare & Social Services: | | | | | | | | | | |
| Supportive Services: | | | | | | | | | | |
| Homemaker | \$ 76,654 | \$ 33,719 | \$ | 0 | \$ | \$ | 34,238 | \$ | 0 | \$ (76,135) |
| Information and Assistance | 6,482 | 3,671 | | 0 | | | 51 | | 0 | (10,102) |
| Medical Alert | 1,022 | 579 | | 0 | | | 1,020 | | 0 | (581) |
| Material Aide | 637 | 361 | | 0 | | | 662 | | 0 | (336) |
| Recreation | 8,421 | 4,769 | | 0 | | | 12,984 | | 0 | (206) |
| Utility Assistance | 6,960 | 3,942 | | 0 | | | 6,692 | | 0 | (4,210) |
| Transportation | 215,114 | 103,542 | | 1,452 | | | 171,503 | | 0 | (145,701) |
| Prescription Assistance | 2,600 | 0 | | 0 | | | 5,000 | | 0 | 2,400 |
| Nutrition Services: | | | | | | | | | | |
| Congregate Meals | 21,245 | 13,320 | | 0 | | | 32,828 | | 0 | (1,737) |
| Home Delivered Meals | 64,301 | 24,624 | | 0 | | | 22,643 | | 0 | (66,282) |
| National Family Caregiver Support: | | | | | | | | | | |
| Information and Assistance | 2,138 | 0 | | 0 | | | 3,066 | | 0 | 928 |
| Public Education | 148 | 0 | | 0 | | | | | 0 | (148) |
| In-home Services | 596 | 0 | | 0 | | | 1,817 | | 0 | 1,221 |
| Senior Activities | 758 | 0 | | 0 | | | 3,872 | | 0 | 3,114 |
| Administration | 208,780 | (188,527) | | 0 | | | 670 | | 0 | (19,583) |
| Total governmental activities | \$ 615,856 | \$ 0 | \$ | 1,452 | \$ | \$ | 297,046 | \$ | 0 | \$ (317,358) |

General Revenues:

| | |
|--|------------|
| Property taxes | 223,156 |
| Grants and contributions not restricted to specific programs | 154,957 |
| Unrestricted Investment Income | 1,165 |
| Miscellaneous | 12,995 |
| Special Item-Gain on sale of vehicle | 3,907 |
| Total general revenues and special items | 396,180 |
| Increase (Decrease) in net assets | 78,822 |
| Net assets - beginning of the year | 281,660 |
| Net assets - end of the year | \$ 360,482 |

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

Fund Financial Statements

Balance Sheet
Governmental Funds
Assumption Parish Council on Aging, Inc.
Napoleonville, Louisiana
June 30, 2004

| | General Fund | Assumption Millage | Title III B | Section 5311 | Non-Major Funds | Total |
|--|------------------|-----------------------|-----------------|--------------|--------------------|-------------------|
| Assets | | | | | | |
| Cash | \$ 33,116 | \$ 233,419 | \$ 0 | \$ 0 | \$ 2,400 | \$ 268,935 |
| Grants and contracts receivable | 350 | 1,534 | 4,221 | 0 | 7,104 | 13,209 |
| Due from Title III B | 0 | 6,160 | 0 | 0 | 0 | 6,160 |
| Due from Non-Major funds | 0 | 4,915 | 2,189 | 0 | 0 | 7,104 |
| Prepaid expenditures | 2,214 | 0 | 0 | 0 | 0 | 2,214 |
| Prepaid van lease | 0 | 5,374 | 0 | 0 | 0 | 5,374 |
| Deposits toward vehicle purchases | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | \$ 35,680 | \$ 251,402 | \$ 6,410 | \$ 0 | \$ 9,504 | \$ 302,996 |
| Liabilities and Fund Balances | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ 1,912 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,912 |
| Payroll liabilities | 3,319 | 0 | 250 | 0 | 0 | 3,569 |
| Advances from funding agencies | | | | | | 0 |
| Due to Assumption Millage | 0 | 0 | 6,160 | 0 | 4,915 | 11,075 |
| Due to Title III B | 0 | 0 | 0 | 0 | 2,189 | 2,189 |
| Due to Non-Major funds | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities | \$ 5,231 | \$ 0 | \$ 6,410 | \$ 0 | \$ 7,104 | \$ 18,745 |
| Fund Balances: | | | | | | |
| Reserved for: | | | | | | |
| Prepaid expenditures | \$ 2,214 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 2,214 |
| Prepaid van lease | 0 | 5,374 | 0 | 0 | 0 | 5,374 |
| Deposits toward vehicle purchases | 0 | 0 | 0 | 0 | 0 | 0 |
| Fan Purchases | | | | | | 0 |
| Unreserved/Undesignated: | | | | | | |
| General Fund | 28,235 | 0 | 0 | 0 | 0 | 28,235 |
| Special Revenue Fund | 0 | 246,028 | 0 | 0 | 2,400 | 248,428 |
| Total Fund Balances | \$ 30,449 | \$ 251,402 | \$ 0 | \$ 0 | \$ 2,400 | \$ 284,251 |
| Total Liabilities and Fund Balances | \$ 35,680 | \$ 251,402 | \$ 6,410 | \$ 0 | \$ 9,504 | |

Amounts reported for governmental activities in the statement of net assets are different because:

| | |
|--|----------|
| - Compensated absences are not paid for out of current financial resources and therefore are not reported in the funds | (10,237) |
| - Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds | 86,468 |

Net Assets of Governmental Activities

\$ 360,482

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Assumption Parish Council on Aging, Inc.
Napoleonville, LA**

For the Year Ended June 30, 2004

| | General Fund | Assumption Millage | Title III B | Section 5311 | Non-Major Funds | Total Governmental Funds |
|---|--------------------|-----------------------|-------------------|--------------------|--------------------|-----------------------------|
| REVENUES | | | | | | |
| Intergovernmental | | | | | | |
| Capital Area Agency on Aging (CAAA) | \$ 0 | \$ 0 | \$ 50,470 | \$ 0 | \$ 43,286 | \$ 93,756 |
| Governor's Office of Elderly Affairs | 21,048.00 | 0 | 0 | 0 | 21,722 | 42,770 |
| United Way of America | 0 | 0 | 0 | 0 | 45,801 | 45,801 |
| Ad Valorem Taxes | 0 | 223,156 | 0 | 0 | 0 | 223,156 |
| Assumption Parish Police Jury | 59,000 | 0 | 0 | 0 | 0 | 59,000 |
| Department of Transportation | 0 | 0 | 0 | 129,304 | 0 | 129,304 |
| Department of Health and Human Services | 0 | 0 | 0 | 0 | 19,018 | 19,018 |
| Public Support | | | | | | |
| Public Donations | 0 | 0 | 278 | 0 | 626 | 904 |
| EBR COA | 0 | 0 | 0 | 0 | 2,245 | 2,245 |
| SLECA | 0 | 0 | 0 | 0 | 40 | 40 |
| LACO A | 0 | 0 | 0 | 0 | 3,211 | 3,211 |
| Client Contributions | 0 | 0 | 4,360 | 0 | 18,887 | 23,247 |
| Program Service Fees: | | | | | | |
| March For Meals | 0 | 0 | 0 | 0 | 3,872 | 3,872 |
| Emergency Food & Shelter | 1,500 | 0 | 0 | 0 | 0 | 1,500 |
| Prescription Assistance | 0 | 0 | 0 | 0 | 5,000 | 5,000 |
| Public Fares | (106) | 0 | 106 | 1,452 | 0 | 1,452 |
| Special Events | 1,203 | 0 | 0 | 0 | 0 | 1,203 |
| Medicaid fees | 2,828 | 0 | 0 | 0 | 0 | 2,828 |
| Investment Income | 1,165 | 0 | 0 | 0 | 0 | 1,165 |
| Miscellaneous | 1,230 | 0 | 0 | 0 | 0 | 1,230 |
| Inkind Contributions | 0 | 0 | 17,075 | 0 | 12,995 | 30,070 |
| Total Revenues | \$ 87,868 | \$ 223,156 | \$ 72,289 | \$ 130,756 | \$ 176,703 | \$ 690,772 |
| EXPENDITURES | | | | | | |
| Health, Welfare, & Social Services | | | | | | |
| Current: | | | | | | |
| Personnel | \$ 0 | \$ 0 | \$ 199,666 | \$ 39,964 | \$ 97,763 | \$ 337,393 |
| Fringe | 15,146 | 0 | 29,239 | 6,643 | 16,023 | 67,051 |
| Travel | 367 | 0 | 10,945 | 135 | 11,044 | 22,491 |
| Operating Services | 0 | 0 | 65,092 | 16,157 | 21,058 | 102,307 |
| Operating Supplies | 0 | 0 | 17,264 | 4,878 | 4,138 | 26,280 |
| Other Costs | 289 | 0 | 3,688 | (16) | 5,597 | 9,558 |
| Full Service Contracts | 0 | 0 | 0 | 0 | 550 | 550 |
| Utility Assistance | 0 | 0 | 6,945 | 0 | 0 | 6,945 |
| Inkind | 0 | 0 | 17,075 | 0 | 12,995 | 30,070 |
| Total Expenditures | \$ 15,802 | \$ 0 | \$ 349,914 | \$ 67,761 | \$ 169,168 | \$ 602,645 |
| Excess (deficiency) of revenues over expenditures | \$ 72,066 | \$ 223,156 | \$ (277,625) | \$ 62,995 | \$ 7,535 | \$ 88,127 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | \$ - | \$ - | \$ 267,865 | \$ 0 | \$ 74,820 | \$ 342,685 |
| Transfers out | (38,007) | (161,728) | 0 | (62,995) | (79,955) | (342,685) |
| Proceeds from the sale of vehicle | 0 | 0 | 9,760 | 0 | 0 | 9,760 |
| Total other financing sources and uses | \$ (38,007) | \$ (161,728) | \$ 277,625 | \$ (62,995) | \$ (5,135) | \$ 9,760 |
| Net Increase (Decrease) in fund balances | \$ 34,059 | \$ 61,428 | \$ 0 | \$ 0 | \$ 2,400 | \$ 97,887 |
| FUND BALANCES | | | | | | |
| Beginning of the year | (3,610) | 189,974 | 0 | 0 | 0 | 186,364 |
| End of the year | \$ 30,449 | \$ 251,402 | \$ 0 | \$ 0 | \$ 2,400 | \$ 284,251 |

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

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities**

**Assumption Parish Council on Aging, Inc.
Napoleonville, LA**

Year Ended June 30, 2004

| | |
|---|------------------|
| Net Increase (Decrease) in fund balances - total governmental funds | \$ 97,887 |
| Governmental funds report do not depreciation as an expenditure. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. | (10,994) |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Compensated absences expense | (2,218) |
| Governmental funds report the gross amount received for sales of assets as other financing sources. However, in the statement of activities only the gain or loss on sales of assets are reported as revenue or expenses. This is the amount by which the gross sales amounts (\$9,759.80) exceeded the gain on sales of assets (\$3,907.18). | <u>(5,853)</u> |
| Increase (Decrease) of net assets of governmental activities | <u>\$ 78,822</u> |

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

NOTES TO FINANCIAL STATEMENTS

Assumption Council on Aging
Napoleonville, Louisiana

June 30, 2004

Note 1 - Purpose of the Council on Aging and Summary of Significant Accounting Policies

a. Purpose of the Council on Aging:

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in Assumption Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish; to provide for a mutual exchange of ideas and information on the parish and state level; to conduct public meetings to make recommendations for needed improvements and additional resources; to promote the welfare of aging people when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA), Capital Area Agency on Aging (CAAA), other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Assumption Parish include providing congregate and home delivered meals, nutritional education, prescription assistance, medical alert, personal care, information and assistance, outreach, material aid, utility assistance, homemakers, recreation, and transportation.

**Notes To Financial Statements
Continued**

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

b. Reporting Entity: - (continued)

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. However, before the council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and each council is governed by the policies and regulations established by GOEA.

The Assumption Council on Aging is a legally separate, non-profit, quasi-public corporation. A board of directors, consisting of 15 voluntary members, who serve three-year terms, governs the Council.

Membership in the Council is open at all times, without restriction, to all residents of Assumption Parish who have reached the age of majority and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 14, the Assumption Council on Aging is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on the criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. As previously mentioned, GOEA establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the Council's budget be approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

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

c. Presentation of Statements:

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- For the first time the financial statements include:
 - A Management Discussion and Analysis (MD&A) section providing an analysis of the Council's overall financial position and results of operations.
 - Governmental-Wide Financial statements prepared using full accrual accounting for all of the Council's activities.
- A change in the fund financial statements to focus on major fund.

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

c. Presentation of Statements: - (continued)

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The Council was required to implement the general provisions of the GASB Statement 34 in the current year.

d. Basic Financial Statements - Government-Wide Statements

The Council's basic financial statements include both Government-Wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**Notes To Financial Statements
Continued**

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

**d. Basic Financial Statements - Government-Wide Statements
– (continued)**

The Government-Wide Statement of Activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Council did not receive any capital-specific grants this year.

The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. The Statement of Activities shows this allocation in a separate column labeled "indirect cost allocation." In addition, GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

e. Basic Financial Statements - Fund Financial Statements:

The financial transactions of the Council are reported in individual funds in the Fund Financial Statements. 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. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are

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

**e. Basic Financial Statements - Fund Financial Statements:
– (continued)**

reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when *management tentatively sets aside or earmarks certain resources to expend in a designated manner*. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Council:

- **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.

**Notes To Financial Statements
Continued**

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

**e. Basic Financial Statements - Fund Financial Statements: -
(continued)**

- **Special Revenue Funds** are used to account for the proceeds of specific revenue sources 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 to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to Capital Area Agency on Aging, which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Major Special Revenue Funds

The Assumption Millage Fund is used to account for ad valorem taxes received from the taxpayers of Assumption Parish. The Council uses these funds to supplement the cost of the services it provides.

The Title III B Fund is used to account for funds, which are used to provide various units of supportive social services to the elderly. GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive social services, along with the number of units provided during the fiscal year, are as follows:

| | <u>Units</u> |
|--|--------------|
| Information and Assistance | 491 |
| Outreach | 63 |
| Recreation | 6,215 |
| Transportation for people age 60 or older | 12,750 |
| Material Aid | 937 |
| Medical Alert | 60 |
| Utility Assistance | 66 |

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

**e. Basic Financial Statements - Fund Financial Statements: -
(continued)**

Non-Major Special Revenue Funds

The Section 5311 Fund was established to account for funds under the U.S. Department of Transportation's Public Transportation for Nonurbanized Areas - Section 5311 Program. The Louisiana Department of Transportation and Development (DOTD) receives these funds for the State of Louisiana and passes them through to the Council via the Assumption Parish Police Jury. Funds earned and received by the Council are based on actual operating costs of providing transportation services to rural residents within Assumption 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 that did not spend cash for. Section 5311 funds are used as operating transfers to help pay for costs incurred in providing transportation services under the Council's various transportation programs.

The Entergy Assistance Fund is used to account for the administration of utility assistance programs that 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. LP&L Helping Hands donations are provided through the Louisiana Association of Councils on Aging, Inc. (LACOA). During the year, the Council was able to provide 66 units of service with these funds.

The Title III D Fund is used to account for funds used for disease prevention and health promotion activities. During the year 1,229 units of wellness service were provided to eligible participants in this program.

The Title III C-1 Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Assumption Parish. During the year the Council served 13,526 meals to people eligible to participate in this program. In addition to the meals served, the Council also

**Notes To Financial Statements
Continued**

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

**e. Basic Financial Statements - Fund Financial Statements -
(continued)**

Non-Major Special Revenue Funds – (continued)

provided 186 units of nutritional education to eligible participants.

The Title III C-2 Fund is used to account for funds that are used to provide nutritional meals to homebound older persons. Using Title III C-2 funds the Council served 21,907 meals during the year to people eligible to participate in this program.

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The senior centers for Assumption Parish are located in Napoleonville and Pierre Part. Senior Center funds can be used at management's discretion to support any of the Council's programs that benefit the elderly. Accordingly, during the fiscal year, the Senior Center Fund transferred all of its grant revenue to the Title III B Fund to subsidize that program's cost of providing supportive services to elderly persons who use the senior center.

The United Way Fund is used to account for grants received from United Way and the disbursement of the grants to other funds.

The March For Meals Fund is used to account for fund raising activities related to the March for Meals fund raising drive and the disbursement of those funds.

**Notes To Financial Statements
Continued**

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

**e. Basic Financial Statements - Fund Financial Statements: -
(continued)**

Non-Major Special Revenue Funds – (continued)

The Supplemental Senior Center Fund was established to account for funds that were appropriated by the Louisiana Legislature for the various councils on aging throughout Louisiana to supplement each council's primary grant for senior center operations and activities. The Assumption Parish Council on Aging was one of the parish councils to receive a supplemental grant of \$3,825. The money received by this fund during the year was transferred to the Title III B Fund to supplement the supportive services provided by the Title III B Fund. GOEA provided these funds to the Council.

The Audit Fund is used to account for funds received that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements. The cost allocated to this fund is equal to the supplement. Excess audit costs have been distributed to other funds and programs using the Council's indirect cost allocation formula.

The Title III E Fund is used to account for funds relating to the National Family Caregiver Support program. The National Family Caregiver Support program is designed to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers. This program targets older, low-income individuals. Specific types of services provided by this program include: Information and Assistance and Public Education. Eligible participants include (1) adult family members, or another adult person, who provides uncompensated in-home and community care to an older person who needs supportive services or (2) grandparents, or a person 60 years of age or older, who is related to a child by blood or marriage and (1) lives with the child, (2) is the primary caregiver, and (3) has a legal relationship to the child or is raising the child informally.

The Prescription Assistance Fund is used to account for a grant received from Entergy to assist low-income seniors above the age of 60 years with the cost of their prescription drugs. Seniors that qualify are given a one-time \$200 credit at their pharmacy.

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

**e. Basic Financial Statements - Fund Financial Statements: -
(continued)**

Non-Major Special Revenue Funds – (continued)

The **Title XIX Fund** is used to account for funds which are used to provide payments for medical services provided to (1) cash assistance recipients, (2) members of certain mandatory and optional groups who do not receive cash assistance, and (3) other medically needed people who qualify under program guidelines. Title XIX Funds are provided by the United States Department of Health and Human Services as direct reimbursement for costs incurred by the Council.

f. Measurement Focus and Basis of Accounting:

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual Basis – Government-Wide Financial Statements (GWFS):

The *Statement of Net Assets* and the *Statement of Activities* display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

2. Modified Accrual Basis – Fund Financial Statements (FFS):

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction

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

f. Measurement Focus and Basis of Accounting:

2. Modified Accrual Basis – Fund Financial Statements (FFS): - (continued)

can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

g. Interfund Activity:

Interfund activity is reported as either loans or transfers. Loans between funds are reported as *interfund receivables* and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers and loans between funds are *netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.*

h. Cash and Cash Equivalents:

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

i. Investments:

GASB Statement 31 requires the Council to report its investments at fair value, except for investments in non-participating interest-earning contracts, such as non-negotiable certificates of deposit with redemption terms that do not

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

i. Investments: - (continued)

consider market rates. This type of investment is reported using a cost-based measure, provided that the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors.

Investments that 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/Expenditures:

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets.

In the Fund Financial Statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the *General Fund* has been reserved to reflect the amount of fund balance not currently available for expenditure.

k. Capital Assets:

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

**Notes To Financial Statements
Continued**

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

k. Capital Assets: - (continued)

For capital assets recorded in the *Government-Wide Financial Statements*, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

| | |
|-----------|---------------|
| Buildings | 25 - 40 years |
| Equipment | 10 years |
| Vehicles | 5 years |
| Computers | 5 years |

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

l. Unpaid Compensated Absences:

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the *Government-Wide Statements*. Management has estimated the current and long-term portions of this liability based on historical trends. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year. An amount is added to this total for social security and medicare taxes.

In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, no amounts have been accrued as fund liabilities as of year-end in the Fund Financial Statements. The differences in the methods of accruing

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

l. Unpaid Compensated Absences: - (continued)

compensated absences creates a reconciling item between the fund and government-wide financial statement presentations.

The Council's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absences in the Government-Wide Financial Statements relative to sick leave.

m. Allocation of Indirect Expenses:

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

n. 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.

o. Elimination and Reclassifications:

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**Notes To Financial Statements
Continued**

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

p. Deferred Revenues

The Council reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred revenues arise when the Council receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

Note 2 - Changes in Accounting Principles

For the year ending June 30, 2004, the Council has implemented GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. GASB Statement No. 34 creates new basic financial statements for reporting on the Council’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Council also implemented GASB Statement No. 37, *Basic Financial Statements – And Management’s Discussion and Analysis – For State and Local Governments: Omnibus*.

The implementation of GASB Statement No. 34 caused the fund balance at June 30, 2003 to be restated in terms of “net assets” as follows:

| | |
|---|-------------------|
| Total fund balances – Governmental Funds at June 30, 2003 | \$ 186,364 |
| Add: Costs of capital assets at June 30, 2003 (adjusted see note 6) | 255,091 |
| Less: Accumulated depreciation at June 30, 2003 | (151,777) |
| Less: Compensated absences payable at June 30, 2003 | <u>(8,019)</u> |
| Net assets at June 30, 2003 | <u>\$ 281,660</u> |

**Notes To Financial Statements
Continued**

Note 3 - Revenue Recognition

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

Revenues are recorded in the Fund Financial Statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

Note 4 - Cash

At June 30, 2004, the Council's cash and investments consisted of the following:

| | |
|------------------------------|-------------------|
| Cash: | |
| Petty cash | \$ 75 |
| Checking account – operating | 186,583 |
| Certificates of deposit | <u>82,277</u> |
| Total cash | <u>\$ 268,935</u> |

The Council's operating checking account serves as a consolidated bank account. The consolidated bank account serves as a means for paying all of the bills and depositing most of the money collected by the Council. This account is available for use by all funds. The purpose of the consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to temporarily cover any negative cash balances in other funds.

At June 30, 2004, the carrying amount of the Council's checking accounts was \$186,583 whereas the related bank balances were \$198,125. The difference in the carrying amount and bank balances relates primarily to deposits made and checks written which did not clear the bank accounts by June 30, 2004. All bank balances were covered by federal depository insurance and a pledge by Hibernia National Bank of securities registered in the Council's name and held by an agent of the Council. Accordingly, these balances are classified as "Category 1" credit risks in accordance with GASB Statement 3.

**Notes To Financial Statements
Continued**

Note 4 - Cash – (continued)

Under state law, all bank deposits must be secured by federal deposit insurance, by the pledge of securities owned by the fiscal agent bank, or must be invested exclusively in instruments backed by the government of the United State of America. The fair value of the pledged securities plus the federal deposit insurance must always equal or exceed the amount on deposit with the fiscal agent.

GASB Statement 3 categorizes deposits into three categories of credit risk:

1. Insured by FDIC or collateralized with securities held by the Council or by its agent in the Council's name. (Category 1)
2. Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Council's name. (Category 2)
3. Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Council's name; or collateralized with no written or approved collateral agreement. (Category 3)

In situations where the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a legal requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

At June 30, 2004, the Council held the following certificate of deposit:

| <u>Financial Institution</u> | <u>Amount</u> | <u>Rate</u> | <u>Maturity</u> |
|-------------------------------|-----------------|-------------|-----------------|
| Hibernia National Bank | \$82,277 | 1.05% | 7/16/2004 |
| Total certificates of deposit | <u>\$82,277</u> | | |

This certificate of deposit represents a nonparticipating interest-earning investment contract as described in GASB Statement 31. Accordingly, they have been reported at cost in these financial statements.

**Notes To Financial Statements
Continued**

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 year-end, consist of reimbursements for expenses incurred under the following programs:

| Program | Provider | Fund | Amount |
|--------------------|-------------|----------------------|------------------|
| Medicaid | DHH | General Fund | \$ 350 |
| Title III-B | CAAA | Special Revenue Fund | 4,221 |
| Title III C-1 | CAAA | Special Revenue Fund | 2,036 |
| Title III C-2 | CAAA | Special Revenue Fund | 1,020 |
| Title III D | CAAA | Special Revenue Fund | 634 |
| Title III E | CAAA | Special Revenue Fund | 1,006 |
| Assumption Millage | Police Jury | Special Revenue Fund | 1,534 |
| Entergy Assistance | CAAA | Special Revenue Fund | 775 |
| Title XIX | DHHS | Special Revenue Fund | 1,633 |
| Total | | | <u>\$ 13,209</u> |

Note 6 - Changes in Capital Assets

A summary of changes in capital assets is as follows:

| | Restated Balance at July 1, 2004 | Additions | Dispositions | Balance at June 30, 2004 |
|--------------------------------|---|--------------------|---------------------|-------------------------------------|
| Land & Buildings | \$ 94,486 | \$ 0 | \$ 0 | \$ 94,486 |
| Vehicles | 152,191 | 0 | (129,661) | 22,530 |
| Equipment | 8,414 | 0 | (4,828) | 3,586 |
| | <u>255,091</u> | <u>0</u> | <u>(134,489)</u> | <u>120,602</u> |
| Less: Accumulated Depreciation | <u>(151,777)</u> | <u>(10,993)</u> | <u>128,636</u> | <u>(34,134)</u> |
| Total | <u>\$ 103,314</u> | <u>\$ (10,993)</u> | <u>\$ (5,853)</u> | <u>\$ 86,468</u> |

The beginning total for general fixed assets was restated to correct an error in accounting for the cost of three vans. Management learned during the year that three of the vehicles that it had been presenting on the books as its property should not have been presented as the Council on Aging's property because the vehicles were actually titled to the Assumption Parish Police Jury. The combined actual cost of these three vehicles was \$87,865. This

**Notes To Financial Statements
Continued**

Note 6 - Changes in Capital Assets – (continued)

error correction did not affect the fund balances of any of the Council's governmental fund types as of June 30, 2003 or 2004.

Also, during the year, the Council sold four of its vans, wrecked one of its vans, and disposed of three computers that were no longer used.

Depreciation was charged to governmental activities as follows:

Supportive Services:

| | |
|----------------------------|------------------|
| Homemaker | \$ 171 |
| Information and Assistance | 14 |
| Medical Alert | 2 |
| Material Aide | 1 |
| Recreation | 19 |
| Utility Assistance | 16 |
| Transportation | 8,933 |
| Nutrition Services: | |
| Congregate Meals | 78 |
| Home Delivered Meals | 150 |
| In-home Services | 46 |
| Administration | <u>1,563</u> |
| Total Depreciation Expense | <u>\$ 10,993</u> |

Note 7 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

Note 8 - In-Kind Contributions

The Council received \$30,071 in various in-kind contributions during the year, which have been valued at their estimated fair market value, and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income (loss) in the governmental fund types.

The in-kind contributions consisted of janitor and a meal deliverer that are paid through the Title V program of another Council on Aging. Therefore, these workers are provided at no cost to the Assumption Council on Aging.

Notes To Financial Statements
Continued

Note 8 - In-Kind Contributions – (continued)

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

| | |
|---------------|------------------|
| Salaries | \$ 27,934 |
| Fringe | <u>2,137</u> |
| Total In-Kind | <u>\$ 30,071</u> |

Note 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, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax.

Note 10 - Lease and Rental Commitments

The Council has no capital leases but on September 14, 2000, it entered into an operating lease with the Duffy and Myrtle Landry, to lease the building that the Council currently uses as a senior center in Pierre Part, Louisiana. Terms of the lease require the Council to pay \$400.00 per month over the term of this lease (\$4,800 annually). The lease term runs from October 1, 2000, to October 1, 2005.

The Council leases two a copy machines from Anlyn Systems, Inc. for \$129 and \$115 per month. The leases operate on a month-to-month basis.

The Council also leases a copy machine from RICOH Leasing. Terms of the lease require the Council to pay \$84.70 per month over 60 months. The lease term began in May of 2002.

On April 28, 2004 the Council entered into an operating lease with Assumption Parish Police Jury for the lease of six vans. These vans are titled to the Police Jury, but are used exclusively by the Council. The Council is obligated to pay all costs of operating, maintaining, and insuring the vans. Terms of the lease require the Council to pay \$1 per year for as long as the vehicles have met their useful lives.

During the year, the Council paid its local match to acquire a van. The van was acquired by the Assumption Parish Police Jury under a FTA Capital Assistance grant that required a local match equal to

**Notes To Financial Statements
Continued**

Note 10 - Lease and Rental Commitments – (continued)

20% of the total cost of each van. Under the terms of the grant, the Council had to pay the 20% local match. The Council's share was \$6,322. In return, the Council has the right to use the van for the next five years. The Council is obligated to pay all costs of operating, maintaining, and insuring the vans. The Council's local match has been recorded as a prepaid lease and is being amortized at a rate of \$105.37 per month. Total amortization for the current year was \$948.30. In the Government Wide statements, the amortization of the lease has been reported as an expense of the transportation programs. In the Fund Financial statements, the amortization has been recorded as an operating service expenditure of the Title IIIB, Section 5311, and Title XIX funds. The unamortized portion of the prepaid lease amount (\$5,374) has been recorded as an asset on the Statement of Net Assets in the Government Wide statements and on the Balance Sheet in the Fund Financial statements.

Note 11 - Judgments, Claims, and Similar Contingencies

There is no litigation pending against the Council as of year-end. The Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

Note 12 - Contingencies - Grant Programs

The Council participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the collectibility of any related receivable at year-end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Council.

**Notes To Financial Statements
Continued**

Note 13 - Economic Dependency

The Council receives the majority of its revenue through grants administered by the Capital Area Agency on Aging (CAAA), Louisiana Governor's Office of Elderly Affairs (GOEA) 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 14 - Interfund Receivables and Payables

Because the Council operates most of its programs under cost reimbursement type grants, some programs have to pay for costs using its other programs' money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans in the Fund Financial Statements.

A summary of these interfund loans at year end, is as follows:

| | Due From Other Funds | Due To Other Funds |
|--------------------------|-------------------------|-----------------------|
| Major Funds: | | |
| Assumption Millage | \$ 11,075 | |
| Title III-B | 2,189 | \$ 6,160 |
| Non-Major Funds: | | |
| Entergy Assistance | | 775 |
| Title III-D | | 634 |
| Title III C-1 | | 2,036 |
| Title III C-2 | 2,036 | 3,056 |
| Title III-E | | 1,006 |
| Title XIX Transportation | | 1,633 |
| Total | \$ 15,300 | \$ 15,300 |

These loans have been eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

**Notes To Financial Statements
Continued**

Note 15 - 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; job related illnesses or 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. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage.

The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

Note 19 - Interfund Transfers

Interfund transfers to and from are listed by fund for the fiscal year as follows:

| | Funds Transferred To: | | | | | |
|------------------------------------|-----------------------|-------------------|------------------|------------------|------------------|-------------------|
| | Special Revenue Funds | | | | | Total |
| | Town #1 | III-B | III-C-1 | III-C-2 | XIX | |
| Funds Transferred From: | | | | | | |
| General Fund: | | | | | | |
| Unrestricted | \$ 0 | \$ 1,653 | \$ 0 | \$ 0 | \$ 0 | \$ 1,653 |
| PCOA | 0 | 21,048 | 0 | 0 | 0 | 21,048 |
| Local Projects | 0 | 9,776 | 0 | 0 | 0 | 9,776 |
| Special Projects | 0 | 1,188 | 0 | 1,500 | 0 | 2,688 |
| Medicaid | 0 | 2,842 | 0 | 0 | 0 | 2,842 |
| Total General Fund | 0 | 36,507 | 0 | 1,500 | 0 | 38,007 |
| Special Revenue Fund: | | | | | | |
| III-C-1 | 0 | | 0 | 8,462 | 0 | 8,462 |
| III-D | 0 | 1,267 | 0 | 0 | 0 | 1,267 |
| III-E | 0 | 780 | 0 | 0 | 0 | 780 |
| Title 5311 | 0 | 62,995 | 0 | 0 | 0 | 62,995 |
| Entergy Assistance | 0 | 6,645 | 0 | 0 | 0 | 6,645 |
| Supplemental Senior Center | 0 | 3,825 | 0 | 0 | 0 | 3,825 |
| Senior Center | 0 | 17,897 | 0 | 0 | 0 | 17,897 |
| March For Meals | 0 | 0 | 0 | 3,114 | 0 | 3,114 |
| United Way | 0 | 6,366 | 0 | 40,061 | 0 | 46,427 |
| Millage/Town 1 | 0 | 131,583 | 10,120 | 0 | 20,024 | 161,727 |
| Total Special Revenue Funds | 0 | 231,358 | 10,120 | 51,637 | 20,024 | 313,139 |
| Total Transfers | \$ 0 | \$ 267,865 | \$ 10,120 | \$ 53,137 | \$ 20,024 | \$ 351,146 |

**Notes To Financial Statements
Continued**

Note 19 - Interfund Transfers – (continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the other funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

Note 20 - Related Party Transactions

There were no significant related party transactions during the year.

Note 21 - Changes in Long-Term Debt

The only long-term debt the Council had during the year related to compensated absences. The following is a schedule of the changes in long-term debt for the accrued compensated absences:

| | |
|----------------------------------|------------------|
| Beginning Balance - July 1, 2003 | \$ 8,019 |
| Increases | 15,466 |
| Decreases | (10,307) |
| Amount Not Allowed to Carryover | (2,941) |
| Ending Balance - June 30, 2004 | <u>\$ 10,237</u> |

The Council's employees are only allowed to carryover one year's worth of accumulated leave.

**SUPPLEMENTARY FINANCIAL INFORMATION
REQUIRED BY GASB STATEMENT 34**

**Assumption Parish Council on Aging
Budgetary Comparison Schedule - General Fund
For the year ended June 30, 2004**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|---|-------------------------|-----------------|-----------------------------|--|
| | <u>Original</u> | <u>Final</u> | <u>GAAP</u> <u>Basis</u> | <u>Favorable</u> <u>(Unfavorable)</u> |
| REVENUES | | | | |
| Intergovernmental | | | | |
| Governor's Office of Elderly Affairs | \$ 18,120 | \$ 21,048 | \$ 21,048 | \$ 0 |
| Assumption Parish Police Jury | 0 | 59,000 | 59,000 | 0 |
| Program Service Fees: | | | | |
| Emergency Food & Shelter | 0 | 3,000 | 1,500 | (1,500) |
| Public Fares | 0 | 0 | (106) | (106) |
| Special Events | 1,200 | 0 | 1,203 | 1,203 |
| Medicaid fees | 3,200 | 3,200 | 2,828 | (372) |
| Investment Income | 2,000 | 1,500 | 1,165 | (335) |
| Miscellaneous | 0 | 0 | 1,230 | 1,230 |
| | <u>24,520</u> | <u>87,748</u> | <u>87,868</u> | <u>120</u> |
| Total Revenues | \$ | \$ | \$ | \$ |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services | | | | |
| Current: | | | | |
| Personnel | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Fringe | 28,000 | 28,428 | 15,146 | 13,282 |
| Travel | 300 | 300 | 367 | (67) |
| Other Costs | 870 | 26,678 | 289 | 26,389 |
| Capital Outlays | 0 | 1,732 | 0 | 1,732 |
| | <u>29,170</u> | <u>57,138</u> | <u>15,802</u> | <u>41,336</u> |
| Total Expenditures | \$ | \$ | \$ | \$ |
| Excess (deficiency) of revenues over expenditures | \$ (4,650) | \$ 30,610 | \$ 72,066 | \$ 41,456 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Transfers out | (86,364) | (86,364) | (38,007) | 48,357 |
| | <u>(86,364)</u> | <u>(86,364)</u> | <u>(38,007)</u> | <u>48,357</u> |
| Total other financing sources and uses | \$ | \$ | \$ | \$ |
| Net Increase (Decrease) in fund balances | \$ (91,014) | \$ (55,754) | \$ 34,059 | \$ 89,813 |
| FUND BALANCES | | | | |
| Beginning of the year | (3,610) | (3,610) | (3,610) | 0 |
| End of the year | <u>(94,624)</u> | <u>(59,364)</u> | <u>30,449</u> | <u>89,813</u> |

**Assumption Parish Council on Aging
Budgetary Comparison Schedule - Assumption Millage
For the year ended June 30, 2004**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> <u>Amounts</u> | <u>Variance with</u> <u>Final Budget</u> |
|---|-------------------------|--------------|---------------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>GAAP</u> <u>Basis</u> | <u>Favorable</u> <u>(Unfavorable)</u> |
| REVENUES | | | | |
| Intergovernmental | | | | |
| Ad Valorem Taxes | \$ 191,632 | \$ 128,423 | \$ 223,156 | \$ 94,733 |
| Total Revenues | \$ 191,632 | \$ 128,423 | \$ 223,156 | \$ 94,733 |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services | | | | |
| Current: | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Total Expenditures | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Excess (deficiency) of revenues over expenditures | \$ 191,632 | \$ 128,423 | \$ 223,156 | \$ (94,733) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | \$ (191,632) | \$ (128,423) | \$ (161,728) | \$ 33,305 |
| Total other financing sources and uses | \$ (191,632) | \$ (128,423) | \$ (161,728) | \$ (33,305) |
| Net Increase (Decrease) in fund balances | \$ 0 | \$ 0 | \$ 61,428 | \$ 61,428 |
| FUND BALANCES | | | | |
| Beginning of the year | 189,974 | 189,974 | 189,974 | 0 |
| End of the year | \$ 189,974 | \$ 189,974 | \$ 251,402 | \$ 61,428 |

**Assumption Parish Council on Aging
Budgetary Comparison Schedule - Title III-B
For the year ended June 30, 2004**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|---|-------------------------|---------------------|-----------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>GAAP</u> <u>Basis</u> | <u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u> |
| REVENUES | | | | |
| Intergovernmental | | | | |
| Capital Area Agency on Aging (CAAA) | \$ 50,470 | \$ 50,470 | \$ 50,470 | \$ 0 |
| Public Support | | | | |
| Public Donations | 0 | 0 | 278 | 278.00 |
| Client Contributions | 3,700 | 3,700 | 4,360 | 660.00 |
| Public Fares | 0 | 0 | 106 | 106.00 |
| Non-Cash Depreciation | 0 | 7,414 | 0 | (7,414.00) |
| Inkind Contributions | 0 | 16,410 | 17,075 | 665.00 |
| | <u>0</u> | <u>16,410</u> | <u>17,075</u> | <u>665.00</u> |
| Total Revenues | <u>\$ 54,170</u> | <u>\$ 77,994</u> | <u>\$ 72,289</u> | <u>\$ (5,705)</u> |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services | | | | |
| Current: | | | | |
| Personnel | \$ 210,935 | \$ 207,318 | \$ 199,666 | \$ 7,652 |
| Fringe | 26,644 | 27,989 | 29,239 | (1,250) |
| Travel | 15,146 | 12,335 | 10,945 | 1,390 |
| Operating Services | 60,537 | 94,754 | 65,092 | 29,662 |
| Operating Supplies | 19,357 | 17,061 | 17,264 | (203) |
| Other Costs | 17,266 | 23,160 | 3,688 | 19,472 |
| Utility Assistance | 0 | 0 | 6,945 | (6,945) |
| Capital Outlays | 6,864 | 6,289 | 0 | 6,289 |
| Inkind | 0 | 0 | 17,075 | (17,075) |
| | <u>0</u> | <u>0</u> | <u>17,075</u> | <u>(17,075)</u> |
| Total Expenditures | <u>\$ 356,749</u> | <u>\$ 388,906</u> | <u>\$ 349,914</u> | <u>\$ 38,992</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (302,579)</u> | <u>\$ (310,912)</u> | <u>\$ (277,625)</u> | <u>\$ 33,287</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 302,579 | \$ 309,776 | \$ 267,865 | \$ (41,911) |
| Transfers out | 0 | (64) | 0 | (64) |
| Proceeds from the sale of vehicle | 0 | 1,200 | 9,760 | 8,560 |
| | <u>0</u> | <u>1,200</u> | <u>9,760</u> | <u>8,560</u> |
| Total other financing sources and uses | <u>\$ 302,579</u> | <u>\$ 310,912</u> | <u>\$ 277,625</u> | <u>\$ (33,415)</u> |
| Net Increase (Decrease) in fund balances | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| FUND BALANCES | | | | |
| Beginning of the year | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| End of the year | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

**Assumption Parish Council on Aging
Budgetary Comparison Schedule - Section 5311
For the year ended June 30, 2004**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|---|-------------------------|--------------------|-----------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>GAAP</u> <u>Basis</u> | <u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u> |
| REVENUES | | | | |
| Intergovernmental | | | | |
| Department of Transportation | \$ 126,372 | \$ 129,304 | \$ 129,304 | \$ 0 |
| Public Support | | | | |
| Public Fares | 0 | 0 | 1,452 | 1,452 |
| Non-Cash Depreciation | 0 | 1,580 | 0 | (1,580) |
| Total Revenues | <u>\$ 126,372</u> | <u>\$ 130,884</u> | <u>\$ 130,756</u> | <u>\$ (128)</u> |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services | | | | |
| Current: | | | | |
| Personnel | \$ 38,255 | \$ 40,027 | \$ 39,964 | \$ 63 |
| Fringe | 5,601 | 6,058 | 6,643 | (585) |
| Travel | 272 | 147 | 135 | 12 |
| Operating Services | 11,238 | 18,100 | 16,157 | 1,943 |
| Operating Supplies | 4,106 | 4,862 | 4,878 | (16) |
| Other Costs | 2,079 | 1,554 | (16) | 1,570 |
| Total Expenditures | <u>\$ 61,551</u> | <u>\$ 70,748</u> | <u>\$ 67,761</u> | <u>\$ 2,987</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ 64,821</u> | <u>\$ 60,136</u> | <u>\$ 62,995</u> | <u>\$ 2,859</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 0 | \$ 1,426 | \$ 0 | \$ (1,426) |
| Transfers out | (62,839) | (56,853) | (62,995) | 6,142 |
| Proceeds from the sale of vehicle | 0 | 0 | 0 | 0 |
| Total other financing sources and uses | <u>\$ (62,839)</u> | <u>\$ (55,427)</u> | <u>\$ (62,995)</u> | <u>\$ (7,568)</u> |
| Net Increase (Decrease) in fund balances | \$ 1,982 | \$ 4,709 | \$ 0 | \$ (4,709) |
| FUND BALANCES | | | | |
| Beginning of the year | 0 | 0 | 0 | 0 |
| End of the year | <u>\$ 1,982</u> | <u>\$ 4,709</u> | <u>\$ 0</u> | <u>\$ (4,709)</u> |

**SUPPLEMENTARY FINANCIAL INFORMATION
REQUIRED BY GOEA**

Schedule of Non-Major Special Revenue Funds

**Assumption Parish Council on Aging, Inc.
Napoleonville, LA**

For the Year Ended June 30, 2004

| | Entry Assistance | Title III-D | Title III C-1 | Title III C-2 | Senior Center | United Way | March For Meals | Supplemental Senior Center | Audit | Title III-E | Prescription Assistance | Title XIX Transportation | Total |
|--|------------------|-----------------|-------------------|--------------------|--------------------|--------------------|-------------------|----------------------------|---------------|-----------------|-------------------------|--------------------------|-------------------|
| REVENUES | | | | | | | | | | | | | |
| Intergovernmental | | | | | | | | | | | | | |
| Capital Area Agency on Aging (CAAAA) | \$ 1,149 | \$ 1,817 | \$ 24,366 | \$ 12,218 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 670 | \$ 3,066 | \$ 0 | \$ 0 | \$ 43,286 |
| Governor's Office of Elderly Affairs | 0 | 0 | 0 | 0 | 17,897 | 0 | 0 | 3,825 | 0 | 0 | 0 | 0 | 21,722 |
| United Way of America | 0 | 0 | 0 | 0 | 0 | 45,801 | 0 | 0 | 0 | 0 | 0 | 0 | 45,801 |
| Department of Health and Human Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19,018 | 19,018 |
| Public Support | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Donations | 0 | 0 | 0 | 0 | 0 | 626 | 0 | 0 | 0 | 0 | 0 | 0 | 626 |
| EBR/COA | 2,245 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,245 |
| SLECA | 40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 40 |
| LACOA | 3,211 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,211 |
| Client Contributions | 0 | 0 | 8,462 | 10,425 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,887 |
| Program Service Fees: | | | | | | | | | | | | | |
| March For Meals | 0 | 0 | 0 | 0 | 0 | 0 | 3,871 | 0 | 0 | 0 | 0 | 0 | 3,871 |
| Prescription Assistance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| Inkind Contributions | 0 | 0 | 0 | 12,995 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,995 |
| Total Revenues | \$ 6,645 | \$ 1,817 | \$ 32,828 | \$ 35,638 | \$ 17,897 | \$ 46,427 | \$ 3,871 | \$ 3,825 | \$ 670 | \$ 3,066 | \$ 5,000 | \$ 19,018 | \$ 176,702 |
| EXPENDITURES | | | | | | | | | | | | | |
| Health, Welfare, & Social Services | | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | | |
| Personnel | \$ 0 | \$ 0 | \$ 22,115 | \$ 51,114 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 2,081 | \$ 0 | \$ 22,453 | \$ 97,763 |
| Fringe | 0 | 0 | 3,790 | 6,746 | 0 | 0 | 0 | 0 | 0 | 167 | 0 | 3,318 | 16,023 |
| Travel | 0 | 0 | 74 | 10,850 | 0 | 0 | 0 | 0 | 0 | 38 | 0 | 11,044 | 21,933 |
| Operating Services | 0 | 0 | 7,096 | 3,012 | 0 | 0 | 757 | 0 | 0 | 0 | 0 | 10,193 | 21,058 |
| Operating Supplies | 0 | 0 | 770 | 421 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,947 | 4,138 |
| Other Costs | 0 | 0 | 642 | 1,635 | 0 | 0 | 0 | 0 | 670 | 0 | 2,600 | 0 | 5,596 |
| Full Service Contracts | 0 | 550 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 550 |
| Inkind | 0 | 0 | 0 | 12,995 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,995 |
| Total Expenditures | \$ 0 | \$ 550 | \$ 34,487 | \$ 88,775 | \$ 0 | \$ 0 | \$ 757 | \$ 0 | \$ 670 | \$ 2,286 | \$ 2,600 | \$ 39,042 | \$ 169,167 |
| Excess (deficiency) of revenues over expenditures | \$ 6,645 | \$ 1,267 | \$ (1,659) | \$ (53,137) | \$ 17,897 | \$ 46,427 | \$ 3,114 | \$ 3,825 | \$ 0 | \$ 780 | \$ 2,400 | \$ (20,024) | \$ 7,535 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | |
| Transfers in | \$ 0 | \$ 0 | \$ 1,659 | \$ 53,137 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 20,024 | \$ 74,820 |
| Transfers out | (6,645) | (1,267) | 0 | 0 | (17,897) | (46,427) | (3,114) | (3,825) | 0 | (780) | 0 | 0 | (79,855) |
| Total other financing sources and uses | (6,645) | (1,267) | \$ 1,659 | \$ 53,137 | \$ (17,897) | \$ (46,427) | \$ (3,114) | \$ (3,825) | \$ 0 | \$ (780) | \$ 0 | \$ 20,024 | \$ (5,135) |
| Net Increase (Decrease) in fund balances | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 2,400 | \$ 0 | \$ 2,400 |
| FUND BALANCES | | | | | | | | | | | | | |
| Beginning of the year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| End of the year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,400 | 0 | 2,400 |

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

**Assumption Parish Council on Aging
Napoleonville, Louisiana**

For the year ended June 30, 2004

| | <i>Restated</i> Balance July 1, 2003 | Additions | Deletions | Balance June 30, 2004 |
|---|--|-------------|---------------------|--------------------------|
| General fixed assets: | | | | |
| Land and building | \$ 94,486 | \$ 0 | \$ 0 | \$ 94,486 |
| Vehicles | 152,191 | 0 | (129,661) | 22,530 |
| Office furniture and equipment | 8,414 | 0 | (4,828) | 3,586 |
| Total general fixed assets | \$ 255,091 | \$ 0 | \$ (134,489) | \$ 120,602 |
| Investment in general fixed assets: | | | | |
| Property acquired with funds from - | | | | |
| Transportation | \$ 3,830 | \$ 0 | \$ 0 | \$ 3,830 |
| Millage/Police Jury | 113,960 | 0 | (24,960) | 89,000 |
| Title III-C-2 | 2,089 | 0 | (598) | 1,491 |
| Title III-B | 125,822 | 0 | (106,389) | 19,433 |
| Title III-C-1 | 1,063 | 0 | (437) | 626 |
| Title III-D | 1,617 | 0 | (1,319) | 298 |
| Senior Center | 278 | 0 | 0 | 278 |
| Medicaid | 27 | 0 | (27) | 0 |
| Title XIX | 2,253 | 0 | 0 | 2,253 |
| Transportation (Indirect) | 4,152 | 0 | (759) | 3,393 |
| Total investment in general fixed assets | \$ 255,091 | \$ 0 | \$ (134,489) | \$ 120,602 |



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
Assumption Parish Council on Aging, Inc.
Napoleonville, Louisiana

We have audited the financial statements of the Assumption Parish Council on Aging, Inc., Napoleonville, Louisiana, as of and for the year ended June 30, 2004, and have issued our report thereon dated October 28, 2004. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Assumption 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 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 solely for the information and use of the Council's board of directors, management, 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.

A handwritten signature in cursive script, appearing to read "T.S. Kearns".

Thibodaux, Louisiana
October 28, 2004

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Assumption Parish Council on Aging, Inc.
Napoleonville, Louisiana

For the Year Ended June 30, 2004

We have audited the financial statements of the Assumption Parish Council on Aging, Inc., Napoleonville, Louisiana as of and for the year ended June 30, 2004, and have issued our report thereon dated October 28, 2004. 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. Our audit of the financial statements as of June 30, 2004 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
Reportable Conditions

_____ Yes X No
_____ Yes X No

Compliance:

Compliance Material to Financial Statements

_____ Yes X No

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.

_____ Yes X No

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.

SCHEDULE OF PRIOR YEAR FINDINGS

Assumption Parish Council on Aging, Inc.
Napoleonville, Louisiana

For the Year Ended June 30, 2004

Internal Control And Compliance Deficiencies Material To The Financial Statements.

No findings were reported in the prior year.

Internal Control And Compliance Deficiencies Material To Federal Awards.

No findings were reported in the prior year.

Management Letter.

A management letter was not issued in the prior year.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Assumption Council on Aging, Inc.
Napoleonville, Louisiana

For the Year Ended June 30, 2004

To the following oversight agencies for audit:

State: Legislative Auditor of the State of Louisiana; and
Governor's Office of Elderly Affairs.

Assumption Parish Council on Aging, Inc., Napoleonville, Louisiana, respectfully submits the following corrective action plan for the year ended June 30, 2004.

Name, address and contact information of the independent certified public accounting firm:

T.S. Kearns & Co., CPA, PC
501 Canal Boulevard
Thibodaux, Louisiana 70301
985-447-8507
tim.kearns@kearnscpa.com

Audit period: For the year ended June 30, 2004.

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES MATERIAL TO THE FINANCIAL STATEMENTS.

There were no findings reported in this section.

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES MATERIAL TO FEDERAL AWARDS.

There were no findings reported in this section.

MANAGEMENT LETTER.

A management letter was not issued.

If you have any questions regarding this plan, please call Betty Granier at (985) 369-7961.