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***Financial Report***  
***Jefferson Council on Aging, Inc.***  
***Metairie, Louisiana***  
***June 30, 2004***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/2/05

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June 30, 2004

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**FINANCIAL SECTION**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

### **Jefferson Council on Aging, Inc.**

This report is designed to present to the reader a narrative overview and analysis of the financial performance of the Jefferson Council on Aging (the Council) for the year ended June 30, 2004. Please read it in conjunction with the financial statements, which follow.

**NOTE: This report format is now required by the Government Accounting Standards Board (GASB) under its Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*. Since this is the first year of implementation by the Council, comparative data from the prior year is not required for this year's presentation, but will be presented wherever the data is readily available. Future reporting will require inclusion of comparative data from the prior fiscal year.**

### **FINANCIAL HIGHLIGHTS**

- Net assets; that is, total assets less total liabilities, increased by \$123,892 (or 9.2%) this year.
- Revenues increased by \$296,876 (or 6.5%).
- Expenditures increased by \$180,563 (or 4%).
- The unreserved, undesignated fund balance for the Council's General Fund increased by \$13,627 (or 10.3%).
- No deficit fund balances exist at year-end.
- Net capital assets increased by \$76,248 (or 52.2%).

### **HOW TO USE THIS ANNUAL REPORT**

This annual report consists of a series of financial statements that provide a picture of the Council's activities as a whole, as well as a closer look of the Council's more significant activities. Unlike prior years' reporting, these reports recognize the expense of depreciation to our fixed assets, which gives the reader a more realistic view of the value of our capital resources which we use in the performance of the Council's activities, and which we will have to replace in the future.

The Council's annual report is composed of five parts as follows:

1. Management's Discussion and Analysis (MD&A).
2. Basic Financial Statements.
3. GASB Required Supplementary Information.
4. Supplementary Information on General Fund and Non-Major Governmental Funds.
5. Special Reports of the Certified Public Accountant and Management.

The auditor has provided assurance in his independent auditor's report, located immediately after this Management Discussion and Analysis, that the Basic Financial Statements are fairly presented. The auditor is providing varying degrees of assurance about Supplemental Financial Information Required by GASB Statement 34 and Supplementary Financial Information Required by the Governor's Office of Elderly Affairs (GOEA) and the Office of Management and Budget (OMB) Circular A-133 that follow later in this reporting package. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

### **Basic Financial Statements**

The basic financial statements include two kinds of statements that present different perspectives of the Council: *Government-wide Statements*, and *Fund Financial Statements*.

### **Using Government-Wide Statements to View the Council as a Whole**

The analysis of the Council as a whole begins on page 12. The Government-Wide financial statements (Exhibits A and B) are presented in a manner that gives the reader an opportunity to evaluate whether the current year's activities left the Council in a stronger or weaker position financially. The statements are prepared like a private sector business; that is, the accrual method of accounting is used, recognizing revenues and expenses in the current year regardless of when cash is received or paid. In addition, the factor of depreciation is included, where a systematic reduction in the value of existing capital assets is realized and is expensed accordingly.

Exhibit A, known as the Statement of Net Assets, summarizes all of the Council's major classes of assets and liabilities at year-end, with the difference between the two being designated as Net Assets, which is further broken down into its restricted, unrestricted, and capital components. Over time, increases or decreases in net assets are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall condition of the Council, the reader will have to consider other non-financial factors, such as the condition of the Council's capital assets, future additions, or cuts to funding from its revenue sources, and the expansion or contraction of activities of programs and services.

Exhibit B, known as the Statement of Activities, shows how the net assets have changed during the current fiscal year, based upon the activities performed. The Council's activities consist of a Health, Welfare, and Social Services function, and an Administrative function. Within the Health, Welfare and Social Services function are various programs that include Supportive Services, Nutritional Services, Utility Assistance, Information and Assistance, Senior Centers, and others as noted. All of these activities are *governmental activities*, which mean that the Council uses government grants and contracts, along with contributions from the general public, to pay for services it provides to our segment of the general public, that is, the elderly. The Council does not charge for any of the services provided, but encourages contributions from its clientele.

### **Using the Fund Financial Statements to Focus on the Council's Most Significant Funds**

The analysis of the Council's major funds begins on page 14. The Fund Financial Statements (Exhibits C through G) are designed to provide the reader a more detailed view of the Council's most significant funds, which would include the General Fund and certain Special Revenue Funds. All of these funds are governmental funds.

The presentation of these fund statements use a *modified accrual basis* of accounting, versus the accrual basis used in the Government Wide Financial Statements. For the Council's purposes, the difference between the two methods is in how capital outlays are handled.

In the Fund Financial Statements, a capital outlay is recorded and expensed *in total*, when acquired. Whereas in the Government Wide Financial Statements, the capital outlay is recorded as an *asset*, then depreciated over its estimated useful life, resulting in a systematic *depreciation expense* recognized throughout several fiscal years, and not the full cost of the asset being expensed in the year acquired. Reconciliations are included in the Fund Financial Statements to account for these differences.

### **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 the Fund Financial Statements. The notes begin on page 22. The reader should read these notes before making any assumptions or drawing conclusions about the Council's financial condition.

### **Supplementary Financial Information Required by GASB Statement 34**

The Government Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual budget. A major fund is one whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a fund that does not meet the above criteria, may be included as a major fund, if in the opinion of management, it is important to present to the Council's financial statement users.

The schedules compare the original and final approved budgets to actual results for the Council's fiscal year. In addition, variances are presented comparing the final budget to the actual results. The Schedules begin on page 46.

### **Other Supplementary Financial Statement Information Including Information Required by GOEA and OMB Circular A-133**

The Council has also presented other required supplemental information in this reporting package.

GOEA has required the Council to present as schedules the information on pages 62 - 65. This information will be used by GOEA to verify the accuracy of information the Council submitted to it during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

OMB through its Circular A-133 requires a Schedule of Expenditures of Federal Awards. This schedule will present 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.

**AN ANALYSIS OF THE COUNCIL AS A WHOLE USING GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

**Note: This analysis shows the fiscal year ended June 30, 2004 only. As stated in the beginning of this report, the Council is in its initial year of implementation of GASB 34 reporting, and thus is not required to present comparative data of the prior year. The Council will be required to present comparative data beginning with the June 30, 2005 annual report.**

The following table reflects condensed information on the Council's net assets for this fiscal year:

Current and other Assets	\$1,445,555
Capital Assets, net of Depreciation	<u>222,075</u>
Total Assets	<u>1,667,630</u>
Compensated Absences	17,828
Other Liabilities	<u>179,287</u>
Total Liabilities	<u>197,115</u>
Net Assets:	
Invested in Capital Assets, net of related debt	222,075
Restricted	322,789
Unrestricted	<u>925,651</u>
Total Net Assets	<u>\$1,470,515</u>

As of June 30, 2004, the Council "as a whole" had assets greater than its liabilities by \$1,470,515, of which \$925,651 (or 62.9%) is unrestricted. An amount of \$279,114 (or 30.2%) of the unrestricted funds belongs to the Community Committees on Aging, which have the authority to spend their resources for the betterment of the elderly in their respective communities. An amount of \$500,000 (or 54%) of the unrestricted funds is designated as a Working Capital Reserve, the purpose of which is to have available resources to systematically phase out programs in the event of funding cancellation or delay by either legislative action or policy changes. It is important for the Council to have unrestricted net assets in order to have resources available to respond to reductions in funding, emergencies, or program terminations.

Net assets are deemed restricted when constraints are placed on the asset's use by the grantor, contributor, or laws or regulations of other governmental agencies. In addition, laws created through constitutional provisions or enabling legislation can impose restrictions to net assets.

The Council's restricted net assets are comprised of resources dedicated to the Nutrition program (NSIP funds), the Utility Assistance Funds, the Endowment fund, a demographics survey of the elderly in Jefferson Parish, and prepaid expenditures.

Compensated absences represent the liability due to eligible full-time employees for earned but unused vacation leave. In the event of termination, the employee is entitled payment for any outstanding unused vacation leave, provided he/she has followed all procedures as required in the Council's personnel policy.

Other liabilities consist primarily of accrued payroll related expenses and vendor payables.

The following table shows condensed information in the changes to the Council's net assets for the year ended June 30, 2004.

	<u>2004</u>
Revenues	
Program Revenues:	
Charges for Services	\$ 268,410
Operating Grants and Contributions	3,454,563
Capital Grants and Contributions	107,629
General Revenues:	
Local Governments	300,000
Grants Not Restricted To Specific Programs	706,134
Fund Raising - Endowment Donations and Interest	2,671
Unrestricted Investment Earnings	<u>10,847</u>
Total Revenues	<u>4,850,254</u>
Direct Program Expenses of the Health, Welfare, and Social Services functions:	
Supportive Services:	
Personal Care	62,860
Adult Day Health Care	4,700
Homemaker	54,721
Individual Counseling	1,980
Legal Assistance	14,438
Material Aid	19,205
Public Education	1,726
Senior Employment Training	288,756
Recreation and Education	7,834
Transportation	520,553

	<u>2004</u>
Nutrition Services:	
Congregate Meals	525,421
Home Delivered Meals	912,507
Utility Assistance	123,186
Community Committees	114,141
Information and Assistance	236,488
In-Homes Respite Care	34,030
Preventive Health	25,385
Senior Centers	1,311,910
Direct Administration Expenses	<u>477,023</u>
 Total Expenses	 <u>4,736,864</u>
 Excess of Revenues over	
Expenses Before Special Items	113,390
Special Item	<u>10,502</u>
 Change in Net Assets	 <u>\$ 123,892</u>

The Council's total revenues increased by \$296,876 (or 6.5%) over last year. The primary factors for this increase are as follows:

- Increases from GOEA for PCOA (Act 735) and Senior Center funding totaling \$98,787.
- A "one-time" addition to the annual appropriation from Jefferson Parish in the amount of \$55,650.
- A special appropriation from the parish in the amount of \$25,000 to fund a demographics survey of the elderly in Jefferson Parish.
- The contributions from the Louisiana Department of Transportation and Development for 80% of the cost of the three vans acquired this year.
- An appropriation from the State Legislature in the amount of \$24,807 for the benefit of the Metairie Senior Center, which was used to set up a computer lab.
- The special item noted was the gain on the sale of two vans and a jeep, which were replaced by the vehicles acquired from the Louisiana Department of Transportation and Development.

Other than the increases from GOEA, the other items are non-recurring.

The Council's total expenses increased by \$180,563 (or 4%) over last year. The primary factors for this increase are as follows:

- An increase to salaries of \$51,965 (or 28.8%) of the total increase was due primarily to the 2% increase given to the employees and the filling of positions that had been vacant in the prior year.
- An increase to fringes of \$ 29,080 (or 16.1%) of the total increase was due primarily to the increase in employee group health insurance premiums.
- An increase of \$21,588 (or 12%) of the total increase was due to additional spending by the Community Committees for their local activities.
- An increase to meals expenses of \$40,595 (or 22.5%) of the total increase was due to an increase in the number of meals served coupled with an increase in the cost per meal charged by the vendor.

### **AN ANALYSIS OF THE COUNCIL'S FUNDS USING GOVERNMENTAL FUND FINANCIAL STATEMENTS**

#### **Fund Balances**

The Council showed a combined governmental fund balance of \$1,248,440 per the Fund Balance Sheet, an increase of \$47,644 or 4% over last year. Most of the increase is attributable to the ability to retain more of the Nutritional Services Incentive Fund (NSIP) collected this year. In addition, the General Fund increased primarily from the Jefferson Parish appropriation to fund the Demographics Survey of the Elderly in Jefferson Parish. In contrast, the Utility Assistance Fund decreased due to a reduction in contributions from the previous year.

#### **Revenues**

The increases in revenues, as stated elsewhere in the MD&A, were due primarily to additional non-recurring unrestricted and restricted funds totaling \$80,650 from Jefferson Parish, additional funding for PCOA and Senior Center totaling \$98,787 from GOEA, and a Legislative appropriation of \$24,807 for the Metairie Senior Center. Additional information on these revenues were discussed previously in the **An Analysis Of The Council As A Whole Using Government-Wide Financial Statements.**

#### **Expenditures**

The increases in expenditures were likewise discussed previously in the **An Analysis Of The Council As A Whole Using Government-Wide Financial Statements.**

## AN ANALYSIS OF THE GENERAL FUND BUDGET

Over the course of the fiscal year, the budget was amended once. The primary reasons for amending a budget are to account for unanticipated changes in both revenues and expenditures and to prevent compliance violations under the Council's grants from GOEA. The Council's budget amendment was primarily to account for the following:

- 10% increase (or \$22,679) in Senior Center revenue from GOEA.
- 134% increase (or \$76,108) in PCOA (Parish Councils on Aging, a.k.a. Act 735 funds) from GOEA.
- 23% increase (or \$55,650) "one-time" increase to the unrestricted funding from Jefferson Parish.

The effect of these revenue increases was to re-allocate general revenues to cover program deficits, primarily in Nutrition services area, and save NSIP (Nutrition Services Incentive Program) funds, which are restricted in use but can be carried over to the next fiscal year. The amendment was approved by the Board of Directors on May 11, 2004.

## AN ANALYSIS OF CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of the fiscal year, the Council had \$222,075 in fixed assets, net of accumulated depreciation. This represents a net increase of \$76,248 over last year as shown below:

	Capital Assets, Net of Accumulated Depreciation at Year End	
	<u>2004</u>	<u>2003</u>
Furniture and Equipment	\$ 48,881	\$ 37,975
Vans and Autos	<u>173,194</u>	<u>107,852</u>
Totals	<u>\$222,075</u>	<u>\$145,827</u>

The major additions for this year included the acquisition of 3 new vans that were put in service at the Marrero/Harvey, Jefferson, and Miley Playground (meal site) areas. The Louisiana Department of Transportation and Development, through the Section 5310 – Capital Assistance Grant, paid eighty percent of the cost of the vans, with the remaining twenty percent paid by the Council. Also acquired were computers, furnishings, etc. to set up the Metairie Computer Lab that was funded by Legislative appropriation. The major disposals were 2 vans and a Jeep, all of which were fully depreciated. The proceeds are shown in these statements as a gain on sale of vehicles. More detailed information on the Council's capital assets can be found in the notes to the financial statements.

The Council does not have any long-term debt.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Council receives most of its funding from federal and state agencies. In addition, the Council receives a significant in-kind contribution from Jefferson Parish in the form of facility usage to provide Senior Centers and meal sites in the unincorporated areas of the Parish. These income sources are steady, generally speaking; however, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and thus, revenues can vary from year to year. There have been no significant changes to the funding levels or the terms of the grants and contracts. As of this writing, the fiscal year 2005 budget has not been approved by GOEA, but there are no indications that the budget will be rejected. Preparation of the fiscal year 2005 budget included the following major factors:

- Revenue stream from the Fiscal Year 2005 schedule of funding received from GOEA.
- Revenue stream from contributions to the Nutrition programs.
- Numbers of services the Council could provide with projected funding levels, considering the demand for services offered.
- Staffing levels required to maintain services projected.
- Inclusion of operational costs for the Estelle Senior Center whose completion and opening did not occur in fiscal 2004 as previously planned.

Subsequent to the preparation of the Fiscal Year 2005 budget, the Council applied for and received a multi-parish grant to administer a new program called the Louisiana Senior Rx Program (SenioRx). The intent of the program is to provide eligible seniors with assistance in obtaining their prescription medications at a discount or even free of charge. This program will go into operation during the second quarter of fiscal year 2005, serving the parishes of Jefferson, St. Charles, St. James, and St. John the Baptist, and will be incorporated into the next budget revision for fiscal year 2005.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide government agencies and the general public an overview of the Council's finances, and demonstrate the accountability for the funding it receives. If there are any questions regarding the content of this report, or any related information about the Council, please contact either Thomas C. Laughlin, Chief Executive Officer; Michael F. Edwards, Administrative Director; or Frank V. Forte, Controller at the Council's main office located at 6640 Riverside Drive, Suite 140, Metairie, LA 70003, or by phone at (504) 888-5880. If email is the preferred medium of contact, please send as follows:

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Michael F. Edwards	<a href="mailto:medwards@jcoa.net">medwards@jcoa.net</a>
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Bourgeois Bennett

## **INDEPENDENT AUDITOR'S REPORT**

The Members of the Board of Directors,  
Jefferson Council on Aging, Inc.

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Council on Aging, Inc. (the Council) as of and for the year ended June 30, 2004, which collectively, comprises the Council's financial statements as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express opinions on these financial statements based on our audit.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Jefferson Council on Aging, Inc. as of June 30, 2004, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and Budgetary Comparison Schedules on pages 1 through 9 and 46 through 53 are not a required part of the basic financials statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

As described in Note 1 b) to the basic financial statements, the Council has implemented a new financial reporting model, as required by the provisions of the Government Accounting Standards Board Statement No. 34, Basic Financial Statements- and Management's Discussion and Analysis- For State and Local Governments, as of July 1, 2003.

In accordance with Government Auditing Standards, we have also issued our report dated September 10, 2004, on our consideration of the Jefferson Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Metairie, Louisiana,  
September 10, 2004.

**STATEMENT OF NET ASSETS****Jefferson Council on Aging, Inc.**

June 30, 2004

**Assets**

Cash and cash equivalents	\$ 1,122,753
Investments	192,034
Accounts receivable	17,095
Prepaid expenses	19,525
Restricted assets:	
Cash and cash equivalents	3,148
Investments	91,000
Capital assets:	
Depreciable, net of accumulated depreciation	<u>222,075</u>
Total assets	<u>1,667,630</u>

**Liabilities**

Accounts payable and accrued expenses	<u>197,115</u>
---------------------------------------	----------------

**Net Assets**

Invested in capital assets	222,075
Restricted for -	
other purposes	322,789
Unrestricted	<u>925,651</u>
Total net assets	<u><u>\$ 1,470,515</u></u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES****Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

Functions/Programs	Direct Expenses	Indirect Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
				Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:						
Health, welfare and social services:						
Supportive Services:						
Personal Care	\$ 62,860	\$ 90	\$ -	\$ 62,948	\$ -	\$ (2)
Adult Day Health Care	4,700	-	-	4,700	-	-
Homemaker	54,721	-	-	54,721	-	-
Individual Counseling	1,980	-	-	1,980	-	-
Legal Assistance	14,438	-	-	14,000	-	(438)
Material Aid	19,205	-	-	19,205	-	-
Public Education	1,726	175	-	1,901	-	-
Senior Employment Training	288,756	16,262	-	282,961	-	(22,057)
Recreation and Education	7,834	-	-	3,800	24,807	20,773
Transportation	520,553	28,020	267,954	95,375	82,822	(102,422)
Nutrition Services:						
Congregate Meals	525,421	30,247	326	555,342	-	-
Home Delivered Meals	912,507	42,381	-	764,941	-	(189,947)
Utility Assistance	123,186	-	-	110,613	-	(12,573)
Community Committees	114,141	-	-	106,771	-	(7,370)
Demographics Survey of the Elderly in Jefferson Parish	-	-	-	25,000	-	25,000
Information and Assistance	236,488	48,818	130	213,532	-	(71,644)
In-Homes Respite	34,030	-	-	34,030	-	-
Preventive Health	25,385	4,463	-	16,989	-	(12,859)
Senior Centers	1,311,910	73,105	-	968,912	-	(416,103)
Administration	477,023	(243,561)	-	116,842	-	(116,620)
Total governmental activities	<u>\$ 4,736,864</u>	<u>\$ -</u>	<u>\$ 268,410</u>	<u>\$ 3,454,563</u>	<u>\$ 107,629</u>	<u>(906,262)</u>
General Revenues:						
Local governments						300,000
Grants not restricted to specific programs						706,134
Fund raising - endowment donations and interest						2,671
Unrestricted investment earnings						10,847
Special Item - Gain on Sale of Vehicles						10,502
Total general revenues						<u>1,030,154</u>
Change in net assets						123,892
Net assets:						
Beginning						<u>1,346,623</u>
Ending						<u>\$ 1,470,515</u>

See notes to financial statements.

**FUND BALANCE SHEET -  
GOVERNMENTAL FUNDS**

**Jefferson Council on Aging, Inc.**

June 30, 2004

	<u>General Fund</u>	<u>Title III B - Supportive Services Fund</u>	<u>Title III C-1 - Congregate Meals Fund</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 1,122,753	\$ -	\$ -
Investments	192,034	-	-
Accounts receivable	6,468	-	-
Prepaid expenditures	19,525	-	-
Due from other funds	16,829	15,733	10,146
Restricted assets:			
Cash and cash equivalents	3,148	-	-
Investments	91,000	-	-
	<u>1,451,757</u>	<u>15,733</u>	<u>10,146</u>
Total assets	<u>\$ 1,451,757</u>	<u>\$ 15,733</u>	<u>\$ 10,146</u>
<b>Liabilities</b>			
Accounts payable and accrued expenditures	\$ 101,457	\$ 15,733	\$ 10,146
Due to other funds	285,976	-	-
	<u>387,433</u>	<u>15,733</u>	<u>10,146</u>
Total liabilities	<u>387,433</u>	<u>15,733</u>	<u>10,146</u>
<b>Fund Balances</b>			
Reserved, reported in:			
General Fund	138,673	-	-
Special Revenue Funds	-	-	-
Unreserved, reported in:			
General Fund	925,651	-	-
	<u>1,064,324</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>1,064,324</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,451,757</u>	<u>\$ 15,733</u>	<u>\$ 10,146</u>
Total liabilities and fund balances	<u>\$ 1,451,757</u>	<u>\$ 15,733</u>	<u>\$ 10,146</u>

See notes to financial statements.

Exhibit C

<u>Title III C-2 - Home Delivered Meals Fund</u>	<u>Nutritional Service Incentive Program Fund</u>	<u>Senior Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,122,753
-	-	-	-	192,034
-	-	10,627	-	17,095
-	-	-	-	19,525
46,661	181,490	17,000	8,744	296,603
-	-	-	-	3,148
-	-	-	-	91,000
<u>\$ 46,661</u>	<u>\$ 181,490</u>	<u>\$ 27,627</u>	<u>\$ 8,744</u>	<u>\$ 1,742,158</u>
\$ 46,661	\$ -	\$ 17,000	\$ 6,118	\$ 197,115
-	-	10,627	-	296,603
<u>46,661</u>	<u>-</u>	<u>27,627</u>	<u>6,118</u>	<u>493,718</u>
-	-	-	-	138,673
-	181,490	-	2,626	184,116
-	-	-	-	925,651
-	181,490	-	2,626	1,248,440
<u>\$ 46,661</u>	<u>\$ 181,490</u>	<u>\$ 27,627</u>	<u>\$ 8,744</u>	<u>\$ 1,742,158</u>

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

**Jefferson Council on Aging, Inc.**

June 30, 2004

<b>Fund Balances - Governmental Funds</b>	<b>\$ 1,248,440</b>
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental funds:

Governmental capital assets	\$ 428,531	
Less accumulated depreciation	<u>(206,456)</u>	<u>222,075</u>

<b>Net Assets of Governmental Activities</b>	<b><u><u>\$ 1,470,515</u></u></b>
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See notes to financial statements.

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	<u>General Fund</u>	<u>Title III B - Supportive Services Fund</u>	<u>Title III C-1 - Congregate Meals Fund</u>	<u>Title III C-2 - Home Delivered Meals Fund</u>
<b>Revenues</b>				
Intergovernmental:				
State of Louisiana:				
Office of Elderly Affairs	\$ 132,714	\$ 371,746	\$ 214,247	\$ 405,273
Department of Insurance	5,000	-	-	-
Department of Transportation and Development	82,822	-	-	-
Legislative Appropriation	24,807	-	-	-
Local governments	325,000	-	-	-
Charges for services	267,954	130	326	-
Interest income	16,127	-	-	-
Public support:				
Arts Council of New Orleans	3,800	-	-	-
Client contributions	35,471	40	37,225	145,159
Donations to endowment fund	1,105	-	-	-
Utility assistance	-	-	-	-
Miscellaneous:				
Program income	-	-	-	-
Other	78,488	-	-	-
In-kind contributions	14,472	-	247,708	107,412
<b>Total revenues</b>	<u>987,760</u>	<u>371,916</u>	<u>499,506</u>	<u>657,844</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	204,512	106,050	123,070	173,221
Fringe	41,316	22,658	20,511	27,954
Travel	865	3,451	466	42,945
Operating services	180,154	17,619	17,735	31,257
Operating supplies	82,729	1,989	16,348	7,518
Other costs	13,690	387,648	150	-
Meals	-	-	129,680	564,581
Utility assistance	-	-	-	-
Capital outlay	128,811	-	-	-
In-kind expenditures	14,472	-	247,708	107,412
<b>Total expenditures</b>	<u>666,549</u>	<u>539,415</u>	<u>555,668</u>	<u>954,888</u>
Excess (deficiency) of revenues over expenditures	<u>321,211</u>	<u>(167,499)</u>	<u>(56,162)</u>	<u>(297,044)</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	68,973	167,499	56,162	297,044
Operating transfers out	(369,938)	-	-	-
<b>Total other financing sources (uses)</b>	<u>(300,965)</u>	<u>167,499</u>	<u>56,162</u>	<u>297,044</u>
<b>Net Change in Fund Balances</b>	20,246	-	-	-
<b>Fund Balances</b>				
Beginning of year	<u>1,044,078</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ 1,064,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.

<u>Nutritional Services Incentive Program Fund</u>	<u>Senior Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 163,259	\$ 250,617	\$ 850,289	\$ 2,388,145
-	-	-	5,000
-	-	-	82,822
-	-	-	24,807
-	15,227	-	340,227
-	-	-	268,410
-	-	66	16,193
-	-	-	3,800
-	-	-	217,895
-	-	-	1,105
-	-	110,547	110,547
-	-	40	40
-	-	-	78,488
-	953,685	-	1,323,277
<u>163,259</u>	<u>1,219,529</u>	<u>960,942</u>	<u>4,860,756</u>
-	320,903	391,826	1,319,582
-	60,117	70,132	242,688
-	2,336	6,553	56,616
-	42,504	49,996	339,265
-	5,321	24,015	137,920
-	149	45,869	447,506
-	-	-	694,261
-	-	123,186	123,186
-	-	-	128,811
-	953,685	-	1,323,277
-	<u>1,385,015</u>	<u>711,577</u>	<u>4,813,112</u>
<u>163,259</u>	<u>(165,486)</u>	<u>249,365</u>	<u>47,644</u>
-	165,486	60,865	816,029
<u>(123,288)</u>	<u>-</u>	<u>(322,803)</u>	<u>(816,029)</u>
<u>(123,288)</u>	<u>165,486</u>	<u>(261,938)</u>	<u>-</u>
39,971	-	(12,573)	47,644
<u>141,519</u>	<u>-</u>	<u>15,199</u>	<u>1,200,796</u>
<u>\$ 181,490</u>	<u>\$ -</u>	<u>\$ 2,626</u>	<u>\$ 1,248,440</u>

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

**Net Change in Fund Balances - Total Governmental Funds** **\$ 47,644**

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 capital outlays exceeded depreciation in the current period:

Capital outlay	\$ 126,054	
Depreciation expense	<u>(49,806)</u>	<u>76,248</u>

**Change in Net Assets of Governmental Activities** **\$ 123,892**

See notes to financial statements.

**STATEMENT OF CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	<u>General Fund</u>		
	<u>Reserved</u>		
	<u>Endowment</u>	<u>Prepaid Expenditures</u>	<u>Demographics Survey of the Elderly in Jefferson Parish</u>
June 30, 2003	\$ 91,478	\$ 33,151	\$ -
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	25,000
Increase (decrease) of reserves for nonmonetary assets	-	(13,626)	-
Increase (decrease) of reserves for endowment	<u>2,670</u>	<u>-</u>	<u>-</u>
June 30, 2004	<u>\$ 94,148</u>	<u>\$ 19,525</u>	<u>\$ 25,000</u>

See notes to financial statements.

<i>General Fund</i>						
<u>Unreserved</u>					Special Revenue Funds <u>Reserved</u>	Total Governmental Funds
<u>Working Capital Reserve</u>	<u>Designated Community Committees On Aging</u>	<u>Arts Grant Bridge City</u>	<u>Undesignated</u>	<u>Total</u>		
\$ 500,000	\$ 286,484	\$ 115	\$ 132,850	\$ 1,044,078	\$ 156,718	\$ 1,200,796
-	(7,370)	(55)	2,671	20,246	27,398	47,644
-	-	-	13,626	-	-	-
-	-	-	(2,670)	-	-	-
<u>\$ 500,000</u>	<u>\$ 279,114</u>	<u>\$ 60</u>	<u>\$ 146,477</u>	<u>\$ 1,064,324</u>	<u>\$ 184,116</u>	<u>\$ 1,248,440</u>

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

June 30, 2004

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

The accounting and reporting policies of Jefferson 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. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The following is a summary of certain significant accounting policies:

**a) Purpose of the Council on Aging**

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

Specific services provided by the Council to the elderly residents of the Parish include providing congregate and home delivered meals, nutritional education, personal care, respite care, information and assistance, outreach, material aid, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion, health insurance information counseling, 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. However, before the 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. In 1979, the Louisiana Legislature created the Governor's Office of Elderly affairs (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.

The Council was chartered as a quasi-public agency by Governor John J. McKeithen on June 23, 1970, on petition to the Louisiana Commission on Aging, under LA R.S. 46:1600. Articles of Incorporation were submitted by the Council's Board of Directors on September 10, 1971, and were registered with the Secretary of State on November 23, 1971, as a nonprofit, organization under LA R.S. 12:2001.

A board of directors, consisting of 21 voluntary members, who serve 2 year terms, governs the Council. The board is comprised of representatives of the Parish's general public that represent all sections of the Parish and that are drawn from, but not limited to, civic organizations, governmental agencies, business and religious groups, Jefferson Parish School Board and Jefferson Parish Government, and State Government officials representing Jefferson Parish. Board members are elected by the General Membership of the Council during its annual meeting. In the event of an interim vacancy, however, the Board, may upon recommendation of its Nominating Committee, appoint a new Board member to fill the unexpired term of the vacancy, provided the General Membership ratifies the continuance of the appointment at its next annual meeting.

In accordance with the implementation of GASB Statement No. 14, "the Financial Reporting Entity", the Council's basic financial statements include the accounts of all functions and activities. The criteria used to determine whether the Council has component units (separate governmental units, agencies, or nonprofit corporations associated with the Council) includes appointment of a voting majority, imposition of will, imposition of financial benefit to or burden on the Council, and fiscal dependency. The Council has determined that no other outside entity meets the above criteria and should be included in its financial statements.

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

**c) Change in Accounting**

In June 1999, GASB unanimously approved Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain of the more significant changes in Statement No. 34 include for the first time a Management's Discussion and Analysis (MD&A) section providing an analysis of the Council's overall financial position and results of operations and financial statements prepared using full accrual accounting for all of the Council's activities. The Council was required to implement the general provisions of Statement No. 34 in the current year.

For the year ended June 30, 2004, the Council also implemented the following GASB pronouncements:

- Statement 37 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments; Omnibus
- Statement 38 - Certain Financial Statement Disclosures

The transition from governmental fund balance to net assets for June 30, 2004, is presented below:

Total fund balance, as previously reported	\$1,200,796
Capital assets, net of depreciation	<u>145,827</u>
Net assets beginning of year	<u>\$1,346,623</u>

**d) Basis of Presentation**

The Council's basic financial statements consist of the government-wide statements on all activities of the Council and the governmental fund financial statements (individual major funds and combined non-major funds).

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Assets 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

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

**d) Basis of Presentation (Continued)**

as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are supported by intergovernmental revenues.

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 Circular A-87. The Statement of Activities shows this allocation in a separate column labeled "indirect cost allocation". In addition, GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs. Program revenues include: (1) contributions from participants who use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements:**

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of Statement No. 34. Emphasis is now on the major funds in governmental categories. Non-major funds by category or fund type are summarized into a single column.

The daily accounts and operations of the Council continue to be organized on the basis of funds and accounts 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:

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

**d) Basis of Presentation (Continued)**

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 all financial resources except those that are required to be accounted for in another fund. The General Fund is always a major fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Title III B - Supportive Services Fund, Title III C-1 - Congregate Meals Fund, Title III C-2 - Home Delivered Meals Fund, Nutritional Service Incentive Program Fund and Senior Center Fund are reported as a major funds.

The following programs comprise the Council's General Fund:

**SHIIP** - (Senior Health Insurance Information Program) - This fund is used to account for the expenditures associated with the Council's sponsorship of SHIIP. This program provides health insurance counseling to seniors in Jefferson Parish.

**Fund Raising** - This fund is used to account for the fund raising efforts of the Council and includes contributions and interest generated in the Endowment.

**Transportation** - These funds are used to operate the transportation program which provides nutrition and social rides to program participants. The deficits incurred in this program are absorbed by the Council's discretionary funds.

**Local** - Local funds are received from various local sources, primarily Jefferson Parish; such funds not being restricted to any special use.

**Computer Lab** - This fund is used to establish a computer lab for the participants of the Metairie Senior Center, teaching seniors basic computer skills, as well as providing internet access for their use. Computers and related equipment, as well as furnishings, were purchased. The source of the funds was an appropriation from the State Legislature, authored by Senator Ken Hollis of Metairie.

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

**d) Basis of Presentation (Continued)**

**Community Committees** - Community Committees funds are the funds of the ten Community Committees on Aging as described in Note 10. These funds are general funds designated for the Community Committees on Aging. The Community Committees on Aging generated these funds.

**PCOA (Act 735)** - PCOA (Act 735) funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. The Council may use these "Act 735" funds at its discretion.

**Arts Grant Bridge City** - These funds were granted by the Arts Council of New Orleans. These funds are general funds designated for the Bridge City Senior Center to assist in the funding of art projects at the center.

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

**Title III B-Supportive Services Fund** - Title III B funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides access services (including transportation), in-home services, community services, and legal assistance for the elderly.

**Title III C-1-Congregate Meals Fund** - Title III C-1 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

**Title III C-2-Home Delivered Meals Fund** - Title III C-2 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to homebound older persons.

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

**d) Basis of Presentation (Continued)**

**Nutrition Services Incentive Program Fund (NSIP)** – The NSIP funds are used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider based on the percentage of meals served by the Council to meals served by all service providers in the state during the federal fiscal year. The fund balance of \$181,490 at June 30, 2004 is to be used to fund the raw food costs components for the year ending June 30, 2005.

**Senior Center Fund** - Senior Center funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

**Title III C-Area Agency Administration Fund** - The Title III C - Area Agency Administration Fund is used to account for the administration of Special Programs for the Aging. Title III C - Area Agency Administration funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

**Title III D-Disease Prevention and Health Promotion Services Fund** - This fund accounts for the funds used to provide disease prevention and health promotion services to the elderly of Jefferson Parish. Some of the services provided are health risk assessments, routine health screening, nutrition screening, counseling, and educational services.

**Title III E - National Family Caregiver Support Fund** - This fund is used to account for the support services for family caregivers and grandparents or older individuals who are relative caregivers. The fund provides information to caregivers about available services, assistance to caregivers in gaining access to the services, individual counseling, caregiver education and training, material aid, and supportive services such as respite and personal care.

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

**d) Basis of Presentation (Continued)**

**Title V Fund** - This fund is used to account for the payment and reimbursement of expenses incurred in the operation of the Title V program. Included in these expenses are salaries paid for program participants whose salaries are being paid by funds provided through this program. The Council operates this program in Jefferson, St. Bernard, and Plaquemines Parishes.

**Supplemental Senior Center Fund** - The Supplemental Senior Center Fund is used to account for the administration and expenditure of funds provided by the State of Louisiana to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. For the year ended June 30, 2004, these funds included \$165,486 for senior center operations, \$125,699 for Title III C-2-Home Delivered Meals, \$17,562 for Title III B-Supportive Services, \$6,047 for Title III E-Caregiver Support and \$8,009 for Title III D-Preventive Health.

**Audit Fund** - The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

**Utility Assistance Fund (Helping Hands and Share the Warmth)** - The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to disbursing agents who in turn remit funds relating to Jefferson Parish to the Council so that it can provide assistance to the elderly and disabled for the payment of their utility bills. The disbursing agent for Helping Hands is the East Baton Rouge Council on Aging. The disbursing agent for Share the Warmth is the Louisiana Association of Councils on Aging.

**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.

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

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

**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 assets. 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.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for accumulated unpaid vacation and sick pay which is 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.

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

**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 uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position of the Council.

**h) Cash and Investments**

Cash includes amounts in demand deposits, interest bearing demand deposits, and petty cash.

Investments are stated at fair value as established by open market. Investments during the year consisted of certificates of deposit.

**i) Capital Assets**

The accounting treatment over fixed assets (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

**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 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 is 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 Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation with an estimated 10% salvage value. The range of estimated useful lives by type of asset is as follows:

Furniture and equipment	5 - 10 years
Vans and auto	5 years

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

**i) Capital Assets (Continued)**

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.

Fund Financial Statements:

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

The Council has no non-current liabilities.

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

The Council's policies regarding vacation and sick leave permit full-time employees to accumulate earned but unused vacation and sick leave. Full-time employees of the Council shall be entitled to vacation with pay and shall accrue vacation time in the following manner:

First year through seventh year	Two weeks
Eighth year through nineteenth year	Three weeks
Twentieth year and over	Four weeks

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

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

Employees may carry over up to one week of earned vacation into the next calendar year. Accumulated vacation leave is due to the employee at the time of termination of employment, provided that the employee complies with the terms set forth in the Council's Separation of Employment policy. Although sick leave accumulates and is available for employees when needed, it does not vest nor is it payable at termination of employment. Therefore, a liability is established only for unused vacation, and is recorded in the fund financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

**l) Income Taxes**

Tax exempt status has been granted under Internal Revenue Code Section 501(c)(3).

**m) Interfund Transfers**

In the 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 purpose, all interfund transactions between individual governmental funds have been eliminated.

**n) Funding Policies**

The Council receives its monies through various methods of funding. NSIP funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food costs in Title III C-1 and C-2 programs. This program is funded based upon the Council's percentage of eligible meals served compared to the State's total of eligible meals served. The Senior Center program and State Allocation (PCOA) funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure.

The Title III B, C-1, and C-2 programs are funded based on actual operating costs incurred.

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

**n) Funding Policies (Continued)**

The Council encourages and receives contributions from clients to help offset the costs of the Title III B, C-1, and C-2 programs. Jefferson Parish Council and other local governments also provided funds to the Council. The Louisiana Association of Councils on Aging and the East Baton Rouge Council on Aging also provide utility assistance funds to the Council under the Helping Hands and Share the Warmth programs.

**o) Related Party Transactions**

*There were no related party transactions during the fiscal year.*

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

**q) Fund Equity**

Government-wide Statements:

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

- a. Invested 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. At June 30, 2004, the Council did not report any borrowings.

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

**q) Fund Equity (Continued)**

- b. Restricted net assets - Consists of net assets 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 assets - All other net assets that do not meet the definition of "restricted" or "invested 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 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. Unrestricted resources could be available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

**Fund Financial Statements:**

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

**Note 2 - DEPOSITS AND INVESTMENTS**

The Council follows state statutes authorizing investment of excess funds in obligations of the United States, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana or any other federally insured investment.

State statutes also authorize investment in obligations of the U.S. Treasury, agencies, and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements; and the State of Louisiana Asset Management Pool.

The Council is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. The Council, however, obtains collateralization for cash at financial institutions which is in excess of the FDIC insurance. Acceptable collateralization includes FDIC insurance and securities 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 political subdivisions, or with an unaffiliated bank, or with a trust company for the account of the political subdivision.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Council or its agent in the Council's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Council's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the Council's name. This category also includes deposits which are uninsured or uncollateralized.

The year-end bank balances of deposits and the carrying amounts as shown on the Statement of Net Assets and Governmental Fund Balance Sheet are as follows:

	<u>Bank Balances Risk Category</u>			<u>Book Balances</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
Cash	\$187,627	\$ -	\$949,361	\$1,124,261
Investments				
Certificates of deposits	283,034	-	-	283,034
Totals	<u>\$470,661</u>	<u>\$ -</u>	<u>\$949,361</u>	<u>\$1,407,295</u>

**Note 2 - DEPOSITS AND INVESTMENTS (Continued)**

At June 30, 2004, cash and certificates of deposit were adequately collateralized by securities held by unaffiliated banks for the account of the depositor. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considered these securities uncollateralized. Even though the pledged securities are uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229, imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 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 in the combined balance sheet is as follows:

Cash on hand	\$ 1,640
Carrying amount of deposits	<u>1,407,295</u>
Total	<u>\$1,408,935</u>
Cash	\$1,125,901
Investments	<u>283,034</u>
Total	<u>\$1,408,935</u>

**Note 3 - ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2004 consisted of reimbursements for expenditures incurred under the following programs and other receivables:

State of Louisiana -	
Treasurer's Office - Computer Lab	\$ 6,202
City of Kenner -	
Senior Center	10,627
Other	<u>266</u>
Total	<u>\$17,095</u>

**Note 4 - CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2004 was as follows:

	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2004</u>
Capital assets being depreciated:				
Furniture and equipment	\$ 104,010	\$ 22,527	\$ 6,837	\$ 119,700
Vans and auto	<u>279,881</u>	<u>103,527</u>	<u>74,577</u>	<u>308,831</u>
Total capital assets being depreciated	<u>383,891</u>	<u>126,054</u>	<u>81,414</u>	<u>428,531</u>
Less accumulated depreciation for:				
Furniture and equipment	(66,035)	(11,621)	6,837	(70,819)
Vans and auto	<u>(172,029)</u>	<u>(38,185)</u>	<u>74,577</u>	<u>(135,637)</u>
Total accumulated depreciation	<u>(238,064)</u>	<u>(49,806)</u>	<u>81,414</u>	<u>(206,456)</u>
Total capital assets, net	<u>\$ 145,827</u>	<u>\$ 76,248</u>	<u>\$ -</u>	<u>\$ 222,075</u>

Depreciation was charged to governmental activities as follows:

Administration	\$11,609
Supportive Services -	
Transportation	38,185
Other	<u>12</u>
Total	<u>\$49,806</u>

**Note 5 - ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES**

Accounts payable and accrued expenditures at June 30, 2004 consisted of the following:

	General Fund
Vendors	\$133,375
Salaries and benefits	45,912
Annual leave	17,828
Total	\$197,115

**Note 6 - DUE TO/FROM OTHER FUNDS**

Due to/from other funds are listed by fund for the year ended June 30, 2004:

	Receivable Fund	Payable Fund
<b>General Fund:</b>		
General Fund Programs:		
Local	\$ 6,202	\$ -
Computer lab	-	6,202
Title III B - Supportive Services Fund	-	15,733
Title III C-1 - Congregate Meals Fund	-	10,146
Title III C-2 - Home Delivered Meals Fund	-	46,661
Nutritional Service Incentive Program Fund	-	181,490
Senior Center Fund	10,627	17,000
Other Governmental Funds	-	8,744
Totals	16,829	285,976
Title III B - Supportive Services Fund:		
General Fund	15,733	
Title III C-1 - Congregant Meals Fund:		
General Fund	10,146	
Title III C-2 - Home Delivered Meals Fund:		
General Fund	46,661	

**Note 6 - DUE TO/FROM OTHER FUNDS (Continued)**

	<u>Receivable Fund</u>	<u>Payable Fund</u>
Nutritional Services Incentive Program Fund	<u>181,490</u>	
Senior Center Fund: General Fund	<u>17,000</u>	<u>10,627</u>
Other Governmental Funds: General Fund	<u>8,744</u>	
Grand totals	<u>\$296,603</u>	<u>\$296,603</u>

**Note 7 - GOVERNMENTAL FUND - GENERAL FUND PROGRAM - LOCAL -  
ENDOWMENT**

This represents funds that are subject to restrictions of the donor and/or Board of Directors requiring in perpetuity that the principal be invested in order to generate income sufficient to supplement funding of existing programs operated by the Council, or to create new programs, as authorized by the Board of Directors. At this time, the Board of Directors has agreed to reinvest earnings generated from the Endowment principal into the Endowment principal to facilitate the growth of principal. The balance reserved for endowment totaled \$94,148 at June 30, 2004.

**Note 8 - GOVERNMENTAL FUND - GENERAL FUND PROGRAM - LOCAL -  
WORKING CAPITAL RESERVE**

This represents funds that will be used to phase out programs in the event normal funding is delayed or canceled by either legislative action or policy changes. The funds may be used to cover short-term emergencies. Such funds will be replaced as soon as they are received. The working capital reserve designation totaled \$500,000 at June 30, 2004.

**Exhibit H  
(Continued)**

**Note 9 - INTERFUND TRANSFERS**

Operating transfers in and out are listed by fund for the year ended June 30, 2004:

	Funds Transferred Out							Total Funds Transferred In
	General Fund			PCOA (Act 735)	Nutrition Services Incentive Program Fund	Other Governmental Funds - Supplemental Senior Center Fund		
	Fund Raising	Local						
SHIP	\$ -	\$ 57,352	\$ -	\$ -	\$ -	\$ -	\$ 57,352	
Transportation	-	8,950	-	-	-	-	8,950	
Local	2,671	-	-	-	-	-	2,671	
Total General Fund							68,973	
Title III B - Supportive Services Fund	-	24,753	125,184	-	-	17,562	167,499	
Title III C-1- Congregate Meals Fund	-	-	-	-	56,162	-	56,162	
Title III C-2 - Home Delivered Meals Fund	-	104,219	-	-	67,126	125,699	297,044	
Senior Center Fund	-	-	-	-	-	165,486	165,486	
Title III C - Area Agency Administration Fund	-	19,915	-	-	-	-	19,915	
Title III D - Preventive Health Fund	-	-	4,850	-	-	8,009	12,859	
Title III E - National Family Caregiver Support Fund	-	-	-	-	-	6,047	6,047	
Title V Fund	-	22,044	-	-	-	-	22,044	
Total Other Governmental Funds							60,865	
Total funds transferred out	\$ 2,671	\$ 237,233	\$ 130,034	\$ 123,288	\$ 322,803	\$ 816,029		

**Note 10 - COMMUNITY COMMITTEES ON AGING**

The ten Community Committees on Aging within Jefferson Parish are chartered under the authority of Jefferson Council on Aging, Inc. Because of this, they are considered included in the reporting entity of Jefferson Council on Aging, Inc. Fund balances for these committees totaled \$279,114 at June 30, 2004. There is no General Fixed Asset Account Group presented for the Community Committees on Aging because it is not material.

**Note 11 - IN-KIND CONTRIBUTIONS**

Jefferson Council on Aging, Inc. received in-kind contributions during the year in the nature of contributed facilities. Contributed facilities were recorded at the estimated rental value of the facilities and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on excess of revenues over expenditures.

Donated personal services of volunteers and contributed goods are recorded as revenues and expenditures at estimated fair values based upon valuation rates and job classifications developed by the Council.

For the year ended June 30, 2004, in-kind revenues and expenditures were recorded by funds as follows:

	<u>Fair Value of Rent</u>	<u>Donations and Contributions</u>	<u>Totals</u>
General Fund:			
SHIP	\$ -	\$ 14,472	\$ 14,472
Special Revenue Funds:			
Title III C-1 - Congregate Meals Fund	205,108	42,600	247,708
Title III C-2 Home Delivered Meals Fund	27,319	80,093	107,412
Senior Center Fund	<u>598,573</u>	<u>355,112</u>	<u>953,685</u>
Totals	<u>\$831,000</u>	<u>\$492,277</u>	<u>\$1,323,277</u>

**Note 12 - OPERATING LEASES**

The Jefferson Council on Aging, Inc. leased office space from the Jefferson Parish Council under a five-year lease with fixed monthly rent of \$5,153, beginning March 1, 2003. The total rent expense paid under this lease for the year ended June 30, 2004 was \$61,830. As of June 30, 2004, the Council had forty-four months remaining on this lease with total payments of \$226,730.

**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 and natural disasters; for which the Council carries commercial insurance. No settlements were made during the year that exceeded the Council's insurance coverage.

**Note 14 - 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 group health 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 15 - ECONOMIC DEPENDENCY**

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

**Note 16 - CONTINGENCIES – GRANT PROGRAMS**

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 collectibility of any related receivable at year-end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any 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.

**Note 17 - JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Council at June 30, 2004.

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allow ability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Council. In addition, it is management's opinion that any audits by the grantor agencies would not produce *disallowed program costs and liabilities* to such an extent that they would materially affect the Council's financial position.

**Note 18 - INCOME TAX STATUS**

The Council, a nonprofit corporation, is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Council is not required to file Form 990, Return of Organization Exempt from Income Tax, since the Council falls under the definition of "an affiliate of a governmental unit" under Section 4 of Rev. Proc. 95-48, 1995-47 I.R.B. as per ruling from the Internal Revenue Service, dated January 24, 2000.

**Note 19 - RELATED PARTY TRANSACTIONS**

There were no significant related party transactions during the year.

**Note 20 - BOARD OF DIRECTORS**

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

**Note 21 - SUBSEQUENT EVENTS**

The Estelle Senior Center which was originally scheduled to be opened in fiscal year 2004 did not open until fiscal year 2005. Accumulated costs associated with the Center totaling \$6,430 were recorded as prepaid expenses and are being expensed in fiscal year 2005.

In fiscal year 2005, the Share the Warmth program, which provides assistance to the elderly and disable for the payment of their gas utility bills, is being administered by the Jefferson Community Action Program (Jeff CAP). The Council continues to administer the Helping Hands program (eclectic utility assistance).

**GASB REQUIRED SUPPLEMENTARY INFORMATION SECTION**

**REQUIRED SUPPLEMENTARY INFORMATION -  
BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 305,956	\$ 545,536	\$ 570,343	\$ 24,807
Charges for services	254,142	255,144	267,954	12,810
Interest income	19,714	12,714	16,127	3,413
Public support	35,071	35,071	40,376	5,305
Miscellaneous	67,986	66,986	78,488	11,502
In-kind contributions	14,472	14,472	14,472	-
Total revenues	<u>697,341</u>	<u>929,923</u>	<u>987,760</u>	<u>57,837</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	197,582	197,584	204,512	(6,928)
Fringe	45,048	45,046	41,316	3,730
Travel	1,717	1,718	865	853
Operating services	173,603	174,551	180,154	(5,603)
Operating supplies	77,401	77,399	82,729	(5,330)
Other costs	12,553	12,553	13,690	(1,137)
Capital outlay	-	85,222	128,811	(43,589)
In-kind expenditures	14,472	14,472	14,472	-
Total expenditures	<u>522,376</u>	<u>608,545</u>	<u>666,549</u>	<u>(58,004)</u>
Excess of revenues over expenditures	<u>174,965</u>	<u>321,378</u>	<u>321,211</u>	<u>(167)</u>
<b>Other Financing Uses</b>				
Operating transfers in	58,136	59,114	68,973	9,859
Operating transfers out	<u>(240,471)</u>	<u>(362,862)</u>	<u>(369,938)</u>	<u>(7,076)</u>
Total other financing (uses)	<u>(182,335)</u>	<u>(303,748)</u>	<u>(300,965)</u>	<u>2,783</u>
<b>Net Change in Fund Balance</b>	<u>\$ (7,370)</u>	<u>\$ 17,630</u>	<u>20,246</u>	<u>\$ 2,616</u>
<b>Fund Balance</b>				
Beginning of year			<u>1,044,078</u>	
End of year			<u>\$ 1,064,324</u>	

See note to required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION -**  
**BUDGETARY COMPARISON SCHEDULE -**  
**TITLE III B - SUPPORTIVE SERVICES FUND**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 371,746	\$ 371,746	\$ 371,746	\$ -
Public support	-	-	40	40
Miscellaneous	-	-	130	130
In-kind contributions	1,112	1,112	-	(1,112)
	<u>372,858</u>	<u>372,858</u>	<u>371,916</u>	<u>(942)</u>
<b>Total revenues</b>				
	<u>372,858</u>	<u>372,858</u>	<u>371,916</u>	<u>(942)</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	108,292	108,292	106,050	2,242
Fringe	20,971	20,971	22,658	(1,687)
Travel	2,626	3,226	3,451	(225)
Operating services	16,839	16,862	17,619	(757)
Operating supplies	1,358	2,317	1,989	328
Other costs	382,236	382,236	387,648	(5,412)
In-kind contributions	1,112	1,112	-	1,112
	<u>533,434</u>	<u>535,016</u>	<u>539,415</u>	<u>(4,399)</u>
<b>Total expenditures</b>				
	<u>533,434</u>	<u>535,016</u>	<u>539,415</u>	<u>(4,399)</u>
Deficiency of revenues over expenditures	(160,576)	(162,158)	(167,499)	(5,341)
<b>Other Financing Sources</b>				
Operating transfers in	160,576	162,158	167,499	5,341
	<u>160,576</u>	<u>162,158</u>	<u>167,499</u>	<u>5,341</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

See note to required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION -**  
**BUDGETARY COMPARISON SCHEDULE -**  
**TITLE III C-1 - CONGREGATE MEALS FUND**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 214,247	\$ 214,247	\$ 214,247	\$ -
Charges for services	-	-	326	326
Public support	42,080	37,225	37,225	-
In-kind contributions	279,712	249,693	247,708	(1,985)
<b>Total revenues</b>	<u>536,039</u>	<u>501,165</u>	<u>499,506</u>	<u>(1,659)</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	118,672	118,672	123,070	(4,398)
Fringe	20,502	20,502	20,511	(9)
Travel	436	436	466	(30)
Operating services	16,132	14,177	17,735	(3,558)
Operating supplies	28,351	16,849	16,348	501
Other costs	-	-	150	(150)
Meals	155,376	137,448	129,680	7,768
In-kind expenditures	279,712	249,693	247,708	1,985
<b>Total expenditures</b>	<u>619,181</u>	<u>557,777</u>	<u>555,668</u>	<u>2,109</u>
Deficiency of revenues over expenditures	(83,142)	(56,612)	(56,162)	450
<b>Other Financing Sources</b>				
Operating transfers in	83,142	56,612	56,162	(450)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

See note to required supplementary information.

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 405,273	\$ 405,273	\$ 405,273	\$ -
Public support	139,242	144,097	145,159	1,062
In-kind contributions	106,458	103,123	107,412	4,289
Total revenues	<u>650,973</u>	<u>652,493</u>	<u>657,844</u>	<u>5,351</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	158,902	158,903	173,221	(14,318)
Fringe	28,182	28,181	27,954	227
Travel	36,883	36,883	42,945	(6,062)
Operating services	25,248	25,427	31,257	(5,830)
Operating supplies	8,548	8,738	7,518	1,220
Meals	513,996	531,924	564,581	(32,657)
In-kind expenditures	106,458	103,123	107,412	(4,289)
Total expenditures	<u>878,217</u>	<u>893,179</u>	<u>954,888</u>	<u>(61,709)</u>
Deficiency of revenues over expenditures	(227,244)	(240,686)	(297,044)	(56,358)
<b>Other Financing Sources</b>				
Operating transfers in	<u>227,244</u>	<u>240,686</u>	<u>297,044</u>	<u>56,358</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.

**REQUIRED SUPPLEMENTARY INFORMATION -**  
**BUDGETARY COMPARISON SCHEDULE -**  
**NUTRITION SERVICES INCENTIVE PROGRAM FUND**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues</b>				
Intergovernmental	\$ 164,612	\$ 164,612	\$ 163,259	\$ (1,353)
<b>Other Financing Uses</b>				
Operating transfers out	<u>(235,177)</u>	<u>(90,831)</u>	<u>(123,288)</u>	<u>(32,457)</u>
<b>Net Change in</b>				
<b>Fund Balance</b>	<u>\$ (70,565)</u>	<u>\$ 73,781</u>	39,971	<u>\$ (33,810)</u>
<b>Fund Balance</b>				
Beginning of year			<u>141,519</u>	
End of year			<u>\$ 181,490</u>	

See note to required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION -**  
**BUDGETARY COMPARISON SCHEDULE -**  
**SENIOR CENTER FUND**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 227,937	\$ 250,617	\$ 250,617	\$ -
Local governments	15,227	15,227	15,227	-
In-kind contributions	996,005	945,973	953,685	7,712
Total revenues	<u>1,239,169</u>	<u>1,211,817</u>	<u>1,219,529</u>	<u>7,712</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	347,335	347,335	320,903	26,432
Fringe	68,986	68,986	60,117	8,869
Travel	873	3,073	2,336	737
Operating services	45,943	44,119	42,504	1,615
Operating supplies	3,618	3,613	5,321	(1,708)
Other Costs	-	-	149	(149)
In-kind expenditures	996,005	945,973	953,685	(7,712)
Total expenditures	<u>1,462,760</u>	<u>1,413,099</u>	<u>1,385,015</u>	<u>28,084</u>
Deficiency of revenues over expenditures	(223,591)	(201,282)	(165,486)	35,796
<b>Other Financing Sources</b>				
Operating transfers in	<u>223,591</u>	<u>201,282</u>	<u>165,486</u>	<u>(35,796)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

See note to required supplementary information.

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY REPORTING**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

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

- Governor's Office of Elderly Affairs (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 Council's Controller 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 only one amendment during the year which was effective May 11, 2004.
- 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 awarded, GOEA required 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.

**Exhibit O  
(Continued)**

- Expenditures cannot legally exceed appropriations on an individual fund level.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Community Committee revenues and expenditures, utility assistance expenditures and in-kind contributions and expenditures are not budgeted. In the financial statements, the budgeted amounts for these items were set equal to actual as to not distort variances.

Major funds, for which annual budgets are adopted, are included in the budget presentations in required supplementary information.

**SUPPLEMENTARY INFORMATION SECTION**  
**INCLUDING INFORMATION REQUIRED BY GOEA**



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON  
ADDITIONAL INFORMATION**

To the Board of Directors,  
Jefferson Council on Aging, Inc.,

Our report on our audit of the basic financial statements of the Jefferson Council on Aging, Inc., (the Council) for the year ended June 30, 2004, appears on pages 10 and 11. That audit was conducted for the purpose of forming an opinion on such financial statements taken as a whole. The accompanying schedules listed in the table of contents including the combining and governmental fund financial statements and schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Government, and Non-Profit Organizations and Units of Service, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, except for certain information marked "unaudited" in Schedule 8, on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements for the year ended June 30, 2004, taken as a whole.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Metairie, Louisiana,  
September 10, 2004.

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

**Jefferson Council on Aging, Inc.**

June 30, 2004

	<u>SHIIP</u>	<u>Fund Raising</u>	<u>Transport- tation</u>	<u>Local</u>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,035,613
Investments	-	-	-	
Accounts receivable	-	-	-	266
Prepaid expenditures	-	-	-	19,525
Due from other funds	-	-	-	16,829
Restricted assets:				
Cash and cash equivalents	-	-	-	3,148
Investments	-	-	-	91,000
<b>Total assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,166,381</u>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 44,646
Accrued salaries	-	-	-	38,983
Accrued annual leave	-	-	-	17,828
Due to other fund	-	-	-	279,774
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>381,231</u>
<b>Fund Balance</b>				
Reserved for:				
Endowment	-	-	-	94,148
Prepaid expenditures	-	-	-	19,525
Demographics survey of the elderly in Jefferson Parish	-	-	-	25,000
Unreserved:				
Designated	-	-	-	500,000
Undesignated	-	-	-	146,477
<b>Total fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>785,150</u>
<b>Total liabilities and fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,166,381</u>

<u>Computer Lab</u>	<u>Community Committees</u>	<u>PCOA (Act 735)</u>	<u>Arts Grant Bridge City</u>	<u>Total</u>
\$ -	\$ 87,080	\$ -	\$ 60	\$ 1,122,753
-	192,034	-	-	192,034
6,202	-	-	-	6,468
-	-	-	-	19,525
-	-	-	-	16,829
-	-	-	-	3,148
-	-	-	-	91,000
<u>\$ 6,202</u>	<u>\$ 279,114</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 1,451,757</u>
\$ -	\$ -	\$ -	\$ -	\$ 44,646
-	-	-	-	38,983
-	-	-	-	17,828
6,202	-	-	-	285,976
<u>6,202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>387,433</u>
-	-	-	-	94,148
-	-	-	-	19,525
-	-	-	-	25,000
-	279,114	-	60	779,174
-	-	-	-	146,477
<u>-</u>	<u>279,114</u>	<u>-</u>	<u>60</u>	<u>1,064,324</u>
<u>\$ 6,202</u>	<u>\$ 279,114</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 1,451,757</u>

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	<u>SHIIP</u>	<u>Fund Raising</u>	<u>Transport- ation</u>	<u>Local</u>
<b>Revenues</b>				
Intergovernmental:				
State of Louisiana:				
Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ -
Department of Insurance	5,000	-	-	-
Department of Transportation and Development	-	-	82,822	-
Legislative Appropriation	-	-	-	-
Local governments	-	-	-	325,000
Changes for services	-	-	267,954	-
Interest income	-	1,566	-	10,847
Public support:				
Arts Council of New Orleans	-	-	-	-
Client contributions	-	-	-	400
Donations to endowment fund	-	1,105	-	-
Miscellaneous:				
Program income	-	-	-	-
Other	-	-	-	10,502
In-kind contributions	14,472	-	-	-
Total revenues	<u>19,472</u>	<u>2,671</u>	<u>350,776</u>	<u>346,749</u>
<b>Expenditures</b>				
Current:				
Health and welfare				
Salaries	42,765	-	114,171	47,576
Fringe	9,833	-	18,838	12,645
Travel	370	-	403	92
Operating services	8,948	-	110,793	16,317
Operating supplies	436	-	1,303	3,037
Other costs	-	-	10,691	150
Capital outlay	-	-	103,527	4,699
In-kind expenditures	14,472	-	-	-
Total expenditures	<u>76,824</u>	<u>-</u>	<u>359,726</u>	<u>84,516</u>
Excess (deficiency) of revenues over expenditures	<u>(57,352)</u>	<u>2,671</u>	<u>(8,950)</u>	<u>262,233</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	57,352	-	8,950	2,671
Operating transfers out	-	(2,671)	-	(237,233)
Total other financing sources (uses)	<u>57,352</u>	<u>(2,671)</u>	<u>8,950</u>	<u>(234,562)</u>
<b>Net Change in Fund Balances</b>	-	-	-	27,671
<b>Fund Balances</b>				
Beginning of year	-	-	-	757,479
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 785,150</u>

<u>Computer Lab</u>	<u>Community Committees</u>	<u>PCOA (Act 735)</u>	<u>Arts Grant Bridge City</u>	<u>Total</u>
\$ -	\$ -	\$ 132,714	\$ -	\$ 132,714
-	-	-	-	5,000
-	-	-	-	82,822
24,807	-	-	-	24,807
-	-	-	-	325,000
-	-	-	-	267,954
-	3,714	-	-	16,127
-	-	-	3,800	3,800
-	35,071	-	-	35,471
-	-	-	-	1,105
-	-	-	-	-
-	67,986	-	-	78,488
-	-	-	-	14,472
<u>24,807</u>	<u>106,771</u>	<u>132,714</u>	<u>3,800</u>	<u>987,760</u>
-	-	-	-	204,512
-	-	-	-	41,316
-	-	-	-	865
600	41,734	1,762	-	180,154
2,373	72,407	918	2,255	82,729
1,249	-	-	1,600	13,690
20,585	-	-	-	128,811
-	-	-	-	14,472
<u>24,807</u>	<u>114,141</u>	<u>2,680</u>	<u>3,855</u>	<u>666,549</u>
-	(7,370)	130,034	(55)	321,211
-	-	-	-	68,973
-	-	(130,034)	-	(369,938)
-	-	(130,034)	-	(300,965)
-	(7,370)	-	(55)	20,246
-	286,484	-	115	1,044,078
<u>\$ -</u>	<u>\$ 279,114</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 1,064,324</u>

**COMBINING BALANCE SHEET - COMMUNITY COMMITTEES ON AGING -  
GOVERNMENTAL FUND - GENERAL FUND PROGRAM**

Jefferson Council on Aging, Inc.

June 30, 2004

	<u>Marrero</u>	<u>Gretna</u>	<u>Kenner</u>	<u>Grand Isle</u>	<u>Westwego</u>	<u>Metairie</u>	<u>Lafitte</u>	<u>Jefferson</u>	<u>Bridge City</u>	<u>Harahan</u>	<u>Total</u>
<b>Assets</b>											
Cash and cash equivalents	\$ 10,702	\$ 7,489	\$ 4,641	\$ 4,563	\$ 27,037	\$ 6,705	\$ 8,451	\$ 8,131	\$ 5,285	\$ 4,076	\$ 87,080
Investments	<u>26,408</u>	<u>4,425</u>	<u>-</u>	<u>-</u>	<u>62,348</u>	<u>40,490</u>	<u>-</u>	<u>24,249</u>	<u>-</u>	<u>34,114</u>	<u>192,034</u>
Total assets	<u>\$ 37,110</u>	<u>\$ 11,914</u>	<u>\$ 4,641</u>	<u>\$ 4,563</u>	<u>\$ 89,385</u>	<u>\$ 47,195</u>	<u>\$ 8,451</u>	<u>\$ 32,380</u>	<u>\$ 5,285</u>	<u>\$ 38,190</u>	<u>\$ 279,114</u>
<b>Fund Balances</b>											
Unreserved:											
Designated	<u>\$ 37,110</u>	<u>\$ 11,914</u>	<u>\$ 4,641</u>	<u>\$ 4,563</u>	<u>\$ 89,385</u>	<u>\$ 47,195</u>	<u>\$ 8,451</u>	<u>\$ 32,380</u>	<u>\$ 5,285</u>	<u>\$ 38,190</u>	<u>\$ 279,114</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
COMMUNITY COMMITTEES ON AGING -  
GOVERNMENTAL FUND - GENERAL FUND PROGRAM**

Jefferson Council on Aging, Inc.

For the year ended June 30, 2004

	Marrero	Gretna	Kenner	Grand Isle	Westwego	Metairie	Lafitte	Jefferson	Bridge City	Harahan	Total
<b>Revenues</b>											
Interest income	\$ 353	\$ 66	\$ -	\$ 4	\$ 1,742	\$ 678	\$ -	\$ 156	\$ -	\$ 715	\$ 3,714
Public support -											
Client contributions	9,221	4,476	1,974	1,897	2,551	10,073	2,189	230	2,330	130	35,071
Miscellaneous											
Other	550	1,500	2,443	883	25,787	1,809	-	5,039	12,422	17,553	67,986
Total revenues	10,124	6,042	4,417	2,784	30,080	12,560	2,189	5,425	14,752	18,398	106,771
<b>Expenditures</b>											
Current:											
Operating services	-	1,188	-	173	23,999	6,815	775	2,392	1,079	5,313	41,734
Operating supplies	9,360	5,646	2,153	2,402	17,362	6,780	915	2,629	11,609	13,551	72,407
Total expenditures	9,360	6,834	2,153	2,575	41,361	13,595	1,690	5,021	12,688	18,864	114,141
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	764	(792)	2,264	209	(11,281)	(1,035)	499	404	2,064	(466)	(7,370)
<b>Fund Balance</b>											
Beginning of year	36,346	12,706	2,377	4,354	100,666	48,230	7,952	31,976	3,221	38,656	286,484
End of year	\$ 37,110	\$ 11,914	\$ 4,641	\$ 4,563	\$ 89,385	\$ 47,195	\$ 8,451	\$ 32,380	\$ 5,285	\$ 38,190	\$ 279,114

**COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**

Jefferson Council on Aging, Inc.

June 30, 2004

	Title III C - Area Agency Administration Fund	Title III D - Disease Prevention and Health Promotion Services Fund	Title III E - National Family Caregiver Program Fund	Title V Fund	Supplemental Senior Center Fund	Audit Fund	Utility Assistance Fund Helping Hands Fund	Share the Warmth Fund	Total
<b>Assets</b>									
Due from other funds	\$ -	\$ -	\$ 6,118	\$ -	\$ -	\$ -	\$ 2,626	\$ -	\$ 8,744
<b>Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ 6,118	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,118
<b>Fund Balances</b>									
Reserved	-	-	-	-	-	-	2,626	-	2,626
Total liabilities and fund balances	\$ -	\$ -	\$ 6,118	\$ -	\$ -	\$ -	\$ 2,626	\$ -	\$ 8,744

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	<u>Title III C - Area Agency Administration Fund</u>	<u>Title III D - Disease Prevention and Health Promotion Services Fund</u>	<u>Title III E - National Family Caregiver Support Fund</u>
<b>Revenues</b>			
Intergovernmental:			
State of Louisiana:			
Office of Elderly Affairs	\$ 103,929	\$ 16,989	\$ 111,095
Interest Income	-	-	-
Public Support:			
Utility Assistance	-	-	-
Miscellaneous:			
Program income	-	-	40
	<u>103,929</u>	<u>16,989</u>	<u>111,135</u>
Total revenues			
<b>Expenditures</b>			
Current:			
Health and welfare:			
Salaries	82,986	16,773	39,559
Fringe	21,822	4,411	8,882
Travel	2,983	1,528	595
Operating services	14,894	4,671	5,352
Operating supplies	1,054	2,465	19,585
Other costs	105	-	43,209
Utility assistance	-	-	-
	<u>123,844</u>	<u>29,848</u>	<u>117,182</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(19,915)</u>	<u>(12,859)</u>	<u>(6,047)</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	19,915	12,859	6,047
Operating transfers out	-	-	-
	<u>19,915</u>	<u>12,859</u>	<u>6,047</u>
Total other financing sources (uses)			
<b>Net Change in Fund Balances</b>	-	-	-
<b>Fund Balances</b>			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title V Fund	Supplemental Senior Center Fund	Audit Fund	Utility Assistance Fund		Total
			Helping Hands	Share the Warmth	
\$ 282,961	\$ 322,803	\$ 12,512	\$ -	\$ -	\$ 850,289
-	-	-	17	49	66
-	-	-	99,547	11,000	110,547
-	-	-	-	-	40
<u>282,961</u>	<u>322,803</u>	<u>12,512</u>	<u>99,564</u>	<u>11,049</u>	<u>960,942</u>
252,508	-	-	-	-	391,826
35,017	-	-	-	-	70,132
1,447	-	-	-	-	6,553
12,567	-	12,512	-	-	49,996
911	-	-	-	-	24,015
2,555	-	-	-	-	45,869
-	-	-	101,118	22,068	123,186
<u>305,005</u>	<u>-</u>	<u>12,512</u>	<u>101,118</u>	<u>22,068</u>	<u>711,577</u>
<u>(22,044)</u>	<u>322,803</u>	<u>-</u>	<u>(1,554)</u>	<u>(11,019)</u>	<u>249,365</u>
22,044	-	-	-	-	60,865
-	(322,803)	-	-	-	(322,803)
<u>22,044</u>	<u>(322,803)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(261,938)</u>
-	-	-	(1,554)	(11,019)	(12,573)
-	-	-	4,180	11,019	15,199
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,626</u>	<u>\$ -</u>	<u>\$ 2,626</u>

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Capital Assets, at Cost</b>				
Furniture and equipment	\$ 104,010	\$ 22,527	\$ 6,837	\$ 119,700
Vans and auto	<u>279,881</u>	<u>103,527</u>	<u>74,577</u>	<u>308,831</u>
Total capital assets	<u>\$ 383,891</u>	<u>\$ 126,054</u>	<u>\$ 81,414</u>	<u>\$ 428,531</u>
 <b>Investment in Capital Assets</b>				
General Fund	\$ 201,782	\$ 43,232	\$ 27,939	\$ 217,075
Senior Center	5,002	-	-	5,002
Local Funds	174,918	82,822	53,475	204,265
Fraud & Abuse Grant	<u>2,189</u>	<u>-</u>	<u>-</u>	<u>2,189</u>
Total investment in capital assets	<u>\$ 383,891</u>	<u>\$ 126,054</u>	<u>\$ 81,414</u>	<u>\$ 428,531</u>

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

For the year ended June 30, 2004

(Unaudited)

	<u>Units</u>
<b>Title III B - Supportive Services Fund:</b>	
Homemaker	5,745
Information and Assistance	7,625
Legal Assistance	524
Personal Care	6,314
Transportation	31,823
<b>Title III C-1 - Congregate Meals Fund:</b>	
Congregate Meals	57,545
Nutrition Education	535
<b>Title III C-2 - Home Delivered Meals Fund:</b>	
Home Delivered Meals	232,612
<b>Title III D - Preventive Health Fund:</b>	
Medication Management	2,643
Wellness	3,318
<b>Title III E - National Family Caregiver Program Fund:</b>	
Adult Day Care	1
Adult Day Health Care	812
Individual Counseling	32
Information and Assistance	467
In-Home Respite	3,376
Material Aid	755
Personal Care	264
Public Education	42

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

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

To the Members of the Board of Directors,  
Jefferson Council on Aging, Inc.

We have audited the financial statements of the Jefferson Council on Aging, Inc. (the Council), as of and for the year ended June 30, 2004, and have issued our report thereon dated September 10, 2004. 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.

**Compliance**

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 grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal

control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, the Legislative Auditor for the State of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Metairie, Louisiana,  
September 10, 2004.



Bourgeois Bennett

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

To the Members of the Board of Directors,  
Jefferson Council on Aging, Inc.

**Compliance**

We have audited the compliance of the Jefferson Council on Aging, Inc. (the Council), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, the Legislative Auditor for the State of Louisiana and, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Metairie, Louisiana,  
September 10, 2004.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Grant Year Ended	Program or Award Amount	Revenue Recognized	Federal Expenditures
<b>Department of Agriculture:</b>					
<b>Passed Through the Louisiana Governor's Office of Elderly Affairs:</b>					
Nutrition Services Incentive Program	93.053	06/30/03	\$ 141,519	\$ -	\$ 123,288
Nutrition Services Incentive Program	93.053	06/30/04	163,259	163,259	-
Total Department of Agriculture			<u>304,778</u>	<u>163,259</u>	<u>123,288</u>
<b>Department of Labor:</b>					
<b>Passed Through the Louisiana Governor's Office of Elderly Affairs:</b>					
Title V	17.235	06/30/04	259,615	259,615	259,615
<b>Department of Transportation:</b>					
<b>Passed Through the Louisiana Department of Transportation and Development:</b>					
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	-	82,822	82,822	82,822
<b>Department of Health and Human Services:</b>					
<b>Passed Through the Louisiana Governor's Office of Elderly Affairs:</b>					
Title III B - Supportive Services	93.044	06/30/04	237,037	237,037	237,037
Title III C - Area Agency Admin.	93.045	06/30/04	77,947	77,947	77,947
Title III C-1 - Congregate Meals	93.045	06/30/04	214,247	214,247	214,247
Title III C-2 - Home Delivered Meals	93.045	06/30/04	151,182	151,182	151,182
Title III D - Disease Prevention and Health Promotion	93.043	06/30/04	16,989	16,989	16,989
Title III E - National Family Caregiver Support	93.052	06/30/04	83,524	83,524	83,524
<b>Passed Through the Louisiana Department of Insurance:</b>					
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	09/30/04	5,000	5,000	5,000
Total Department of Health and and Human Services			<u>785,926</u>	<u>785,926</u>	<u>785,926</u>
Totals			<u>\$ 1,433,141</u>	<u>\$ 1,291,622</u>	<u>\$ 1,251,651</u>

See notes to schedule of expenditures of federal awards.

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

**Note 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Jefferson Council on Aging, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 2 - FINDINGS OF NONCOMPLIANCE**

There were no federal award findings or questioned costs were noted during the audit of the financial statements for the year ended June 30, 2004.



**Section I - Summary of Auditor's Results (Continued)**

c) Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
93.044	Title III B - Supportive Services
93.045	Title III C - Area Agency Admin.
93.045	Title III C-1 - Congregate Meals
93.045	Title III C-2 - Home Delivered Meals
93.053	Nutrition Services Incentive Program

Dollar threshold used to distinguish  
between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? X yes \_\_\_ no

**Section II - Financial Statement Findings**

No financial statement findings were noted during the audit of the financial statements for the year ended June 30, 2004.

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

No findings or questioned costs were noted during the audit of the financial statements for the year ended June 30, 2004.

**REPORTS BY MANAGEMENT**

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

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

**Section I - Internal Control and Compliance Material to the Basic Financial Statements**

Internal Control

No material weaknesses were noted during the audit of the financial statements for the year ended June 30, 2003.

No reportable conditions were reported during the audit of the financial statements for the year ended June 30, 2003.

Compliance

No compliance findings material to the financial statements were noted during the audit of the financial statements for the year ended June 30, 2003.

**Section II - Internal Control and Compliance Material To Federal Awards**

No findings or questioned costs were noted during the audit of the financial statements for the year ended June 30, 2003.

**Section III - Management Letter**

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2003.

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

### **Jefferson Council on Aging, Inc.**

For the year ended June 30, 2004

#### **Section I - Internal Control and Compliance Material to the Basic Financial Statements**

##### **Internal Control**

No material weaknesses were noted during the audit of the financial statements for the year ended June 30, 2004.

No reportable conditions were reported during the audit of the financial statements for the year ended June 30, 2004.

##### **Compliance**

No compliance findings material to the financial statements were noted during the audit of the financial statements for the year ended June 30, 2004.

#### **Section II - Internal Control and Compliance Material To Federal Awards**

No findings or questioned costs were noted during the audit of the financial statements for the year ended June 30, 2004.

#### **Section III - Management Letter**

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2004.