

*Financial Statement*

*Terrebonne Council on Aging, Inc.*  
*Houma, Louisiana*

*June 30, 2023*



*Financial Statement*

*Terrebonne Council on Aging, Inc.*  
*Houma, Louisiana*

*June 30, 2023*

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June 30, 2023

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## **PRINCIPAL OFFICIALS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

June 30, 2023

## **BOARD OF DIRECTORS**

	<u>Term Expiration Date</u>
Michael Boquet, Chairman	December 31, 2024
Jerome Boykin, Vice Chairman	December 31, 2024
Carla Chaisson, Secretary	December 31, 2024
Kirby Verret, Treasurer	December 31, 2023
Larry Daigle	December 31, 2025
Cyrus J. Pitre	December 31, 2023
Kurt Charpentier	December 31, 2025
Melvin Malbrough	December 31, 2023
Roland Aucoin	December 31, 2024
Dave Kane	December 31, 2025
Jean LeBoeuf	December 31, 2025

**FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

### **Opinion**

We have audited the accompanying financial statements of the governmental activities and General Fund of Terrebonne Council on Aging, Inc. (the "Council"), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and the General Fund of the Council as of June 30, 2023 and the respective changes in net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for the twelve months beyond the financial statement date, including any currently know information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Budgetary Comparison Schedules and the Schedule of Changes in the Council's Total OPEB Liability and Related Ratios on pages 5 through 12, 52 through 58, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying supplementary information on pages 59 through 68 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards, Schedule 8, is presented for the purposes of additional analysis as required by the *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statements. The accompanying financial information listed in the supplementary information section, except for the information contained in Schedule 7, and the Schedule of Expenditures of Federal Awards, are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The listing of Principal Officials and the accompanying Schedule 7, Units of Service, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on it.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2023 on our consideration of Terrebonne 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 agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, Louisiana,  
December 22, 2023.

# **MANAGEMENT’S DISCUSSION AND ANALYSIS**

## **Terrebonne Council on Aging, Inc. Houma, Louisiana**

June 30, 2023

Management’s Discussion and Analysis of the Terrebonne 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, 2023. This document focuses on the current year’s activities, resulting changes, and currently known facts. Please read this document in conjunction with the basic financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

The Council’s assets exceeded its liabilities at the close of fiscal year 2023 by \$18,084,368 (net position), which represents a 9.09% decrease from last fiscal year.

The Council’s revenue increased \$1,110,965 (or 22.80%) primarily as a result of increases in funding related to grants and contributions from the Terrebonne Parish Consolidated Government.

The Council’s expenses increased by \$1,685,205 (or 27.59%) due to increases in personal services, operating services, and other costs.

### **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, (4) the optional section that presents combining statements for the General Fund and 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 include two kinds of statements that present different views of the Council:

## **OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

### **Government-Wide Financial Statements**

The government-wide financial statements (Exhibits A and B) 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 Position presents information on all of the Council's assets, and liabilities with the difference reported as net position. Over time, increases or decreases in net position 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 position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of 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 for senior citizens that include various supportive services, nutritional services, utility assistance, and respite.

### **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 (Exhibits D and F).

The Council has presented the General Fund, Title III B - Supportive Services Fund, Title III C-2 - Home Delivered Meals Fund and Rural Transportation Fund as major funds (Exhibits C and E). All non-major governmental funds are presented in one column, titled other governmental funds. Combining financial statements of the non-major funds can be found in the combining fund statements that follow the basic financial statements (Schedules 3 and 4).

## **OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit G 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 (GASB Required Supplementary Information: Exhibits H, I, J, and K). GASB Statement No. 75 requires a schedule of changes in the Council's total OPEB liability (Exhibit M).

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 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 (Schedules 3, 4, and 6). GOEA also requires the Council to present combining schedules of its General Fund Programs (Schedules 1 and 2), and a comparative schedule of Units of Service (Schedule 7). Louisiana state law requires the Schedule of Compensation Benefits, and Other Payments to Agency Head or Chief Executive Officer, (Schedule 5).

The Uniform Guidance requires a Schedule of Expenditures of Federal Awards (Schedule 8). This schedule presents required information about the Council's federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted Federal money to the Council.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the Council's financial position. As of June 30, 2023, assets exceeded liabilities by \$18,084,368. A large portion of the Council's net position (51.08%) reflects its investment in capital assets (e.g., land; intangible assets; buildings and leasehold improvements; office furniture, fixtures and equipment; vehicles, machinery and equipment). Consequently, these assets are not available for future spending.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)****Condensed Statements of Net Position**

	June 30,		Dollar Change
	<u>2023</u>	<u>2022</u>	
Current and other assets	\$ 8,380,524	\$ 11,160,654	\$(2,780,130)
Capital assets	9,236,632	8,738,070	498,562
Other long term assets	5,500,000	5,500,000	-
Deferred outflow of resources	<u>1,119,074</u>	<u>614,983</u>	<u>504,091</u>
Total assets and deferred outflows of resources	<u>24,236,230</u>	<u>26,013,707</u>	<u>(1,777,477)</u>
Long-term liabilities outstanding	3,521,425	2,524,089	997,336
Other liabilities	1,398,757	1,957,358	(558,601)
Deferred inflows of resources	<u>1,231,680</u>	<u>1,638,693</u>	<u>(407,013)</u>
Total liabilities and deferred inflows of resources	<u>6,151,862</u>	<u>6,120,140</u>	<u>31,722</u>
Net position:			
Net investment in capital assets	9,236,632	8,738,070	498,562
Unrestricted	<u>8,847,736</u>	<u>11,155,497</u>	<u>(2,307,761)</u>
Total net position	<u>\$18,084,368</u>	<u>\$19,893,567</u>	<u>\$(1,809,199)</u>

Current and other assets decreased significantly due to a combined decrease in cash and investments of approximately \$2,712,000. Capital assets increased due to the completion of various facility improvement projects and the purchase of a walk-in cooler/freezer, camera system, and bingo machine. The Council recognized an increase in other postemployment obligations of \$976,977 along with deferred outflow of resources of \$1,119,074 and deferred inflows of resources of \$1,231,680 related to GASB Statement No. 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pension". Other liabilities decreased due to a decrease in the balance owed to a contractor for Hurricane Ida repairs upon receipt of additional insurance proceeds.

**Governmental Activities**

Governmental activities decreased the Council's net position by \$1,809,199. Key elements of the decrease are as follows:

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)****Governmental Activities (Continued)****Condensed Changes in Net Position**

	<u>June 30,</u>		<u>Dollar Change</u>	<u>Total Percent Change</u>
	<u>2023</u>	<u>2022</u>		
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 129,949	\$ 111,133	\$ 18,816	16.93%
Operating grants and contributions	1,709,852	1,718,008	(8,156)	-0.47%
Capital grants and contributions	-	170,850	(170,850)	100.00%
General revenues:				
Grants and contributions not restricted to specific programs	3,915,832	2,197,318	1,718,514	78.21%
Unrestricted investment earnings	84,539	39,670	44,869	113.11%
Insurance proceeds	143,731	145,740	(2,009)	-1.38%
Impairment gain	-	468,688	(468,688)	100.00%
Miscellaneous	45	21,576	(21,531)	-99.79%
Total revenues	<u>5,983,948</u>	<u>4,872,983</u>	<u>1,110,965</u>	22.80%
<b>Expenses:</b>				
Health and welfare	<u>7,793,147</u>	<u>6,107,942</u>	<u>1,685,205</u>	27.59%
Decrease in net position	<u>(1,809,199)</u>	<u>(1,234,959)</u>	<u>(574,240)</u>	46.50%
Net position, beginning of year	<u>19,893,567</u>	<u>21,128,526</u>	<u>(1,234,959)</u>	-5.84%
Net position end of year	<u>\$ 18,084,368</u>	<u>\$ 19,893,567</u>	<u>\$ (1,809,199)</u>	-9.09%

Overall, revenues increased by approximately \$1,111,000. Capital grants and contributions decreased \$170,850 due to vans being received from the Department of Transportation during fiscal year 2022 and none during the fiscal year 2023. Grants and contributions not restricted to specific programs increased \$1,718,514 due to an increased budget approved between the Council and Terrebonne Parish Consolidated Government (the "Parish") in accordance with the Cooperative Endeavor Agreement dated June 14, 2021.

Program expenses increased by approximately \$1,685,000 primarily due to an increase in overall expenditures of approximately \$350,000 and changes in long-term obligations for other postemployment benefit obligations and compensated absences.

**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.

## 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, fund balance may serve as a useful measure of the Council'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 \$6,981,767, a decrease of \$2,221,529 in comparison with the prior year. The Council's total General Fund balance decreased by \$2,164,578 during the current fiscal year, and the combined decrease in fund balance for all other governmental funds was \$56,951. The unassigned fund balance component of the General Fund was \$496,298 (Exhibit C) and is available for spending at the Council's discretion. The remainder of the General Fund's fund balance of \$6,295,785 is comprised of \$282,288 of non-spendable resources, \$2,150,000 of committed resources and \$3,863,497 of assigned resources. The \$189,684 fund balance of all other governmental funds is assigned to special projects.

## Budgetary Highlights

The budget was amended once during the year. The primary reason for amending the budget was to prevent compliance violations under the Council's grants from GOEA due to unanticipated changes in revenue and expenditures. The major differences between the original General Fund budget and the final amended budget were as follows:

### Revenues

- Intergovernmental revenues increased by \$35,000 to reflect anticipation of more funding to be received from the Parish.
- Interest revenues increased by \$27,000 to reflect the anticipated increase in revenue to be received from and increase in interest rates and investment balances.
- Miscellaneous revenue decreased by \$120,572 to reflect an anticipated decrease in other grants to be received during the fiscal year.

### Expenditures

- Operating services increased \$196,809 to reflect the anticipated increase in services offered by the Council.
- Capital outlay decreased \$612,938 to reflect anticipation of reduced spending on capital expenditures.

The major differences in the original and final budgets of other major funds include Title III B Supportive Services were increases in revenues and expenditures by \$161,789 and \$228,594, respectively, primarily due to the increases in intergovernmental funds received and operating costs during the year. Title III C Home Delivered Meals Fund increased total revenue by \$81,089 to reflect an increase in intergovernmental revenue and increased total expense by \$126,280 to reflect

**Budgetary Highlights (Continued)**

an increase in services and costs. Rural Transportation Fund increased total revenue by \$120,739 to reflect an increase in intergovernmental revenue and increased total expenses by \$243,383 to reflect increased salaries and benefits and operating services. Required supplementary information budgetary comparison schedules were prepared for the General Fund and each major special revenue fund (Exhibits H, I, J, and K).

**CAPITAL ASSETS**

**Capital Assets**

The Council’s investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$9,236,632 (net of accumulated depreciation). This investment in capital assets includes land; intangible assets; buildings and leasehold improvements; office furniture, fixtures and equipment; and vehicles, machinery and equipment.

	<u>2023</u>	<u>2022</u>
Land and construction in progress	\$ 1,694,456	\$ 1,699,666
Buildings and leasehold improvements	6,798,305	6,319,500
Office furniture, fixtures, and equipment	263,087	132,230
Vehicles, machinery, and equipment	<u>480,784</u>	<u>586,674</u>
Totals	<u>\$ 9,236,632</u>	<u>\$ 8,738,070</u>

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

- Building improvements to various facilities.
- New camera system installation at various facilities.
- Purchase of various computer equipment.
- Installation of new walk-in cooler/freezer.

Additional information on the Council’s capital assets can be found in Note 7, Exhibit G of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

The Council receives most of its funding from Federal and State agencies and a grant of local ad valorem 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 from grants may vary from year to year. The GOEA has approved the Council’s budget for fiscal year ending June 30, 2024.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES (Continued)**

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

- Consideration of funding to be received from GOEA.
- Grants of ad valorem tax proceeds budgeted represents the estimated amount of the November 2023 assessment, which the Council will receive, for the most part, in the first quarter of 2024.
- Interest revenues have been budgeted with anticipation of an increase in interest rates.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits and any related cost of living adjustments.
- 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 of the Terrebonne Council on Aging, Inc., 955 W. Tunnel Blvd., Houma, LA 70360.

**STATEMENT OF NET POSITION****Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

June 30, 2023

	<u>Primary Government</u>	<u>Component Unit</u>
<b>Assets</b>		
Cash	\$ 1,380,312	\$ 279,999
Investments	6,610,897	-
Contracts receivable	83,180	-
Other receivable	23,847	-
Other current assets	58,978	34,414
Advances to component unit	223,310	-
Restricted deposits	-	239,918
Capital assets:		
Non-depreciable	1,694,456	1,300,000
Depreciable, net of accumulated depreciation	7,542,176	3,522,826
Other long-term assets	5,500,000	-
	<u>23,117,156</u>	<u>5,377,157</u>
<b>Deferred Outflow of Resources</b>	<u>1,119,074</u>	
Total assets and deferred outflows of resources	<u>24,236,230</u>	
<b>Liabilities</b>		
Accounts payable and accrued expenses	1,398,757	4,051,135
Advances from funding agencies	-	151,794
Non-current liabilities - due in more than one year	3,521,425	-
	<u>4,920,182</u>	<u>4,202,929</u>
<b>Deferred Inflows of Resources</b>	<u>1,231,680</u>	
Total liabilities and deferred inflows of resources	<u>6,151,862</u>	
<b>Net Position</b>		
Net investment in capital assets	9,236,632	
Restricted for - other purposes	-	2,685,025
Unrestricted	8,847,736	(1,510,797)
	<u>\$ 18,084,368</u>	<u>\$ 1,174,228</u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

Functions/Programs	Direct Expenses	Indirect Expenses	Program Revenues			Net (Expense)	Component Unit
			Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets Total Governmental Activities	
Governmental activities:							
Health, welfare, and social services:							
Supportive services:							
Personal care	\$ 166,346	\$ -	\$ -	\$ -	\$ -	\$ (166,346)	
Other services	19,909	738	-	-	-	(20,647)	
Homemaker	186,165	643,913	-	295,665	-	(534,413)	
Information and assistance	250,136	52,553	-	67,574	-	(235,115)	
Legal assistance	5,686	-	-	-	-	(5,686)	
Material aid	257,712	30,616	-	1,505	-	(286,823)	
Outreach	89,733	-	-	-	-	(89,733)	
Transportation	996,832	179,354	-	423,710	-	(752,476)	
Wellness	203,395	13,614	-	11,476	-	(205,533)	
Recreation	181,120	-	-	16,656	-	(164,464)	
Nutrition services:							
Congregate meals	682,524	137,003	172	208,626	-	(610,729)	
Home delivered meals	1,942,278	780,591	-	234,897	-	(2,487,972)	
Elderly housing	81,009	50,419	129,777	-	-	(1,651)	
Utility assistance	112,400	-	-	871	-	(111,529)	
Respite	216,304	-	-	-	-	(216,304)	
Medication management	20,608	-	-	93,401	-	72,793	
Medicare improvement MIPP	18,594	12,484	-	2,465	-	(28,613)	
Administration	2,362,396	(1,901,285)	-	353,006	-	(108,105)	
Total governmental activities	<u>\$ 7,793,147</u>	<u>\$ -</u>	<u>\$ 129,949</u>	<u>\$ 1,709,852</u>	<u>\$ -</u>	<u>(5,953,346)</u>	
Component unit:							
Elderly housing	<u>\$ 4,816,204</u>				<u>\$ 1,019,146</u>		<u>\$ (3,797,058)</u>
General revenues:							
Grants and contributions not restricted to specific programs						3,915,832	
Unrestricted investment earnings						84,539	
Insurance proceeds						143,731	
Miscellaneous						45	
Total general revenues						<u>4,144,147</u>	
Change in net position						(1,809,199)	(3,797,058)
Net position:							
Beginning of year						19,893,567	4,971,286
End of year						<u>\$ 18,084,368</u>	<u>\$ 1,174,228</u>

See notes to financial statements.

**FUND BALANCE SHEET -  
GOVERNMENTAL FUNDS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

June 30, 2023

	General Fund	Title III B - Supportive Services Fund	Title III C-2 - Home Delivered Meals Fund	Rural Transportation Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash	\$ 1,362,760	\$ -	\$ -	\$ -	\$ 17,552	\$ 1,380,312
Investments	6,610,897	-	-	-	-	6,610,897
Contracts receivable	-	-	-	48,079	35,101	83,180
Other receivables	4,780	-	921	-	18,146	23,847
Due from other funds	30,232	77,688	81,435	-	140,723	330,078
Other current assets	58,978	-	-	-	-	58,978
Advances to component unit	223,310	-	-	-	-	223,310
Total assets	<u>\$ 8,290,957</u>	<u>\$ 77,688</u>	<u>\$ 82,356</u>	<u>\$ 48,079</u>	<u>\$ 211,522</u>	<u>\$ 8,710,602</u>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ 1,199,028	\$ 77,688	\$ 82,356	\$ 12,175	\$ 27,510	\$ 1,398,757
Due to other funds	299,846	-	-	30,232	-	330,078
Total liabilities	<u>1,498,874</u>	<u>77,688</u>	<u>82,356</u>	<u>42,407</u>	<u>27,510</u>	<u>1,728,835</u>
<b>Fund Balances</b>						
Nonspendable:						
Prepaid expenditures	58,978	-	-	-	-	58,978
Advances to component unit	223,310	-	-	-	-	223,310
Committed:						
Litigation	150,000	-	-	-	-	150,000
St. George Property Development	2,000,000	-	-	-	-	2,000,000
Assigned:						
Retiree health insurance	3,425,586	-	-	-	-	3,425,586
Subsequent year's expenditures	315,942	-	-	-	-	315,942
Compensated absences	95,839	-	-	-	-	95,839
Special projects	26,130	-	-	5,672	184,012	215,814
Unassigned	496,298	-	-	-	-	496,298
Total fund balances	<u>6,792,083</u>	<u>-</u>	<u>-</u>	<u>5,672</u>	<u>184,012</u>	<u>6,981,767</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 8,290,957</u>	<u>\$ 77,688</u>	<u>\$ 82,356</u>	<u>\$ 48,079</u>	<u>\$ 211,522</u>	<u>\$ 8,710,602</u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

June 30, 2023

<b>Fund Balances - Governmental Funds</b>	<b>\$ 6,981,767</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets and other long-term assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:	
Governmental capital assets	\$ 14,242,289
Less accumulated depreciation	<u>(5,005,657)</u>
	9,236,632
Other long-term assets	5,500,000
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	1,119,074
Non-current liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Postemployment benefit obligations	(3,425,586)
Compensated absences payable	<u>(95,839)</u>
	(3,521,425)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in governmental funds.	<u>(1,231,680)</u>
<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 18,084,368</u></u></b>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	General Fund	Title III B - Supportive Services Fund	Title III C-2 - Home Delivered Meals Fund	Rural Transportation Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Intergovernmental:						
State of Louisiana:						
Governor's Office of Elderly Affairs	\$ 100,000	\$ 456,394	\$ 296,480	\$ -	\$ 452,845	\$ 1,305,719
Department of Transportation and Development	-	-	-	417,772	-	417,772
Terrebonne Parish Consolidated Government	3,800,000	-	-	-	871	3,800,871
TCOA Elderly Housing, Inc.	129,777	-	-	-	-	129,777
Charges for services	-	-	-	1,998	-	1,998
Interest income	84,539	-	-	-	-	84,539
Public support:						
Contributions	3,149	2,983	45,794	-	23,326	75,252
Other	-	-	-	-	-	-
Miscellaneous:						
Program income	-	-	-	-	6,537	6,537
Other	16,031	-	-	1,017	704	17,752
Total revenues	<u>4,133,496</u>	<u>459,377</u>	<u>342,274</u>	<u>420,787</u>	<u>484,283</u>	<u>5,840,217</u>
<b>Expenditures</b>						
Current:						
Health and welfare:						
Salaries	176,301	877,853	1,027,189	363,764	463,574	2,908,681
Fringe	132,799	190,120	202,414	65,100	112,189	702,622
Travel	2,183	10,535	2,642	592	4,330	20,282
Operating services	400,605	277,058	717,560	126,701	282,436	1,804,360
Operating supplies	34,490	43,652	214,065	30,951	78,230	401,388
Other costs	247,340	459,339	-	-	151,741	858,420
Meals	-	-	468,941	-	95,067	564,008
Capital outlay	849,485	-	71,097	-	25,134	945,716
Total expenditures	<u>1,843,203</u>	<u>1,858,557</u>	<u>2,703,908</u>	<u>587,108</u>	<u>1,212,701</u>	<u>8,205,477</u>
Excess (deficiency) of revenues over expenditures	<u>2,290,293</u>	<u>(1,399,180)</u>	<u>(2,361,634)</u>	<u>(166,321)</u>	<u>(728,418)</u>	<u>(2,365,260)</u>
<b>Other Financing Sources (Uses)</b>						
Insurance proceeds	143,731	-	-	-	-	143,731
Operating transfers in	700	1,399,180	2,361,634	166,321	672,167	4,600,002
Operating transfers out	(4,599,302)	-	-	-	(700)	(4,600,002)
Total other financing sources (uses)	<u>(4,454,871)</u>	<u>1,399,180</u>	<u>2,361,634</u>	<u>166,321</u>	<u>671,467</u>	<u>143,731</u>
<b>Net Change in Fund Balances</b>	<u>(2,164,578)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(56,951)</u>	<u>(2,221,529)</u>
<b>Fund Balances</b>						
Beginning of year	<u>8,956,661</u>	<u>-</u>	<u>-</u>	<u>5,672</u>	<u>240,963</u>	<u>9,203,296</u>
End of year	<u>\$ 6,792,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,672</u>	<u>\$ 184,012</u>	<u>\$ 6,981,767</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**Terrebonne Council on Aging, Inc.**

Houma, Louisiana

For the year ended June 30, 2023

**Net Change in Fund Balances - Total Governmental Funds** **\$ (2,221,529)**

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital outlay	\$ 945,716	
Depreciation expense	<u>(427,011)</u>	<u>518,705</u>

The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins, donations and impairments, is to decrease net position.

Loss on disposition of capital assets		(20,143)
---------------------------------------	--	----------

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 the governmental funds.

Increase in postemployment expenses	(65,873)	
Increase in compensated absences	<u>(20,359)</u>	<u>(86,232)</u>

**Change in Net Position of Governmental Activities** **\$ (1,809,199)**

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Terrebonne Council on Aging, Inc.**

Houma, Louisiana

June 30, 2023

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of Terrebonne Council on Aging, Inc. (the “Council”) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of certain 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 Terrebonne Parish (“Terrebonne”); 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 Terrebonne; 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 Terrebonne; and to assist and cooperate with the Governor’s Office of Elderly Affairs (GOEA), 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 Terrebonne.

Specific services provided by the Council to the elderly residents of Terrebonne include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, home repairs, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion and transportation.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Reporting Entity**

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. In 1979, the Louisiana Legislature created the GOEA (LA R.S.46:931) with the specific intention that GOEA administer and coordinate social services and programs for the elderly population of Louisiana through sixty-four parish voluntary councils on aging. However, before a council on aging can begin operations in a specific parish, its application for a charter must receive approval from GOEA 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 are governed by policies and regulations established by GOEA. The Council was created on April 28, 1965, under Act No. 456 of 1964. On September 10, 1975, the Council was incorporated under the provisions of Title 12, Chapter 2 of the Louisiana Revised Statutes of 1950 to operate as a quasi-public, non-profit organization.

A board of directors, consisting of 11 voluntary members, who serve three-year terms, governs the Council. Board members are elected by the general membership of the Council during its annual meeting. There can be no appointed board member at any given time.

GASB No. 14, *“The Financial Reporting Entity”*, GASB No. 39, *“Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14”*, and GASB No. 61, *“The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34”* established the criterion for determining which component units should be considered part of the Council for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the Council and the potential component unit.
4. Imposition of will by the Council on the potential component unit.
5. Financial benefit/burden relationship between the Council and the potential component unit.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Reporting Entity (Continued)**

The basic financial statements include the TCOA Elderly Housing, Inc. who is considered to be a component unit of the Council based upon the above criteria.

It has also been determined based upon the above criteria that the Council is a component unit of the Terrebonne Parish Consolidated Government (the “Parish”) and will be included in its comprehensive financial report for the year ending December 31, 2023.

**c) Basis of Presentation**

The Council’s basic financial statements consist of government-wide financial statements on all activities of the Council and its component unit, which are designed to report the Council as a whole entity, and fund financial statements, which report individual major governmental funds and combined nonmajor governmental 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 all been categorized 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.

**Government-Wide Financial Statements**

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Council. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities of the Council generally are supported by intergovernmental revenues.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Council allocates its indirect costs among various functions and programs in accordance with the Uniform Guidance. The Statement of Activities shows this allocation in a separate column labeled “indirect expenses”. In addition, GOEA provides grant funds, included in operating grants and contributions, to help the Council pay for a portion of its indirect costs. As a result, total governmental activities reported by function or program contain the indirect costs in excess of the GOEA funds. Other program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported as general revenues.

**Fund Financial Statements**

The fund financial statements present the major funds in governmental categories and non-major funds by category or fund type summarized into a single column.

The daily accounts and operations of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

Government 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 of the Council are grouped into generic fund types and fund categories as follows:

**Governmental Activities Presented as Governmental Funds in the Fund Financial Statements**

**General Fund** - The General Fund is the general operating fund of the Council. It is used to account for and report all financial resources except those that are required to be accounted for and reported in another fund. The General Fund is always a major fund.

**Special Revenue Funds** - Special revenue funds are used to account for and report the proceeds of specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specified purposes. Title III B - Supportive Services Fund, Title III C-2 - Home Delivered Meals Fund and the Rural Transportation Fund are special revenue funds reported as major funds.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

**Governmental Activities Presented as Governmental Funds in the Fund Financial Statements (Continued)**

**Capital Projects Fund** - A Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlay including the acquisition or construction of major capital facilities. The Capital Projects Fund is reported as a nonmajor fund.

The following programs comprise the Council's General Fund:

**Ad Valorem Tax Monies** - Monies are derived from a 7.50 mill parish wide ad valorem tax received through grants from the Parish.

**Act 735 Monies** - Monies are received from GOEA as stated in the Legislative Act 735. The Council may use these funds at its discretion in any program provided the program is benefiting people who are at least 60 years old. The money received in this fund during the year was transferred to the Title III B-Supportive Services Fund to provide additional funds to pay for its program expenditures.

The following funds are the funds which comprise the Council's special revenue funds:

**Title III B - Supportive Services Fund** - Monies are received from GOEA which are used to provide various units of supportive social services to the elderly. Specific supportive services provided during the fiscal year are information and assistance, personal care, outreach, homemakers, recreation, transportation, legal, material aid, visiting, telephone and wellness. GOEA has established the criteria for defining a qualifying unit of service for each Title III program.

**Title III C - Area Agency Administration Fund** - Monies are received from GOEA and are used to account for a portion of the indirect costs of administering the Council's programs and helps pay for the costs of administering the Council's special programs for the elderly. The amount of money is not enough to pay for all the indirect costs. As a result, the Council will allocate its indirect costs to this fund first. Once the GOEA funds are completely used, any indirect costs, in excess of the funds provided by GOEA, are distributed to other funds and programs using a formula based on the percentage each program's direct costs bear to direct costs for all programs.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

**Governmental Activities Presented as Governmental Funds in the Fund Financial Statements (Continued)**

**Title III C-1 - Congregate Meals Fund** - Monies are received from GOEA and are used to provide nutritional congregate meals to the elderly at meal sites located throughout Terrebonne Parish.

**Title III C-2 - Home Delivered Meals Fund** - Monies are received from GOEA and are used to provide nutritional meals to homebound older persons.

**Title III D - Preventive Health Fund** - Monies in this fund are received from GOEA and are used for disease prevention and health promotion activities.

**Title III E - National Family Caregiver Program Fund** - Monies in this fund are received from GOEA and are used to provide relief to family members who are the primary caregiver to an ill and/or bedridden senior individual.

**Title III C – Expanding the Public Health Fund** – Monies in this fund are received from GOEA and are used to provide funding to recruit, hire and train public health workers to respond to COVID-19 and prepare for future public health challenges.

**Helping Hands Fund** - Donated monies are received from the utility customers of the Terrebonne Parish Consolidated Government, South Louisiana Electric Cooperation Association and Trans LA Gas Company. Donations also flow through the Louisiana Association of Councils on Aging. These monies provide home energy assistance subsidy to low-income elderly and handicap persons.

**No Wrong Door Service** - Monies are received from GOEA and are used to conduct and complete “No Wrong Door” surveys in the Council’s jurisdiction.

**Enhanced Mobility of Seniors and Individuals with Disabilities Small Urban** - This program provides formula funding to states for the purpose of assisting private nonprofit groups in meeting the transportation needs of older adults and people with disabilities when the transportation service provided is unavailable, insufficient, or inappropriate to meeting these needs. The program aims to improve mobility for seniors and individuals with disabilities by removing barriers to transportation service and expanding transportation mobility options. This program supports transportation services planned, designed, and carried out to meet the special transportation needs of seniors and individuals with disabilities.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

**Governmental Activities Presented as Governmental Funds in the Fund Financial Statements (Continued)**

**Senior RX Fund** - Monies in this fund are received from GOEA and are used to link eligible seniors with assistance for obtaining their prescription medications. This program does not give seniors their prescription medications but will assist in the completion of applications to drug companies for free medicines or drug discount cards.

**Special Fund** - Monies are generated through special projects and donations. This fund is used for social, charitable, and athletic events scheduled for the elderly throughout the year.

**Rural Transportation Fund** - This program is to expand transportation services by providing Demand Response Public Transportation to rural communities. All eligible rural residents may access this system for a fare of \$1.00 for a one-way trip. Residents are not limited to just doctors and government facilities as our other transportation programs. They may ride for work purposes, shopping, and visiting as well as doctors and government facilities. They can also access the Terrebonne Parish Transit System for additional transportation needs.

**Medicare Improvement for Patients and Providers Act** - The Council receives funds from the GOEA to provide outreach to eligible Medicare beneficiaries regarding the benefits available under Title XVIII of the Social Security Act, including the Medicare prescription drug benefit under Part D of Title XVII of the Social Security Act and under the Medicare Savings Program, and to coordinate efforts to inform older Americans about benefits available under Federal and state programs.

**Schriever Senior Center Fund** - Monies are generated through special projects and donations. The purpose of this fund is to provide various supplies and costs associated with providing a community service center at which the elderly people of Schriever 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 of Schriever.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Component Unit Disclosure**

The component unit column and rows in the Government-Wide Statement of Net Position and Statement of Activities include the financial data of the Council's component unit for their fiscal year end of December 31, 2022. It is reported in a separate column to emphasize that it is legally separate from the Council. TCOA Elderly Housing, Inc. (the "Corporation") is a subsidiary of the Council. Board members for the Corporation are elected by the general membership of the Corporation. The Corporation's purpose is the construction and management of housing facilities to serve the elderly and elderly handicapped. As of June 30, 2023, the Council has advanced \$223,310 to the Corporation for which it anticipates reimbursement from future funds.

**e) Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Government-Wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Fund Financial Statements**

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current position. Governmental funds are maintained on the modified accrual basis of accounting. Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The Council's definition of available means expected to be received within sixty days of the end of the fiscal year.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e) Measurement Focus and Basis of Accounting (Continued)**

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) accumulated unpaid vacation pay and other postemployment benefits are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of cost such as depreciation are not recognized in the governmental funds.

**f) Use of Estimates**

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

**g) Accounts Receivable**

The financial statements for the Council contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds of the Council.

**h) Cash and Investments**

Cash includes petty cash, amounts in demand deposits, interest bearing demand deposits, and certificates of deposit with maturities of three months or less.

Investments consists of certificates of deposit with maturities of more than three months.

**i) Capital Assets**

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Capital Assets (Continued)**

**Government-Wide Financial Statements**

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$1,000 or more are valued at historical cost or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and leasehold improvements	10 - 40 years
Office furniture, fixtures, and equipment	5 - 12 years
Vehicles, machinery, and equipment	5 - 20 years

**Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**j) Non-Current Liabilities**

The accounting treatment of non-current liabilities depends on whether they are reported in the government-wide or fund financial statements.

**Government-Wide Financial Statements**

All non-current liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of accumulated unpaid vacation and other postemployment benefits.

**Fund Financial Statements**

Non-current liabilities for governmental funds are not reported as liabilities in the fund financial statements.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) Accumulated Vacation, Compensatory Time, and Sick Leave**

The Council's policies regarding vacation and sick leave permit employees to accumulate earned but unused vacation and sick leave. The liability for compensated absences is recorded as a long-term obligation in the government-wide statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

Employees of the Council shall be entitled to vacation with pay and shall accrue vacation time in the following manner:

First year through third year	One week
Fourth year through sixth year	Two weeks
Seventh year through ninth year	Three weeks
Ten years or more	Four weeks

Employees may not accumulate and carry forward vacation time beyond the year earned unless approval is given by the Executive Director. Also, the Executive Director's carryover must be approved by the Board Chairman. Accumulated vacation leave is due to the employee at the time of termination of employment. Although sick leave accumulates and is available for employees when needed, it does not vest nor is it payable at termination of employment.

Beginning in March 2023, the Council allowed non-exempt employees to earn compensatory leave time for time worked above their normal schedule in a work week. Compensatory leave time is earned at the straight rate of pay up to 40 hours per week or at one and one-half rate of pay for hours worked over 40 hours per week. Prior approval from a supervisor must be obtained before overtime is worked. Upon an employee's separation or termination from the Council, all unused compensatory leave earned but not taken shall be paid at regular rate of pay.

**l) Income Taxes**

The Council is a non-profit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provisions for income taxes have been made.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosures of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize financial statement impact of a

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l) Income Taxes (Continued)**

tax position when it is more likely than not that the position will be sustained upon examination. Tax years ended June 30, 2020 and later remain subject to examination by the taxing authorities. As of June 30, 2023 management of the Council believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

**m) Interfund Transactions**

In the fund financial statements, interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables (due from) and payables (due to) as appropriate. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be paid. For reporting purposes, all interfund transactions between individual governmental funds have been eliminated in the government-wide financial statements.

**n) Related Party Transactions**

There were no related party transactions during the fiscal year.

**o) 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 functions or programs. Indirect expenses are recorded as direct expenses of the Administration function. The Administration function is allocated using a formula that is based primarily on the relationship the direct cost of all programs. GOEA provides funds to partially subsidize the Council's Administration function within certain programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

**p) Equity**

**Government-Wide Statements**

Equity is classified as net assets and displayed in three components:

- a. Net investment in capital assets - 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 assets. As of June 30, 2023, the Council did not report any borrowings.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**p) Equity (Continued)**

**Government-Wide Statements (Continued)**

- b. Restricted net position - Consists of assets less liabilities and deferred inflows of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the Council’s policy to use restricted resources first, then unrestricted resources as they are needed except for nutrition services. When providing nutrition services, revenues earned by the Council under its Nutrition Services Incentive Program (NSIP) contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council’s management has discretion as to how and when to use NSIP revenues when paying for nutrition program costs.

**Component Unit Restricted Net Position**

The component unit received a \$4,082,400 capital advance from HUD for the construction of a multifamily residual housing facility. The construction of the facility along with the cost of land improvements was capitalized as a fixed asset and therefore the temporary restriction is lifted as the building and land improvements depreciate over its useful life. As of December 31, 2022, \$1,397,371 of total cost has been depreciated and therefore is included in unrestricted net position.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**p) Equity (Continued)**

**Fund Financial Statements**

Governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

- **Nonspendable** - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures, receivables anticipated to be collected after one year and deposits as being nonspendable as these items are not expected to be converted to cash. As of June 30, 2023, the Council had \$282,288 of nonspendable funds.
- **Restricted** - This classification includes amounts for which constraints have been placed on the use of resources are either:
  - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.

As of June 30, 2023, the Council has classified no restricted fund balance.

- **Committed** - This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's Board of Directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Council has committed \$150,000 for possible litigation, and \$2,000,000 for the development of the St. George property as of June 30, 2023.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**p) Equity (Continued)**

**Fund Financial Statements (Continued)**

- **Assigned** - This classification includes spendable amounts that are reported in governmental funds other than the General Fund, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose. The intent of an assigned fund balance should be expressed by either the Council's Board of Directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purposes. The Council's management assigned funds for the purposes of retiree health insurance, subsequent year's expenditures (budget deficit), compensated absences, and various special purposes, as of June 30, 2023 in the amounts of \$3,425,586, \$315,942, \$95,839, and \$215,814, respectively.
- **Unassigned** - This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Council would use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, it reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

**q) New GASB Statements**

During the year ended June 30, 2023, the Council implemented the following GASB Statements:

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties;

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**q) New GASB Statements (Continued)**

(2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement did not affect the Council's financial statements.

Statement No. 96, "*Subscription-Based Information Technology Arrangements*" provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87 "*Leases*", as amended. Under this Statement a government should recognize a right to use subscription asset and a corresponding subscription liability at the commencement of the subscription term. The subscription liability should be measured at the present value of subscription payments. Future subscription payments should be discounted using the interest rate the vendor charges the government or the government's incremental borrowing rate. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example interest expense) in future financial reporting periods. Activities associated with SBITAs, other than subscription payments, should be grouped into three stages and costs meeting specific capitalization criteria, including costs necessary to place the subscription asset in service, should be capitalized in the subscription asset, otherwise costs should be expensed as incurred. This Statement provides an exception for short-term SBITAs of 12 months or less, including options to extend. Subscription payments for short-term SBITAs should be expensed as incurred. This Statement requires disclosure of descriptive information about SBITAs other than short-term SBITAs. This Statement did not affect the Council's financial statements.

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**q) New GASB Statements (Continued)**

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. The requirements of this Statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 100, “*Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

**r) Subsequent Events**

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through December 22, 2023, which is the date the financial statements were available to be issued.

**Note 2 - FUNDING POLICIES**

The Council receives federal and state funding on a reimbursement basis for services performed. Funding from the GOEA is received on a reimbursement basis. In addition, the Council performs transportation services using Department of Transportation funding passed through the Parish.

The Council receives grants from the Parish from a 7.5 mill parish-wide ad valorem tax for the purpose of operating and maintaining programs for elderly and disabled people of Terrebonne Parish. Funding from the Parish is included in intergovernmental revenue and amounted to \$3,800,871. The funding from the Parish is subject to the terms of a Cooperative Endeavor Agreement (CEA) dated June 14, 2021 which allocated the tax proceeds to the Council pursuant to approval of the Council's budget by the Parish Council. The CEA is effective until the expiration of the millage proposition in 2029.

**Note 3 - DEPOSITS AND INVESTMENTS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investments contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

The Council is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. As a matter of policy, the Council however, obtains collateralization for cash at financial institutions which is in excess of the Federal Deposit Insurance Corporation (FDIC) insurance. Acceptable collateralization includes FDIC insurance, securities purchased and pledged to the political subdivision and letters of credit with the Federal Home Loan Bank pledged to the political subdivision.

Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

**Note 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Bank Deposits (Continued)**

The year end balances of deposits are as follows:

	Bank Balances	Reported Amount
Cash	\$ 1,477,206	\$ 1,376,062
Certificates of deposit	6,610,897	6,610,897
Totals	\$ 8,088,103	\$ 7,986,959

Custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council has a written policy for custodial credit risk. As of June 30, 2023, \$6,795,532 of the Council's bank balance of \$8,088,103 was exposed to custodial credit risk. These deposits were uninsured and collateralized with letters of credit held by the federal home loan bank and are deemed to be held in the Council's name by state statutes.

As of June 30, 2023, cash and certificates of deposits were adequately collateralized in accordance with the Council's policy, similar to state law. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to draw down upon the pledged securities Letters of Credit or sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

A reconciliation of deposits and investments as shown on the Statement of Net Position is as follows:

Cash on hand	\$ 4,250
Reported amount of deposits	7,986,959
Total	\$ 7,991,209
Classified as:	
Cash	\$ 1,380,312
Investments	6,610,897
Total	\$ 7,991,209

**Note 3 - DEPOSITS AND INVESTMENTS (Continued)**

**Bank Deposits (Continued)**

**Component Unit Cash and Investments**

In addition to the unrestrictive cash accounts, the Component Unit maintains several restricted bank accounts and certificates of deposit at a bank located in South Louisiana. Accounts are insured by the FDIC up to \$250,000. As of December 31, 2022, the Component Unit's uninsured deposits totaled approximately \$230,000.

**Note 4 - CONTRACTS RECEIVABLE**

Contracts receivable as of June 30, 2023 and 2022 consisted of reimbursements for expenditures incurred under the following programs:

	2023	2022
State of Louisiana -		
Governor's Office of Elderly Affairs	\$35,101	\$ 35,101
Terrebonne Parish Consolidated Government -		
Rural Transportation Program	48,079	71,867
Total	\$83,180	\$106,968

**Note 5 - ADVANCE TO COMPONENT UNIT**

The Council advanced Corporation's startup funds for design and construction of the housing project operated by the component unit. The advance does not bear interest, is unsecured and is not anticipated to be collected during the next fiscal year. As of June 30, 2023, the balance of advanced funds were \$223,310. During the year ended June 30, 2023, the Council made advances totaling \$129,791. Repayments of \$150,000 were received within the year.

**Note 6 - RESTRICTED DEPOSITS**

The component unit is required to set aside amounts for the replacement of property and other project expenditures approved by HUD. HUD-restricted deposits are held in separate accounts and generally are not available for operating purposes. As of December 31, 2022, the component unit had \$239,918 deposited in separate accounts.

**Note 7 - CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 1,694,456	\$ -	\$ -	\$ 1,694,456
Construction in progress	5,210	-	(5,210)	-
Total capital assets not being depreciated	<u>1,699,666</u>	<u>-</u>	<u>(5,210)</u>	<u>1,694,456</u>
Capital assets being depreciated:				
Intangible assets	10,500	-	-	10,500
Buildings and leasehold improvements	8,984,588	761,542	-	9,746,130
Office furniture, fixtures, and equipment	545,122	189,384	(54,054)	680,452
Vehicles, machinery, and equipment	2,146,749	-	(35,998)	2,110,751
Total capital assets being depreciated	<u>11,686,959</u>	<u>950,926</u>	<u>(90,052)</u>	<u>12,547,833</u>
Less accumulated depreciation for:				
Intangible assets	(10,500)	-	-	(10,500)
Building and leasehold improvements	(2,665,088)	(282,737)	-	(2,947,825)
Office furniture, fixtures, and equipment	(412,892)	(38,384)	33,911	(417,365)
Vehicles, machinery, and equipment	(1,560,075)	(105,890)	35,998	(1,629,967)
Total accumulated depreciation	<u>(4,648,555)</u>	<u>(427,011)</u>	<u>69,909</u>	<u>(5,005,657)</u>
Total capital assets being depreciated, net	<u>7,038,404</u>	<u>523,915</u>	<u>(20,143)</u>	<u>7,542,176</u>
Total capital asset, net	<u>\$ 8,738,070</u>	<u>\$ 523,915</u>	<u>\$ (25,353)</u>	<u>\$ 9,236,632</u>

**Note 7 - CHANGES IN CAPITAL ASSETS (Continued)**

Depreciation was charged to governmental activities as follows:

Administration	\$218,886
Nutrition services:	
Congregate Meals	127,222
Home Delivered Meals	639
Supportive services:	
Transportation	22,520
Recreation	22,933
Wellness	21,402
Material aid	12,114
Information and assistance	13
Other	<u>1,282</u>
Total	<u><u>\$427,011</u></u>

**Component Unit Capital Assets**

The component unit's capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions/ Disposals	Ending Balance
Land	\$ 1,300,000	\$ -	\$ 1,300,000
Land improvements	934,587	-	934,587
Building	4,391,913	-	4,391,913
Furniture and equipment	<u>22,957</u>	<u>-</u>	<u>22,957</u>
Totals	6,649,457	-	6,649,457
Accumulated depreciation	<u>(1,683,497)</u>	<u>(143,134)</u>	<u>(1,826,631)</u>
Net book value	<u>\$4,965,960</u>	<u>\$(143,134)</u>	<u>\$4,822,826</u>

**Note 8 - OTHER LONG-TERM ASSETS**

Other long-term assets, reported in the government-wide financial statements consists of the Council’s share of the Project.

The Project is a 103 unit senior housing complex on the site of the former Houma Elementary School, a historic site owned by the Parish. The Project was developed and is operated by Renaissance Neighborhood Development Corporation (RNDC) a subsidiary of Volunteers of America. Under the terms of a Memorandum of Agreement (the “agreement”) between RNDC and the Council, the Council will work with RNDC by providing residential referral services and supportive services for a 21 unit set aside for individuals with physical and emotional impairments. The agreement, effective March 31, 2017, will automatically renew for annual periods on each anniversary date, unless RNDC has given notice not to extend 30 days prior to expiration.

The Council’s participation in the Project is evidenced by a February 2016, 50 years, 0% interest, \$5,500,000 promissory note (the “Note”) due from the Project. Under terms of the Note, the Project shall pay the Parish principal and unpaid interest, if any, annually for a period of 50 years from surplus cash. On the date 50 years from the effective of a Ground Lease between the Parish and the Project (December 22, 2015), all unpaid principal and interest on the Note shall be due and payable to the Parish from surplus cash.

**Note 9 - ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES**

Accounts payable and accrued expenditures as of June 30, 2023 consisted of the following:

	Vendors	Salaries and Benefits	Total Payables
Governmental activities:			
General Fund	\$ 1,178,282	\$ 20,746	\$ 1,199,028
Title III B - Supportive Services Fund	51,544	26,144	77,688
Title III C-2 - Home Delivered Meals Fund	55,941	26,415	82,356
Rural Transportation Fund	2,362	9,813	12,175
Non-major Funds	14,936	12,574	27,510
Total accounts payable and accrued expenditures	\$ 1,303,065	\$ 95,692	\$ 1,398,757

The component unit’s accounts payable consists of money owed to the Council and tenants’ deposits as of December 31, 2022.

**Note 10 - DUE TO/FROM OTHER FUNDS**

Due to/from other funds are listed by fund for the year ended June 30, 2023:

	<u>Receivable</u>	<u>Payable</u>
General Fund:		
Title III B-Supportive Services Fund	\$ -	\$ 77,688
Title III C- Home Delivered Meals Fund	-	81,435
Rural Transportation Fund	30,232	-
Non-major Funds	-	140,723
Totals	30,232	299,846
Title III B-Supportive Services Fund:		
General Fund	77,688	-
Title III C- Home Delivered Meals Fund:		
General Fund	81,435	-
Rural Transportation Fund:		
General Fund	-	30,232
Non-major Funds:		
General Fund	140,723	-
Grand totals	<u>\$330,078</u>	<u>\$330,078</u>

The balances above resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**Note 11 - LONG-TERM OBLIGATIONS**

Long-term obligations consist of accumulated unpaid vacation and other postemployment benefit obligations. The following is a summary of the changes in long-term obligations of the Council for the year ended June 30, 2023:

	<u>Payable July 1, 2022</u>	<u>Obligations</u>		<u>Payable June 30, 2023</u>
		<u>Retired</u>	<u>Generated</u>	
Compensated absences	\$ 75,480	\$(106,225)	\$ 126,584	\$ 95,839
Other postemployment obligations	2,448,609		976,977	3,425,586
	<u>\$2,524,089</u>	<u>\$(106,225)</u>	<u>\$1,103,561</u>	<u>\$3,521,425</u>

**Note 11 - LONG-TERM OBLIGATIONS (Continued)**

Compensated absences are described in Note 1k.

Other postemployment obligations are described in Note 14.

**Note 12 - INTERFUND TRANSFERS**

Operating transfers in and out are listed by fund for the year ended June 30, 2023:

	Operating Transfers	
	In	Out
General Fund:		
Title III B-Supportive Services Fund	\$ -	\$ 1,399,180
Title III C-Home Delivered Meals Fund	-	2,361,634
Rural	-	166,321
Non-major Funds	700	672,167
	700	672,167
Totals	700	4,599,302
Title III B-Supportive Services Fund:		
General Fund	1,399,180	-
Title III C-Home Delivered Meals Fund:		
General Fund	2,361,634	-
Rural:		
General Fund	166,321	-
Non-major Funds:		
General Fund	672,167	700
Grand totals	\$ 4,600,002	\$ 4,600,002

Transfers are used to (a) 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 (b) use unrestricted revenues collected in the General Fund and certain Special Revenue Funds to finance various programs and projects accounted for in other funds in accordance with budgetary authorizations.

**Note 13 - RISK MANAGEMENT**

The Council is exposed to various risks of loss related to workers' compensation; torts; thefts of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the Council carries commercial insurance and also participates in the Parish's risk management program for group health insurance and workers' compensation. No settlements were made during the year that exceeded the Council's insurance coverage. The Council's premiums for group health insurance are based on a fixed rate per employee. The Parish handles all claims filed against the Council for which it has insurance coverage under the Parish.

The Parish is self-insured for the first \$175,000 of each claim relating to group health insurance. The aggregate deductible for all group claims related to group health insurance for the year ended December 31, 2022 was \$14,903,118. The Parish is covered under an insurance contract for the excess liability on individual claims. There is no lifetime maximum claims limit for covered employees. Coverage for group health claims in excess of the above limits are to be funded first by assets of the Parish's group health internal service fund, \$3,044,672 as of December 31, 2022, then secondly by the Council. Workers' compensation claims in excess of \$750,000 are covered under an insurance contract for claims aggregate up to limits are to be funded first by assets of the Parish's workers' compensation internal service fund. As of June 30, 2023 the Council had no claims in excess of the coverage limits. For the year ended June 30, 2023, total premiums paid to the Parish for group health insurance amounted to \$440,643, including the employees' portion of \$143,156, and \$43,089 for workers' compensation.

**Note 14 - POSTEMPLOYMENT HEALTHCARE BENEFITS**

Effective July 1, 2014 the Council began providing postemployment medical, dental and life insurance benefits on behalf of its eligible retirees.

**Plan Description**

The Council administers a single employer defined benefit healthcare plan (the "Plan"). The Plan provides for the payment of medical, dental and life insurance premiums for eligible employees, retirees and their spouses as approved by the Board of Directors. Employees hired before January 1, 2013 shall be eligible to participate in the Plan approved by the Board of Directors under the following vesting schedule: 1 to 16 years of service, 60.25% of total employee premium; 17 to 20 years of service, 60.25% plus 4.00% per year; 21 to 25 years or more of service, 76.25% plus 4.75% per year after year 20, after 25 years, 100%. For all employees hired after December 31, 2012, the Plan shall be available to eligible retiring employees with a minimum of 30 years of full time service requirements, employees must have participated in the group insurance coverage for a minimum of five continuous years immediately prior to retirement. Employees who do not elect coverage at retirement are not allowed to rejoin the program at a later date.

**Note 14 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

**Employee Covered by Benefit Terms**

As of June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	7
Inactive employees entitled to but not not yet receiving benefit payments	-
Active employees	<u>35</u>
Total	<u><u>42</u></u>

**Total OPEB Liability**

The Council's total OPEB liability of \$3,425,586 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in June 30, 2023 was determined using the actuarial assumptions and other inputs on the following page, applied to all periods included in the measurement, unless otherwise specified:

<b>Measurement Date</b>	June 30, 2023
<b>Actuarial Valuation Date</b>	June 30, 2023
<b>Inflation</b>	3.00%
<b>Salary Increases, Include Inflation</b>	3.00%
<b>Discount Rate</b>	3.86%
<b>Healthcare Cost Trend Rates</b>	Medical - 5.75% in year one decreasing in decrements of 0.25% per year until 5.00% through year four.
	Dental - 3.25% in year one decreasing in decrements of 0.25% per year until 2.50% through year four.

**Note 14 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

**Actuarial Assumptions and Other Inputs (Continued)**

**Retirees' Share of Benefit-Related Costs**

For retirees hired before January 1, 2013, the Council will subsidize the retiree benefit-related costs based on years of service beginning at 60.25% with 16 years of service and increases 4.00% per year through 20 years of service then increasing 4.75% per year in years of service 21 through 25 where upon the subsidy will not exceed 100% after 25 years of service.

For retirees with 30 years of service hired after December 31, 2012, the Council will subsidize 100% of the retiree benefit-related costs.

For spouses, the Council will subsidize an additional 75% of the amount subsidized for single only coverage.

The discount rate was based on June 30, 2023 Fidelity General Obligation AA 20-Year Yield.

Mortality rates for active employees were based on the PubG.H-2010 Employee mortality table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Mortality rates for retirees/disables employees were based on the PubG.H-2010 Healthy Retiree mortality table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

**Note 14 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

**Changes in Total OPEB Liability**

	Total OPEB Liability
Balance at June 30, 2022	\$ 2,448,609
Changes for the year:	
Service cost	100,292
Interest	92,885
Difference between expected and actual experience	999,322
Changes in assumptions/inputs	(155,152)
Benefit payments	(60,370)
Net changes	976,977
Balance at June 30, 2023	\$ 3,425,586

**Sensitivity to the Total OPEB Liability to Change in the Discount Rate**

The following presents the total OPEB liability of the Council, as well as what the Council's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or higher than the current discount rate.

	1.0% Decrease 2.86%	Current Discount Rate 3.86%	1.0% Increase 4.86%
Total OPEB Liability	\$ 4,122,045	\$ 3,425,586	\$ 2,882,167

**Note 14 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

**Sensitivity of the Total OPEB Liability to Changes in the Health Cost Trend Rates**

The following presents the total OPEB liability of the Council, as well as what the Council's total OPEB liability would be if it were calculated using a Health Cost Trend Rate that is 1% lower (4.75% medical and 2.25% dental) or higher (6.75% medical and 4.25% dental) than the current healthcare cost trend rates.

	<u>1.0% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1.0% Increase</u>
Total OPEB Liability	<u>\$ 2,853,185</u>	<u>\$ 3,425,586</u>	<u>\$ 4,183,263</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the Council recognized total OPEB expense of \$126,244. As of June 30, 2023, the Council reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 817,648	\$ (413,033)
Changes in assumptions/inputs	<u>301,426</u>	<u>(818,647)</u>
Totals	<u>\$ 1,119,074</u>	<u>\$ (1,231,680)</u>

**Note 14 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

Amounts reported as deferred outflows or resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Amount
2024	\$ 14,358
2025	(60,455)
2026	(60,455)
2027	(3,314)
2028	(1,370)
Thereafter	(1,370)
Total	\$(112,606)

**Note 15 - THRIFT PLAN**

The Council established a Thrift Plan for Employees, under Internal Revenue Code Section 403 (b), for its employees, who normally work 20 or more hours per week, as of January 1, 2002. The Thrift Plan is administered by the Council.

Benefit terms, including contribution requirements, for the Thrift Plan are established and may be amended by the Council's Board of Directors. Under this plan participating employees are permitted to make elective deferrals in amounts that are within the limits of Code Sections 403(b) and 402(g) of their compensation and the Council will match 20% of the amount contributed not to exceed 7% of the employee's compensation after two years of service. An additional 20% of the amount contributed will be added per year thereafter until the match reaches 100% after six years. For the year ended June 30, 2023 employee contributions totaled \$180,345 and the Council recognized an expense of \$123,386.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in Council contributions and earnings on Council contributions after meeting the vesting requirements below:

Year of Vesting Service	Vesting Percentage
Less than 2 years	0
2 but less than 3 years	20
3 but less than 4 years	40
4 but less than 5 years	60
5 but less than 6 years	80
6 or more years	100

**Note 15 - THRIFT PLAN (Continued)**

Non-vested contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the Thrift Plan's administrative expenses.

**Note 16 - IRC SECTION 125 CAFETERIA PLAN**

The Council provides an Internal Revenue Code Section 125 "Cafeteria" plan for all its full-time employees. Under this plan an eligible employee can elect to have a portion of their compensation reduced to pay for insurance that the employee would normally have to pay with "after tax" compensation. Participation in this plan is at the option of each full-time employee.

**Note 17 - IN-KIND CONTRIBUTIONS**

The Terrebonne Council on Aging, Inc. received various in-kind contributions during the year. The following facilities, goods and services were furnished at no cost to the Council:

- Congregate meal sites.
- Volunteer services.
- Volunteers' vehicle and travel.
- Building usage for the old main office, Bayou Towers, Neal Ransonet, Shady Oak, and Bonne Terre Village Senior Centers.
- Operating supplies and services.
- Material aid.

While these contributions have not been reported, the offsetting expenditures have also not been reported in the governmental fund financial statements.

**Note 18 - JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

The Council is a defendant in several lawsuits. While it is not feasible to predict or determine the outcome of these matters, it is the opinion of management that the ultimate outcome will not have a material adverse effect on the financial position of the Council. Accordingly, no obligation for claims has been recognized by the Council in the financial statements.

**Note 19 - BOARD OF DIRECTORS**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

**Note 20 - CONTINGENCIES**

The Council participates in a number of federally assisted 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 collectability 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 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.

**Component Unit's Contingencies**

On July 17, 2008, the component unit signed an agreement with Terrebonne Parish Consolidated Government to receive a deferred loan in the amount of \$300,000. These funds were used to provide a driveway, parking lot, and infrastructure for utilities, sewer, water, and drainage that will supplement the new construction of a 50 unit elderly housing complex. According to the agreement, the component unit will make no payment of principal or interest as long as it agrees to occupy the property as an elderly housing facility for a term of 20 years and remain in compliance with its agreement with Terrebonne Parish Consolidated Government.

Management intends to remain in the elderly housing facility for duration of 20 years and also remain in compliance with its agreement with Terrebonne Parish Consolidated Government. Therefore, no liability has been recorded in the accompanying financial statements for such contingencies.

**REQUIRED SUPPLEMENTARY INFORMATION SECTION**

**BUDGETARY COMPARISON SCHEDULE -**  
**GENERAL FUND**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,900,000	\$ 3,935,000	\$ 3,900,000	\$ (35,000)
Charges for service	-	-	129,777	129,777
Interest income	43,000	70,000	84,539	14,539
Public support	-	3,525	3,149	(376)
Miscellaneous	131,798	11,226	16,031	4,805
	<u>4,074,798</u>	<u>4,019,751</u>	<u>4,133,496</u>	<u>113,745</u>
Total revenues				
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	304,384	258,130	176,301	81,829
Fringe	75,165	54,177	132,799	(78,622)
Travel	7,402	1,009	2,183	(1,174)
Operating services	229,162	425,971	400,605	25,366
Operating supplies	61,708	53,172	34,490	18,682
Other costs	370,234	407,813	247,340	160,473
Capital outlay	1,902,938	1,290,000	849,485	440,515
	<u>2,950,993</u>	<u>2,490,272</u>	<u>1,843,203</u>	<u>647,069</u>
Total expenditures				
Excess of revenues over expenditures	<u>1,123,805</u>	<u>1,529,479</u>	<u>2,290,293</u>	<u>760,814</u>
<b>Other Financing Sources (Uses)</b>				
Insurance proceeds	-	231,000	143,731	(87,269)
Operating transfers in	83,612	-	700	700
Operating transfers out	(1,207,417)	(1,760,479)	(4,599,302)	(2,838,823)
	<u>(1,123,805)</u>	<u>(1,529,479)</u>	<u>(4,454,871)</u>	<u>(2,925,392)</u>
Total other financing sources (uses)				
<b>Net Change in Fund Balance</b>	-	-	(2,164,578)	<u>\$ (2,164,578)</u>
<b>Fund Balance</b>				
Beginning of year	<u>12,060,063</u>	<u>8,956,661</u>	<u>8,956,661</u>	
End of year	<u>\$ 12,060,063</u>	<u>\$ 8,956,661</u>	<u>\$ 6,792,083</u>	

See note to required supplementary information.

**BUDGETARY COMPARISON SCHEDULE -**  
**TITLE III B - SUPPORTIVE SERVICES FUND**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 281,214	\$ 442,003	\$ 456,394	\$ 14,391
Public support	2,000	3,000	2,983	(17)
Total revenues	<u>283,214</u>	<u>445,003</u>	<u>459,377</u>	<u>14,374</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	946,867	983,522	877,853	105,669
Fringe benefits	236,014	206,707	190,120	16,587
Travel	5,818	11,126	10,535	591
Operating services	205,009	349,062	277,058	72,004
Operating supplies	30,079	79,756	43,652	36,104
Other costs	417,077	439,285	459,339	(20,054)
Total expenditures	<u>1,840,864</u>	<u>2,069,458</u>	<u>1,858,557</u>	<u>210,901</u>
Deficiency of revenues over expenditures	(1,557,650)	(1,624,455)	(1,399,180)	225,275
<b>Other Financing Sources</b>				
Operating transfers in	<u>1,557,650</u>	<u>1,624,455</u>	<u>1,399,180</u>	<u>(225,275)</u>
Total other financing sources	<u>1,557,650</u>	<u>1,624,455</u>	<u>1,399,180</u>	<u>(225,275)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

See note to required supplementary information.

**BUDGETARY COMPARISON SCHEDULE -**  
**TITLE III C-2 - HOME DELIVERED MEALS FUND**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 189,103	\$ 296,480	\$ 296,480	\$ -
Public support	72,300	46,012	45,794	(218)
Total revenues	<u>261,403</u>	<u>342,492</u>	<u>342,274</u>	<u>(218)</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	989,215	1,018,911	1,027,189	(8,278)
Fringe benefits	245,760	213,925	202,414	11,511
Travel	4,207	2,581	2,642	(61)
Operating services	582,256	850,756	717,560	133,196
Operating supplies	235,870	225,115	214,065	11,050
Meals	592,200	464,500	468,941	(4,441)
Capital outlay	-	-	71,097	(71,097)
Total expenditures	<u>2,649,508</u>	<u>2,775,788</u>	<u>2,703,908</u>	<u>71,880</u>
Deficiency of revenues over expenditures	(2,388,105)	(2,433,296)	(2,361,634)	71,662
<b>Other Financing Sources</b>				
Operating transfers in	<u>2,388,105</u>	<u>2,433,296</u>	<u>2,361,634</u>	<u>(71,662)</u>
Total other financing sources	<u>2,388,105</u>	<u>2,433,296</u>	<u>2,361,634</u>	<u>(71,662)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

See note to required supplementary information.

**BUDGETARY COMPARISON SCHEDULE -**  
**RURAL TRANSPORTATION FUND**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 297,566	\$ 420,000	\$ 417,772	\$ (2,228)
Charges for services and other	3,720	2,025	3,015	990
Total revenues	301,286	422,025	420,787	(1,238)
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	238,908	370,318	363,764	6,554
Fringe benefits	59,521	77,824	65,100	12,724
Travel	628	596	592	4
Operating services	79,673	155,913	126,701	29,212
Operating supplies	19,338	36,800	30,951	5,849
Total expenditures	398,068	641,451	587,108	54,343
Deficiency of revenues over expenditures	(96,782)	(219,426)	(166,321)	53,105
<b>Other Financing Sources</b>				
Operating transfers in	96,782	219,426	166,321	(53,105)
Total other financing sources	96,782	219,426	166,321	(53,105)
<b>Net Change in Fund Balance</b>	\$ -	\$ -	-	\$ -
<b>Fund Balance</b>				
Beginning of year			5,672	
End of year			\$ 5,672	

See note to required supplementary information.

**NOTE TO REQUIRED SUPPLEMENTARY  
INFORMATION BUDGETARY REPORTING**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

The Council adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

- GOEA notifies the Council each year as to the funding levels for each program's award.
- The Council may also obtain funds from agencies other than GOEA and the Council considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget before May 31 of the current year for the next year.
- The adopted budget is forwarded to the GOEA for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30).
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. There was one amendment during the year.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
- The Council may transfer funds between line items as often as required but must obtain prior approval from the GOEA for funds received under grants from this state agency. As a part of this grant award, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceeded the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.

- Expenditures cannot legally exceed appropriations on an individual fund level.
- The Council has established policies requiring public participation in the budget process.
- The budget for special revenue funds is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- The budget is prepared on a basis in conformity with accounting principles generally accepted in the United States of America.

**SCHEDULE OF CHANGES IN THE COUNCIL'S TOTAL  
OPEB LIABILITY AND RELATED RATIOS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service cost	\$ 100,292	\$ 177,573	\$ 187,927	\$ 154,560	\$ 139,476	\$ 135,414
Interest	92,885	65,791	86,451	91,134	111,963	104,449
Difference between expected and actual experience	999,322	17,114	(809,623)	33,892	(1,105,977)	(16,443)
Changes in assumptions or other inputs	(155,152)	(1,041,788)	466,787	340,173	699,521	-
Benefit payments	<u>(60,370)</u>	<u>(27,576)</u>	<u>(29,467)</u>	<u>(42,823)</u>	<u>(39,828)</u>	<u>-</u>
<b>Net Change in Total OPEB Liability</b>	976,977	(808,886)	(97,925)	576,936	(194,845)	223,420
<b>Total OPEB Liability</b>						
Beginning of year	<u>2,448,609</u>	<u>3,257,495</u>	<u>3,355,420</u>	<u>2,778,484</u>	<u>2,973,329</u>	<u>2,749,909</u>
End of year	<u>\$ 3,425,586</u>	<u>\$ 2,448,609</u>	<u>\$ 3,257,495</u>	<u>\$ 3,355,420</u>	<u>\$ 2,778,484</u>	<u>\$ 2,973,329</u>
<b>Covered Employee Payroll</b>	<u>\$ 1,880,945</u>	<u>\$ 1,566,011</u>	<u>\$ 1,520,399</u>	<u>\$ 1,713,610</u>	<u>\$ 1,663,669</u>	<u>\$ 1,901,247</u>
Total OPEB liability as a percentage of covered employee payroll	<u>182.12%</u>	<u>156.36%</u>	<u>214.25%</u>	<u>195.81%</u>	<u>167.01%</u>	<u>156.39%</u>
<b>Notes to Schedule</b>						
Changes of benefit terms	None	None	None	None	None	None
Changes of assumptions and other inputs reflected the effects of changes in the discounts rate each period	<u>3.86%</u>	<u>3.69%</u>	<u>1.92%</u>	<u>2.45%</u>	<u>3.13%</u>	<u>3.62%</u>

The schedule is provided beginning with the Council's fiscal year ended June 30, 2018 and is intended to show a ten year trend. Additional

**SUPPLEMENTARY INFORMATION SECTION**

**BALANCE SHEET - GOVERNMENTAL FUND -**  
**GENERAL FUND PROGRAMS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

June 30, 2023

	Programs of the General Fund		
	Ad Valorem Tax Monies	Act 735 Monies	Totals
<b>Assets</b>			
Cash	\$ 1,362,760	\$ -	\$ 1,362,760
Investments	6,610,897	-	6,610,897
Other receivables	4,780	-	4,780
Due from other funds	(169,768)	200,000	30,232
Other current assets	58,978	-	58,978
Advances to component unit	223,310	-	223,310
	<u>\$ 8,090,957</u>	<u>\$ 200,000</u>	<u>\$ 8,290,957</u>
<b>Liabilities</b>			
Accounts payable and accrued expenditures	\$ 1,199,028	\$ -	\$ 1,199,028
Due to other funds	299,846	-	299,846
	<u>1,498,874</u>	<u>-</u>	<u>1,498,874</u>
<b>Fund Balance</b>			
Nonspendable:			
Prepaid expenditures	58,978	-	58,978
Advances to component unit	223,310	-	223,310
Committed:			
Litigation	150,000	-	150,000
St. George Property Development	2,000,000	-	2,000,000
Assigned:			
Retiree health insurance	3,425,586	-	3,425,586
Subsequent year's expenditures	315,942	-	315,942
Compensated absences	95,839	-	95,839
Special projects	26,130	-	26,130
Unassigned	296,298	200,000	496,298
	<u>6,592,083</u>	<u>200,000</u>	<u>6,792,083</u>
Total fund balance	<u>\$ 8,090,957</u>	<u>\$ 200,000</u>	<u>\$ 8,290,957</u>
Total liabilities and fund balance	<u>\$ 8,090,957</u>	<u>\$ 200,000</u>	<u>\$ 8,290,957</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - GOVERNMENTAL FUND - GENERAL FUND PROGRAMS**

**Terrebonne Council on Aging, Inc.**

Houma, Louisiana

For the year ended June 30, 2023

	General Fund Programs		
	Ad Valorem Tax Monies	Act 735 Monies	Totals
<b>Revenues</b>			
Intergovernmental:			
State of Louisiana:			
Office of Elderly Affairs - Act 735	\$ -	\$ 100,000	\$ 100,000
Terrebonne Parish Consolidated Government	3,800,000	-	3,800,000
Charges for service	129,777	-	129,777
Interest income	84,539	-	84,539
Public support:			
Contributions	3,149	-	3,149
Miscellaneous:			
Other	16,031	-	16,031
Total revenues	4,033,496	100,000	4,133,496
<b>Expenditures</b>			
Current:			
Health and welfare:			
Salaries	176,301	-	176,301
Fringe	132,799	-	132,799
Travel	2,183	-	2,183
Operating services	400,605	-	400,605
Operating supplies	34,490	-	34,490
Other costs	247,340	-	247,340
Meals	-	-	-
Capital outlay	849,485	-	849,485
Total expenditures	1,843,203	-	1,843,203
Excess (deficiency) of revenues over expenditures	2,190,293	100,000	2,290,293
<b>Other Financing Sources (Uses)</b>			
Insurance claims	143,731	-	143,731
Operating transfers in	700	-	700
Operating transfers out	(4,599,302)	-	(4,599,302)
Total other financing sources (uses)	(4,454,871)	-	(4,454,871)
<b>Net Change in Fund Balance</b>	(2,264,578)	100,000	(2,164,578)
<b>Fund Balance</b>			
Beginning of year	8,856,661	100,000	8,956,661
End of year	\$ 6,592,083	\$ 200,000	\$ 6,792,083

**COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

June 30, 2023

	Special Revenue Funds					
	Title III C - Area Agency Administration Fund	Title III C - AAA Vaccination Fund	Title III C-1 - Congregate Meals Fund	Title III D - Preventive Health Fund	Title III E - National Family Caregiver Program Fund	Title III C - Expanding the Public Health Fund
<b>Assets</b>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,102
Contracts receivable	-	-	-	-	-	-
Other receivables	-	-	58	-	-	-
Due from other funds	-	587	19,983	2,391	1,937	-
Total assets	<u>\$ -</u>	<u>\$ 587</u>	<u>\$ 20,041</u>	<u>\$ 2,391</u>	<u>\$ 1,937</u>	<u>\$ 17,102</u>
<b>Liabilities</b>						
Accounts payable and accrued expenditures	-	-	20,041	-	1,937	2,160
<b>Fund Balances (Deficit)</b>						
Assigned for:						
Utility assistance	-	-	-	-	-	-
Special revenue purposes	-	587	-	2,391	-	14,942
Total fund balances	-	587	-	2,391	-	14,942
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 587</u>	<u>\$ 20,041</u>	<u>\$ 2,391</u>	<u>\$ 1,937</u>	<u>\$ 17,102</u>

Special Revenue Funds								
Helping Hands Fund	No Wrong Door Service	Enhanced Mobility - Small Urban	Senior RX Fund	Special Fund	Medicare Improvement for Patients and Providers Act	Schriever Senior Center Fund	Capital Projects Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ 17,552
-	-	-	32,101	-	3,000	-	-	35,101
-	-	-	16,845	313	930	-	-	18,146
234	7,301	-	40,760	52,549	3,011	2,171	9,799	140,723
<u>\$ 234</u>	<u>\$ 7,301</u>	<u>\$ -</u>	<u>\$ 89,706</u>	<u>\$ 53,312</u>	<u>\$ 6,941</u>	<u>\$ 2,171</u>	<u>\$ 9,799</u>	<u>\$ 211,522</u>
-	-	-	1,560	1,580	232	-	-	27,510
234	-	-	-	-	-	-	-	234
-	7,301	-	88,146	51,732	6,709	2,171	9,799	183,778
234	7,301	-	88,146	51,732	6,709	2,171	9,799	184,012
<u>\$ 234</u>	<u>\$ 7,301</u>	<u>\$ -</u>	<u>\$ 89,706</u>	<u>\$ 53,312</u>	<u>\$ 6,941</u>	<u>\$ 2,171</u>	<u>\$ 9,799</u>	<u>\$ 211,522</u>

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

	Special Revenue Funds				
	Title III C - Area Agency Administration Fund	Title III C - AAA Vaccination Fund	Title III C-1 - Congregate Meals Fund	Title III D - Preventive Health Fund	Title III E - National Family Caregiver Program Fund
<b>Revenues</b>					
Intergovernmental:					
State of Louisiana:					
Governor's Office of Elderly Affairs	\$ 20,148	\$ -	\$ 227,266	\$ 11,476	\$ 64,787
Terrebonne Parish Consolidated Government	-	-	-	-	-
Public support:					
Contributions	-	-	12,040	-	-
Miscellaneous:					
Other	-	-	-	-	-
Program income	-	-	-	-	-
Total revenues	<u>20,148</u>	<u>-</u>	<u>239,306</u>	<u>11,476</u>	<u>64,787</u>
<b>Expenditures</b>					
Current:					
Health and welfare:					
Salaries	29,124	790	254,055	-	46,960
Fringe benefits	12,056	217	53,968	-	11,199
Travel	174	24	1,229	-	1,708
Operating services	19,554	5	188,547	-	11,844
Operating supplies	1,821	2	45,331	-	834
Other costs	-	-	-	13,614	54,790
Meals	-	-	95,067	-	-
Capital outlay	-	-	25,134	-	-
Total expenditures	<u>62,729</u>	<u>1,038</u>	<u>663,331</u>	<u>13,614</u>	<u>127,335</u>
Excess (deficiency) of revenues over expenditures	<u>(42,581)</u>	<u>(1,038)</u>	<u>(424,025)</u>	<u>(2,138)</u>	<u>(62,548)</u>
<b>Other Financing Sources (Uses)</b>					
Operating transfers in	42,581	1,038	424,025	2,138	62,548
Operating transfers out	-	-	-	-	-
Total other financing sources	<u>42,581</u>	<u>1,038</u>	<u>424,025</u>	<u>2,138</u>	<u>62,548</u>
<b>Net Change in Fund Balances</b>	-	-	-	-	-
<b>Fund Balances (Deficit)</b>					
Beginning of year	-	587	-	2,391	-
End of year	<u>\$ -</u>	<u>\$ 587</u>	<u>\$ -</u>	<u>\$ 2,391</u>	<u>\$ -</u>

Special Revenue Funds									
Title III C - Expanding the Public Health Fund	Helping Hands Fund	No Wrong Door Service	Enhanced Mobility - Small Urban	Senior RX Fund	Special Fund	Medicare Improvement for Patients and Providers Act	Schriever Senior Center Fund	Capital Projects Fund	Totals
\$ 33,302	\$ -	\$ -	\$ -	\$ 93,401	\$ -	\$ 2,465	\$ -	\$ -	\$ 452,845
-	871	-	-	-	-	-	-	-	871
-	-	-	-	-	11,286	-	-	-	23,326
-	-	-	-	-	704	-	-	-	704
-	-	-	-	-	6,361	-	176	-	6,537
<u>33,302</u>	<u>871</u>	<u>-</u>	<u>-</u>	<u>93,401</u>	<u>18,351</u>	<u>2,465</u>	<u>176</u>	<u>-</u>	<u>484,283</u>
-	-	-	-	46,381	65,450	20,814	-	-	463,574
-	-	-	-	10,169	19,453	5,127	-	-	112,189
-	-	-	-	787	362	46	-	-	4,330
18,360	-	-	-	8,274	31,570	4,282	-	-	282,436
-	-	-	-	4,642	24,155	418	1,027	-	78,230
-	5,500	-	-	-	77,837	-	-	-	151,741
-	-	-	-	-	-	-	-	-	95,067
-	-	-	-	-	-	-	-	-	25,134
<u>18,360</u>	<u>5,500</u>	<u>-</u>	<u>-</u>	<u>70,253</u>	<u>218,827</u>	<u>30,687</u>	<u>1,027</u>	<u>-</u>	<u>1,212,701</u>
<u>14,942</u>	<u>(4,629)</u>	<u>-</u>	<u>-</u>	<u>23,148</u>	<u>(200,476)</u>	<u>(28,222)</u>	<u>(851)</u>	<u>-</u>	<u>(728,418)</u>
-	-	-	-	-	111,615	28,222	-	-	672,167
-	-	-	-	-	(700)	-	-	-	(700)
-	-	-	-	-	110,915	28,222	-	-	671,467
14,942	(4,629)	-	-	23,148	(89,561)	-	(851)	-	(56,951)
-	4,863	7,301	-	64,998	141,293	6,709	3,022	9,799	240,963
<u>\$ 14,942</u>	<u>\$ 234</u>	<u>\$ 7,301</u>	<u>\$ -</u>	<u>\$ 88,146</u>	<u>\$ 51,732</u>	<u>\$ 6,709</u>	<u>\$ 2,171</u>	<u>\$ 9,799</u>	<u>\$ 184,012</u>

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER  
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

**Agency Head Name:** Michel Claudet, Executive Director

**Purpose**

Salary	\$ 147,964
Benefits - insurance	-
Benefits - retirement	-
Benefits - other	-
Car allowance	648
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Unvouchered expenses	154
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Meals	-
	<hr/>
	<b><u><u>\$ 148,766</u></u></b>

**COMPARATIVE STATEMENT OF CAPITAL ASSETS**  
**AND CHANGES IN CAPITAL ASSETS**

**Terrebonne Council on Aging, Inc.**

Houma, Louisiana

For the year ended June 30, 2023

	Balance July 1, 2022	Additions	Adjustments/ Deletions	Balance June 30, 2023
<b>Capital Assets, at Cost:</b>				
Land	\$ 1,694,456	\$ -	\$ -	\$ 1,694,456
Construction in progress	5,210	-	(5,210)	-
Buildings and leasehold improvements	8,984,588	761,542	-	9,746,130
Office furniture, fixtures, and equipment	555,622	189,384	(54,054)	690,952
Vehicles, machinery, and equipment	2,146,749	-	(35,998)	2,110,751
Total capital assets	<u>\$ 13,386,625</u>	<u>\$ 950,926</u>	<u>\$ (95,262)</u>	<u>\$ 14,242,289</u>
<b>Investment in Capital Assets:</b>				
Property acquired with funds from -				
General and other funds	\$ 8,289,462	\$ 950,926	\$ (95,262)	\$ 9,145,126
Capital Projects Fund	4,925,092	-	-	4,925,092
Title III C - 1 - Congregate Meals	-	-	-	-
Title III F - Disease Prevention and Health Promotion Services	-	-	-	-
Senior citizens	161,918	-	-	161,918
Senior Rx	-	-	-	-
Disaster assistance	10,153	-	-	10,153
Total investment in capital assets	<u>\$ 13,386,625</u>	<u>\$ 950,926</u>	<u>\$ (95,262)</u>	<u>\$ 14,242,289</u>

**UNITS OF SERVICE****Terrebonne Council on Aging, Inc.**

Houma, Louisiana

For the years ended June 30, 2023 and 2022

(Unaudited)

	Units	
	<u>2023</u>	<u>2022</u>
<b>Title III B - Supportive Services Fund:</b>		
Counseling	1,309	-
Information and assistance	1,765	1,963
Personal care	8,733	8,362
Outreach	604	417
Homemaker	9,907	7,395
Transportation	32,299	23,682
Legal	116	128
Material aid	15,581	29,780
Visiting	-	65
Telephone	951	5,087
Utility assistance	554	-
Wellness	13,259	6,228
<b>Title III C-1 - Congregate Meals Fund:</b>		
Congregate meals	27,047	12,793
<b>Title III C-2 - Home Delivered Meals Fund:</b>		
Home delivered meals	122,408	114,004
<b>Title III D - Preventive Health Fund:</b>		
Wellness	-	756
<b>Title III E - National Family Caregiver Program Fund:</b>		
Information and assistance	328	435
Caregiver services	2,327	2,723
Material aid	418	415

	Units	
	2023	2022
<b>Social Services Block Grant</b>		
Utility assistance	-	40
<b>Local</b>		
Caregiver services	8,852	6,575
Home delivered meals	2,531	2,071
Material aid	3,184	865
Transportation	6,538	4,303
Other	741	56
<b>Other</b>		
Health promotion and disease prevention	3,269	-
Nutrition education	21	5
Public education	76	10
Recreation	14,932	4,857

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

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

To the Board of Directors,  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Terrebonne Council on Aging, Inc. (the “Council”), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Primary Government’s basic financial statements and have issued our report thereon dated December 22, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Council’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Council’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention of those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that are material weaknesses or significant deficiencies. Given those limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suited for any other purpose.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, Louisiana,  
December 22, 2023.

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED  
BY THE UNIFORM GUIDANCE**

To the Board of Directors,  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

**Report on Compliance for Each Major Federal Program**

***Opinion of Each Major Federal Program***

We have audited the compliance of the Terrebonne Council on Aging, Inc., (the “Council”) a component unit of Terrebonne Parish Consolidated Government, State of Louisiana with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Council’s major federal programs for the year ended June 30, 2023. The Council’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

***Basis for Opinion of Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibility under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance Section of our report.

We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Council’s compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Council's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than from that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Council's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risk. Such procedures include examining, on a test basis, evidence regarding the Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given those limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants.

Houma, Louisiana,  
December 22, 2023.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS****Terrebonne Council on Aging, Inc.**  
Houma, Louisiana

For the year ended June 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Listing	Grant Year Ended	Program or Award Amount	Federal Revenue Recognized	Federal Expenditures	Subrecipients
<b>Department of Transportation</b>						
<u>Pass-Through Program From:</u>						
<u>Louisiana Department of Transportation and Development</u>						
<u>Terrebonne Parish Consolidated Government:</u>						
Public Transportation Operating Assistance						
Program for the Non-urbanized Area						
	20.509	6/30/2023	\$ 417,772	\$ 417,772	\$ 417,772	\$ -
<b>Department of Health and Human Services:</b>						
Administration on Aging:						
<u>Pass-Through Program From:</u>						
<u>Louisiana Governor's Office of Elderly Affairs:</u>						
Aging Cluster:						
Title III, Part B - Supportive Services and Senior Centers						
	93.044	6/30/2023	140,365	140,365	140,365	-
Title III, Part B - Supportive Services and Senior Centers STPH						
	93.044	6/30/2023	54,000	33,302	27,000	-
Title III, Part B - Supportive Services and Senior Centers American Rescue Plan						
	93.044	6/30/2023	52,636	52,636	52,636	-
Subtotal FAL #93.044			247,001	226,303	220,001	-
Title III, Part C - Nutrition Services - (Area Agency Administration)						
	93.045	6/30/2023	4,500	4,500	4,500	-
Title III, Part C - Nutrition Services - (Area Agency Administration) American Rescue Plan						
	93.045	6/30/2023	14,282	14,282	14,282	-
Title III, Part C-1 - Nutrition Services - (Congregate Meals)						
	93.045	6/30/2023	115,243	115,243	115,243	-
Title III, Part C-1 - Nutrition Services - (Congregate Meals) American Rescue Plan						
	93.045	6/30/2023	33,083	33,083	33,083	-
Title III, Part C-2 - Nutrition Services - (Home Delivered Meals)						
	93.045	6/30/2023	81,408	81,408	81,408	-
Title III, Part C-2 - Nutrition Services - (Home Delivered Meals) American Rescue Plan						
	93.045	6/30/2023	36,779	36,779	36,779	-
Subtotal FAL #93.045			285,295	285,295	285,295	-
Nutrition Services Incentive Program						
	93.053	6/30/2023	138,059	138,059	138,059	-
Total Aging Cluster			670,355	649,657	643,355	-

Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Listing	Grant Year Ended	Program or Award Amount	Federal Revenue Recognized	Federal Expenditures	Subrecipients
<b>Department of Health and Human Services: (Continued)</b>						
Administration on Aging: (Continued)						
Pass-Through Program From: (Continued)						
Louisiana Governor's Office of Elderly Affairs: (Continued)						
Special Programs for the Aging:						
Title III, Part D - Preventive Health Services	93.043	6/30/2023	6,746	6,746	6,746	-
Title III, Part D - Preventive Health Services						
American Rescue Plan	93.043	6/30/2023	3,928	3,928	3,928	-
Title III, Part E - National Family Caregiver Program	93.052	6/30/2023	42,126	42,126	42,126	-
Title III, Part E - National Family Caregiver Program						
American Rescue Plan	93.052	6/30/2023	7,003	7,003	7,003	-
Title IV and Title II - Discretionary Projects CARES	93.048	6/30/2023	24,076	24,076	24,076	-
Medical Enrollment Assistance Program	93.071	6/30/2023	14,195	2,465	6,315	-
Total Department of Health and Human Services			98,074	86,344	90,194	-
Total Terrebonne Council On Aging, Inc.			\$ 1,186,201	\$ 1,153,773	\$ 1,151,321	\$ -

See notes to Schedule of Expenditures of Federal Awards.

# **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

## **Terrebonne Council on Aging, Inc.** Houma, Louisiana

June 30, 2023

### **Note 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the SEFA) includes the federal award activity of the Terrebonne Council on Aging, Inc. (the "Council") under programs of the federal government for the year ended June 30, 2023. The information in the SEFA is presented in accordance with the requirements of Uniform Guidance. Because the SEFA presents only a selected portion of the operation of the Council it is not intended to and does not present the financial position, changes in net position, or cash flows of the Council.

### **Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (1) Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) The Council has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

### **Note 3 - SUBRECIPIENTS**

The Terrebonne Council on Aging, Inc. did not pass-through any of its federal awards to a subrecipient during the fiscal year.

### **Note 4 - FINDINGS OF NONCOMPLIANCE**

There were no federal award findings or questioned costs reported during the audit for the year ended June 30, 2023.



**Section I Summary of Auditor’s Results (Continued)**

c) Identification of Major Programs:

<u>Federal Assistance Listing</u>	<u>Name of Federal Program</u>
20.509	Louisiana Department of Transportation and Development Terrebonne Parish Consolidated Government: Public Transportation Operating Assistance Program for the Non-urbanized Area

Dollar threshold used to distinguish  
between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee X Yes \_\_\_ No

**Section II Financial Statement Findings**

No financial statement findings were reported during the audit of the financial statements for the year ended June 30, 2023.

**Section III Federal Award Findings and Questioned Costs**

There were no federal award findings or questioned costs reported during the audit for the year ended June 30, 2023.

**REPORTS BY MANAGEMENT**

# **SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

## **Terrebonne Council on Aging, Inc. Houma, Louisiana**

For the year ended June 30, 2023

### **Section I Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements**

#### **Internal Control Over Financial Reporting**

No material weaknesses were reported during the audit for the year ending June 30, 2022.

No significant deficiencies were reported during the audit for the year ending June 30, 2022.

#### **Compliance and Other Matters**

##### **2022-001 Budget Variance**

**Recommendation** - Procedures should be implemented to require budget amendments as soon as information is known to the Council.

**Management's Response** - In the future when significant revenues are not expected to be received before year end, the Board will then consider a budget amendment to reduce the budgeted revenues. - **Resolved.**

### **Section II Internal Control and Compliance Material to Federal Awards**

There were no federal award findings or questioned costs reported during the audit for the year ended June 30, 2022.

### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2022.

# **MANAGEMENT'S CORRECTIVE ACTION PLAN**

## **Terrebonne Council on Aging, Inc. Houma, Louisiana**

For the year ended June 30, 2023

### **Section I Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements**

#### **Internal Control Over Financial Reporting**

No material weaknesses were reported during the audit for the year ending June 30, 2023.

No significant deficiencies were reported during the audit for the year ending June 30, 2023.

#### **Compliance and Other Matters**

No compliance findings material to the Council's financial statements were reported during the audit for the year ended June 30, 2023.

### **Section II Internal Control and Compliance Material to Federal Awards**

There were no federal award findings on questioned costs reported during the audit for the year ended June 30, 2023.

### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2023.

**STATEWIDE AGREED-UPON PROCEDURES**

**INDEPENDENT ACCOUNTANT’S REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**

To the Board of Commissioners,  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have performed the procedures described in Schedule 9 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period July 1, 2022 through June 30, 2023. Terrebonne Council on Aging, Inc. (the “Council”) management is responsible for those C/C areas identified in the SAUPs.

The Council has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA’s SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 9.

We were engaged by the Council to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on these C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants

Houma, Louisiana,  
December 22, 2023.

**SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS**  
**OF THE STATEWIDE AGREED-UPON PROCEDURES**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 2023

The required procedures and our findings are as follows:

**1) Procedures Performed on the Council's Written Policies and Procedures:**

A. Obtain and inspect the Council's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the Council's operations:

i. Budgeting, including preparing, adopting, monitoring, and amending the budget.

Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

ii. Purchasing, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the public bid law, and (5) documentation required to be maintained for all bids and price quotes.

Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

iii. Disbursements, including processing, reviewing, and approving.

Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

iv. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of each type of revenue or Council fund additions.

Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

**1) Procedures Performed on the Council's Written Policies and Procedures: (Continued)**

- v. Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.  
Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
  
- vi. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.  
Performance: Obtained and read the purchasing handbook for contracting and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
  
- vii. Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.  
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
  
- viii. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).  
Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
  
- ix. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the Council's ethics policy.  
Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.

**1) Procedures Performed on the Council's Written Policies and Procedures: (Continued)**

- x. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
Performance: Obtained and read the Council's policy manual.  
Exceptions: There Council does not have a debt service policy.
  
- xi. Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.  
Performance: Obtained and read the Council's policy manual.  
Exceptions: The Council does not have an information technology disaster recovery/business continuity policy.
  
- xii. Prevention of Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.  
Performance: Obtained and read the written policy for sexual harassment and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.

**2) Procedures Performed on the Council's Board:**

- A. Obtain and inspect the board minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period and:
  - i. Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.  
Performance: Obtained and read the written minutes of the Board meetings. The Board met with a quorum for each meeting.  
Exceptions: There were no exceptions noted.
  
  - ii. Observe whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.  
Performance: Obtained written meeting minutes and observed whether meeting minutes referenced budget-to-actual comparisons. Budget-to-actual comparisons are part of the financial information presented to the Board at each meeting.  
Exceptions: There were no exceptions noted.

## 2) Procedures Performed on the Council's Board: (Continued)

- iii. Obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Performance: Obtained the prior year's audit report and observed the unassigned fund balance in the General Fund. The unassigned fund balance was positive.

Exceptions: There were no exceptions noted.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Performance: Obtained and read the audit report from the prior year. Obtained and observed board minutes noting the board addressing and resolving the finding from the prior year.

Exceptions: There were no exceptions noted.

## 3) Procedures Performed on the Council's Bank Reconciliations:

- A. Obtain a listing of the Council's bank accounts from management and management's representation that the listing is complete. Ask management to identify the main operating account. Select the Council's main operating account and select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Performance: Obtained the listing of bank accounts from management and received management's representation that the listing is complete in a separate letter.

Exceptions: There were no exceptions noted.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Performance: Obtained monthly bank reconciliation for the month of June for the main operating bank account and 3 additional accounts and observed that they were prepared within 2 months of statement closing date.

Exceptions: There were no exceptions noted.

- ii. Bank reconciliations include evidence that a member of management who does not manage cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Performance: Obtained the Council's bank reconciliations for the month of June for the operating account and 3 additional accounts selected and observed that the reconciliations were reviewed by a member of management who does not handle cash.

Exceptions: There were no exceptions noted.

**3) Procedures Performed on the Council's Bank Reconciliations: (Continued)**

- iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement's closing date, if applicable.

Performance: Obtained the Council's bank reconciliations for the month of June for operation bank account and 3 additional accounts selected and observed for reconciling items that have been outstanding for more than 12 months from the statement closing date. There were no such items noted.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on the Council's Collections (Excluding Electronic Funds Transfers):**

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter. The Council only has one deposit site.

Exceptions: There were no exceptions noted.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

- i. Employees that are responsible for cash collections do not share cash drawers/registers.  
Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless other employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on the Council's Collections (Excluding Electronic Funds Transfers): (Continued)**

iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

Performance: Obtained a copy of the insurance policy for theft and a listing of all employees covered by the policy. The policy was in force during the fiscal period.

Exceptions: There were no exceptions noted.

D. Randomly select 2 deposit dates for each of the Council's 3 bank accounts selected for procedures #3A under "Procedures Performed on the Council's Bank Reconciliations" (select the next deposit date chronologically if no deposits were made on the dates selected and randomly select a deposit if multiple deposits were made on the same day). Obtain supporting documentation for each of the deposits selected and:

i. Observe that receipts are sequentially pre-numbered.

Performance: Obtained supporting documentation for the selected deposits and observed that receipts were sequentially pre-numbered.

Exceptions: There were no exceptions noted.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on the Council's Collections (Excluding Electronic Funds Transfers): (Continued)**

- iii. Trace the deposit slip total to the actual deposit per the bank statement.  
Performance: Traced deposit slip total to actual deposit per bank statement.  
Exceptions: There were no exceptions noted.
  
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).  
Performance: Observed that the deposits tested were made within one business day of receipt.  
Exceptions: There were no exceptions noted.
  
- v. Trace the actual deposit per the bank statement to the general ledger.  
Performance: Traced the actual deposit per the bank statement to the general ledger.  
Exceptions: There were no exceptions noted.

**5) Procedures Performed on the Council's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases):**

- A. Obtain a listing of locations that process payments for the fiscal period, and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).  
Performance: Obtained a listing of locations that process payments from management and management's representation that the listing is complete in a separate letter. The Council only has one location that processes payments.  
Exceptions: There were no exceptions noted.
  
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the Council has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:  
Performance: Obtained a listing of employees involved in non-payroll purchasing and payment functions and received management's representation in a separate letter that the listing is complete.  
Exceptions: There were no exceptions noted.
  
- i. At least 2 employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.  
Performance: Obtained a listing of employees involved in initiating a purchase request, approving a purchasing, and placing an order/making a purchase.  
Observed at least 2 employees are involved.  
Exceptions: There were no exceptions noted.

**5) Procedures Performed on the Council's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)**

ii. At least 2 employees are involved in processing and approving payments to vendors.  
Performance: Obtained a listing of employees involved in processing and approving payments to vendors. Observed at least 2 employees are involved.  
Exceptions: There were no exceptions noted.

iii. The employees responsible for processing payments are prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.  
Performance: Obtained a listing of employees involved in processing payments to vendors. Observed if any employees involved are adding/modifying vendor files.  
Exceptions: There were no exceptions noted.

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.  
Performance: Obtained a listing of employees involved with signing and mailing checks. Noted that these employees are not responsible for processing payments.  
Exceptions: There were no exceptions noted.

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other means.  
Performance: Obtained a listing of employees authorized to sign checks. These employees also approved electronic disbursements.  
Exceptions: There were no exceptions noted.

C. For each location selected under procedure #5A, obtain the Council's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:  
Performance: Obtained the Council's non-payroll disbursement transaction population for the fiscal period and obtained management's representation in a separate letter that the listing is complete. Randomly selected 5 disbursements.  
Exceptions: There were no exceptions noted.

i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the Council.  
Performance: Obtained the disbursement and observed that the disbursement and the related original invoice were in agreement and evidence that the deliverables were received.  
Exceptions: There were no exceptions noted.

**5) Procedures Performed on the Council's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)**

- ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Performance: Observed the 5 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

- D. Using the Council's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the Council's policy, and (b) approved by the required number of authorized signers per the Council's policy.

Performance: Observed that selected disbursements were approved by authorized persons and required number of signers.

Exceptions: There were no exceptions noted.

**6) Procedures Performed on the Council's Credit Cards, Debit Cards, Fuel Cards, P-Cards:**

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Performance: Obtained a listing of all active credit cards, bank debit cards, fuel cards, and P-cards for the fiscal period and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period, rotating cards each year. Select one monthly statement or combined statement for each card (for a debit card, select one monthly bank statement), obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.

Performance: Observed evidence that the statement and supporting documentation were reviewed and approved, in writing, by someone other than the authorized card holder.

Exceptions: There were no exceptions noted.

**6) Procedures Performed on the Council's Credit Cards, Debit Cards, Fuel Cards, P-Cards:  
(Continued)**

- ii. Observe that finance charges and/or late fees were not assessed on the selected statements.

Performance: Observed finance charges and/or late fees were not assessed on the selected statements.

Exceptions: There were no exceptions noted.

- C. Using the monthly statements or combined statements selected under procedure #6B, excluding fuel cards, select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, report whether the transaction is supported by:

- i. An original itemized receipt that identifies precisely what was purchased.

Performance: Observed that transactions were supported by original itemized receipts that identifies precisely what was purchased.

Exceptions: There were no exceptions noted.

- ii. Written documentation of the business/public purpose.

Performance: Observed that transactions included written documentation of the business/public purpose.

Exceptions: There were no exceptions noted.

- iii. Documentation of the individuals participating in meals (for meal charges only).

Performance: Observed transactions for any meal charges. No meal charges were noted.

Exceptions: There were no exceptions noted.

**7) Procedures Performed on the Council's Travel and Travel-Related Expense Reimbursements  
(Excluding Card Transactions):**

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Performance: Obtained the general ledger for travel and travel-related expense reimbursements. Management's representation of the listing was confirmed in a separate letter.

Exceptions: There were no exceptions noted.

**7) Procedures Performed on the Council's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions): (Continued)**

- i. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

Performance: Inspected travel and expense reimbursements and observed per diem rates were the GSA rates.

Exceptions: There were no exceptions noted.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Performance: Inspected travel and expense reimbursements to observe that expenses using actual costs were supported by an itemized receipt.

Exceptions: There were no exceptions noted.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedures #1A(vii)).

Performance: Inspected travel and expense reimbursements to observe that expenses included the business purpose.

Exceptions: There were no exceptions noted.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Performance: Inspected travel and expense reimbursements to observe that expenses included approval by someone other than the person receiving reimbursement.

Exceptions: There were no exceptions noted.

**8) Procedures Performed on the Council's Contracts:**

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract and:

Performance: Obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period and management's representation that the listing is complete.

Exceptions: There were no exceptions noted.

**8) Procedures Performed on the Council's Contracts: (Continued)**

- i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.  
Performance: Observed that the contracts selected were bid in accordance with the Louisiana Public Bid Law.  
Exceptions: There were no exceptions noted.
- ii. Observe that the contract was approved by the governing body/District Council, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).  
Performance: Inspected board meeting minutes and confirmed the board approved the contracts.  
Exceptions: There were no exceptions noted.
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (i.e., if approval is required for any amendment, the documented approval).  
Performance: Observed the contracts selected and noted no amendments.  
Exceptions: There were no exceptions noted.
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.  
Performance: Inspected payments for each of the 5 contracts, obtained supporting invoices, agreed invoiced to the contract terms, and observed invoices related to the payment agreed to terms and conditions of the contract.  
Exceptions: There were no exceptions noted.

**9) Procedures Performed on the Council's Payroll and Personnel:**

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Select 5 employees/officials, paid salaries, and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.  
Performance: Obtained the listing of employees with their related salaries from management and received management's representation in a separate letter. Randomly selected 5 employees and agreed paid salaries to authorized salaries or pay rates per the personnel files.  
Exceptions: There were no exceptions noted.

**9) Procedures Performed on the District's Payroll and Personnel: (Continued)**

B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A, obtain attendance records and leave documentation for the pay period, and:

i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Performance: Selected one pay period and observed that the 5 selected employees documented their daily attendance and leave.

Exceptions: There were no exceptions noted.

ii. Observe that supervisors approved the attendance and leave of the selected employees/officials.

Performance: Inspected the approval of attendance and leave by the supervisors for the selected employees.

Exceptions: There were no exceptions noted.

iii. Observe that any leave accrued or taken during the pay period is reflected in the Council's cumulative leave records.

Performance: Observed that leave accrued or taken during the pay period was reflected in the cumulative leave records.

Exceptions: There were no exceptions noted.

iv. Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Performance: Observed the rate paid to employees agreed to the authorized salary/pay rate found within the personnel file.

Exceptions: There were no exceptions noted.

C. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the Council's policy on termination payments. Agree the hours to the employees'/officials' cumulative leave records, agree the pay rates to the employees'/officials' authorized pay rates in the employees'/officials' personnel files, and agree the termination payment to the Council's policy.

Performance: Inquired of management of its termination policy. Obtained a listing of those employees or officials that terminated during the fiscal period and management's representation that the list is complete in a separate letter. Agreed the hours to the employees' cumulative leave records, agreed the pay rates to the employees' authorized rates in the employees' personnel files and agreed the termination payment to the Council's policy.

Exceptions: There were no exceptions noted.

**9) Procedures Performed on the District’s Payroll and Personnel: (Continued)**

D. Obtain management’s representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers’ compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Performance: Obtained management’s representation of the timely filing of payroll forms and inspected payroll reporting forms to confirm that all payments were submitted to the applicable agencies by the required deadlines.

Exceptions: There were no exceptions noted.

**10) Procedures Performed on the Council’s Ethics:**

A. Using the 5 selected employees/officials from procedure #9A under “Procedures Performed on the Council’s Payroll and Personnel”, obtain ethics compliance documentation from management and:

i. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period as required by R.S. 42:1170.

Performance: Observed that the selected employee’s files included documentation of ethics training completed during the fiscal year.

Exceptions: There were no exceptions noted.

ii. Observe whether the Council maintains documentation which demonstrates each employee and official were notified of any changes to the Council’s ethics policy during the fiscal period, as applicable.

Performance: Inquired of management about changes to the Council's ethics policy. Changes were effective April 25, 2023. Employees were notified via interoffice memo and an updated policy was included. Employees were required to return a signed acknowledgement form to the Human Resources department to signify receipt of updated policy.

Exceptions: There were no exceptions noted.

B. Inquire and/or observe whether the Council has appointed an ethics designee as required by R.S. 42:1170.

Performance: We inquired as to whether the Council appointed an ethics designee.

Exceptions: There were no exceptions noted.

**11) Procedures Performed on the Council's Debt Service:**

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Performance: Inquired of management regarding a listing of bonds/notes issued during the fiscal period and obtained a management's representation in a separate letter. No bonds/notes were issued during the fiscal period.

Exceptions: There were no exceptions noted.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Performance: Inquired of management regarding a listing of bonds/notes outstanding at the end of the fiscal period and obtained a management's representation in a separate letter. No bonds/notes outstanding at the end of the fiscal period.

Exceptions: There were no exceptions noted.

**12) Procedures Performed on the Council's Fraud Notice:**

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Council reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Council is domiciled as required by R.S. 24:523.

Performance: Inquired of management of any misappropriations of public funds and assets during the fiscal period and management's representation in a separate letter. None were noted.

Exceptions: There were no exceptions noted.

- B. Observe the Council has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Performance: Observed that the fraud notice was posted on the premises and website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

**13) Procedures Performed on the Council's Information Technology Disaster Recovery/  
Business Continuity:**

A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- i. Obtain and inspect the Council's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personal responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the Council's local server or network, and (c) was encrypted.

Performance: We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the Council's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Performance: We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the Council's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Performance: We performed the procedure and discussed the results with management.

B. Randomly Select 5 terminated employees (or all terminated employees if less than 5) using a list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Performance: We performed the procedure and discussed the results with management.

**14) Procedures Performed on the Council's Prevention of Sexual Harassment:**

- A. Using the 5 randomly selected employees/officials from "Procedures Performed on the Council's Payroll and Personnel" #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Performance: Obtained sexual harassment training documentation for the 5 employees selected.

Exceptions: There were no exceptions noted.

- B. Observe the Council has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the Council's premises if the Council does not have a website).

Performance: Observed sexual harassment policy posted in a conspicuous location on the Council's premises.

Exceptions: There were no exceptions noted.

- C. Obtain the Council's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

Performance: Inquired of management regarding the Council's annual sexual harassment report.

Exceptions: There was no report filed.

- i. Number and percentage of public servants in the agency who have completed the training requirements.

Performance: Inquired of management regarding the Council's annual sexual harassment report.

Exceptions: There was no report filed.

- ii. Number of sexual harassment complaints received by the agency.

Performance: Inquired of management regarding the Council's annual sexual harassment report.

Exceptions: There was no report filed.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred.

Performance: Inquired of management regarding the Council's annual sexual harassment report.

Exceptions: There was no report prepared and maintained on file.

**14) Procedures Performed on the Council's Prevention of Sexual Harassment: (Continued)**

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.

Performance: Inquired of management regarding the Council's annual sexual harassment report.

Exceptions: There was no report filed.

- v. Amount of time it took to resolve each complaint.

Performance: Inquired of management regarding the Council's annual sexual harassment report.

Exceptions: There was no report filed.

**Management's Overall Response to Exceptions:**

- 1)A(x) Management will develop, and the Board will adopt a debt service policy.
- 1)A(xi) Management will consider adding the required provisions to the existing information technology disaster recovery/business continuity policy.
- 14)C(i-v) Management will prepare and maintain the annual sexual harassment report containing the applicable requirements of R.S. 42:344 on or before the February 1, deadline.