

FINANCIAL REPORT

**West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana**

June 30, 2014

**Michael R. Choate & Company
Certified Public Accountants**

FINANCIAL REPORT

**West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana**

June 30, 2014

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Port Allen, Louisiana

June 30, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

West Baton Rouge Council on Aging, Inc.

The "Management's Discussion and Analysis" of the West Baton Rouge Council on Aging, Inc.'s (the "Council") financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2014. This report highlights the current year's activities, resulting changes, and relevant facts. Please read this report in conjunction with basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS *(See Condensed Statements on Page 7)*

Here are the financial highlights:

The Council's assets exceeded its liabilities at the close of fiscal year 2014 by \$1,356,124 (net assets) which represents a 15 % increase from last fiscal year.

Cash was \$1,400,453 at June 30, 2014 compared to \$1,210,926 at June 30, 2013. This is an increase of \$189,527 or 15.6%.

The Council's revenue decreased (\$4,189) or .4% primarily due to a decrease in property taxes of (\$11,209) a net decrease from other contributions of (\$2,678). Intergovernmental Revenue Increased \$11,121.

The Council's expenditures increased, \$50,923 or 6% primarily due to an increase in personnel costs of \$44,163, an increase fringe of \$3,624 and a decrease of capital outlay (\$8,302). Meals increased \$2,665. Services and supplies increased \$11,326.

As a result of subtracting total expenditures from total revenue, the Council's net assets increased by \$179,164 this fiscal year. Last year the net assets increased \$237,405.

Services this year have been consistent with prior year. Transportation was up and total congregate and delivered meals increased slightly. The West Baton Rouge Council On Aging strives to maintain a high level of maintenance, safety and cleanliness at the facility with ongoing training of all staff.

OVERVIEW OF THE FINANCIAL STATEMENTS – What’s Included

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

The basic financial statements include two kinds of statements that present different views of the Council:

Government-wide Financial Statements

The government-wide financial statements (see Exhibits A and B) are designed to provide readers with a broad overview of the Council’s finances, in a manner similar to a private sector business. The **statement of net assets** presents information on all of the Council’s assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. The **statement of activities** presents information showing how the Council’s net assets change during each fiscal year (revenues less expenditures). All changes in net assets are reported as soon as the financial transaction occurs regardless of the timing of the related cash flows. Thus, revenues and expenditures are reported in this statement this fiscal year even though the resulting cash flow is in future fiscal years. The governmental activity of the Council is health and welfare which is comprised of various programs that include supportive services, nutritional services, utility assistance disease prevention, caregiver support and a multipurpose senior center in Port Allen, Louisiana.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current year inflows and outflows of cash, as well as on balances of spendable resources available at the end of the fiscal year. Both the governmental

fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to help with this comparison between governmental funds and governmental activities. (Exhibit D and E)

The Council has presented the General Fund, Title III B – Supportive Services Fund, Title III C-1- Congregate Meals Fund, Title III C-2 – Home Delivered Meals Fund, Millage Fund and Senior Center Fund as major funds. (Exhibit C & D) All non-major governmental funds are presented in one column, titled “Total Non-Major Funds”. Combining financial statements of the non-major funds can be found in the Combining Fund Statements that follow the basic financial statements (Page 31).

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (Pages 25 to 29). In addition to these required elements, the Council has a section of supplementary information. The Governor’s Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about our non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (Page 31 and 32).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets serve as a useful indicator of the Council's financial position. As of June 30, 2014, assets exceeded liabilities by \$1,365,124. A large portion of the Council's net assets (103%) reflects its cash position. The Council has a strong cash position.

Special Revenue Fund Budgetary Highlights

The budget was amended one time during the year. The primary reasons for amending the budget were to comply with the Council's grants for GOEA due to unanticipated changes in expenditures.

During the year, actual expenditures differed from budgetary estimates. Required supplementary information budgetary comparison schedules were prepared for the General Fund and each major Special Revenue Fund (Page 25 to 29).

CAPITAL ASSETS

The Council's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$21,947. (net accumulated depreciation). This investment in capital assets includes office furniture, fixtures, vehicles, machinery and equipment (see table below).

| | <u>2014</u> | <u>2013</u> |
|---|------------------|------------------|
| Office furniture, fixtures and equipment | \$ 36,577 | \$ 36,577 |
| Vehicles | 145,576 | 145,576 |
| Land Improvements | <u>3,987</u> | <u>3,987</u> |
| Total Cost | 186,140 | 186,140 |
| Less accumulated depreciation | <u>(164,193)</u> | <u>(154,869)</u> |
| Totals | <u>\$ 21,947</u> | <u>\$ 31,271</u> |

Additional information on the Council's capital assets can be found in the Note 1 (C) and 6, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Council receives most of its funding from local property taxes. Additional funding is from federal and state agencies. Because of this, the source of income for the Council is consistent. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, those revenues are not fixed. There have been no significant changes to the funding levels or terms of the grants and contracts. The Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2014-2015. There are no plans to add any significant programs for next fiscal year.

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

- Actual expenditures from previous fiscal year in relation to expected needs in the current year.
- Consideration of funding to be received from GOEA.
- The Ad Valorem Tax revenue budgeted represents the estimated amount of the October 2014 assessment, which the Council will receive, for the most part, in January 2015.
- Interest revenues have been budgeted as decreasing.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates in accordance with state travel regulations.
- Services the Council will provide along with estimated service costs.
- Estimate of operation supplies needed to perform necessary services.
- Detail plan of equipment needed to be purchased.
- Vehicle insurance based on quotes and contracts.

Condensed Statements of Net Assets

| | June 30, | | Dollar Change |
|---------------------------------|--------------|--------------|------------------|
| | 2014 | 2013 | |
| Cash | \$ 1,400,453 | \$ 1,210,926 | \$ 189,527 |
| Other current assets | 7,996 | 5,524 | 2,472 |
| Capital assets | 21,947 | 31,271 | (9,324) |
| Total assets | \$ 1,430,396 | \$ 1,247,721 | \$ 182,675 |
| Accounts payable | 11,010 | 6,173 | 4,837 |
| Payroll liabilities | 2,138 | 1,275 | 863 |
| Accrued compensation | 61,124 | 63,313 | (2,189) |
| Total liabilities | 74,272 | 70,761 | \$ 3,511 |
| Net Assets: | | | |
| Invested in capital assets, net | 21,947 | 31,271 | (9,324) |
| Restricted | 1,324,089 | 1,134,899 | 189,190 |
| Unrestricted | 10,088 | 10,790 | (702) |
| Total net assets | \$ 1,356,124 | \$ 1,176,960 | \$ 179,164 |

Governmental Activities

Governmental activities increased the Council net assets by \$179,164. Key elements of this increase are as follows:

| | Condensed Changes in Net Assets | | Dollar Change |
|---|---------------------------------|---------------------|-------------------|
| | June 30, | | |
| | <u>2014</u> | <u>2013</u> | |
| Revenues: | | | |
| Program revenues: | | | |
| Operating grants and contributions | \$ 100,262 | \$ 92,588 | \$ 7,674 |
| General revenues: | | | |
| Property taxes | 924,151 | 935,360 | (11,209) |
| Grants and contributions not restricted | 40,600 | 40,600 | 0 |
| Unrestricted investment earnings | 474 | 831 | (357) |
| Miscellaneous | <u>3,582</u> | <u>3,879</u> | <u>(297)</u> |
| Total revenues | <u>1,069,069</u> | <u>1,073,258</u> | <u>(4,189)</u> |
| Expenses: | | | |
| Health and welfare | <u>889,905</u> | <u>835,853</u> | <u>54052.00</u> |
| Total expenses | | | |
| Increase (decrease) in net assets | 179,164 | 237,405 | (58,241) |
| Net assets beginning of year | <u>1,176,960</u> | <u>939,555</u> | 237,405 |
| Net assets end of year | <u>\$ 1,356,124</u> | <u>\$ 1,176,960</u> | <u>\$ 179,164</u> |

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Council's governmental funds is to provide information on current year inflows, outflows, and balances of spendable cash and other resources. Such information is useful in assessing the Council's cash flow requirements. In particular, unrestricted fund balance at year end may serve as a useful measure of a government's net resources available for spending next fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$1,395,301, an increase of \$186,299 in comparison with the prior year. An unreserved fund balance of \$1,386,831 is available for spending at the Council's discretion. This includes the Millage Fund. The

remainder of fund balance is reserved to indicate that it is not available for new general spending because it has already been committed. This is reflected in Exhibit C.

The General Fund is the unrestricted operating fund of the Council. At the end of the current fiscal year, unreserved fund balance of the general fund was \$10,088 while total fund balance reached \$1,395,301 (Exhibit C). The fund balance of the Council's General Fund decreased by \$702 during the current fiscal year. (Exhibit D)

Other major funds, including Title III B – Supportive Services Fund and Title III C-2 – Home Delivered Meals Fund and Title III C-1 Congregate Meals had a no change in fund balances. These funds are reimbursed by federal and state grants. Expenditures that are not covered by the grants are covered by transfers from the General Fund and Millage Fund.

REQUESTS FOR INFORMATION

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

Susannah Veilleux, Executive Director
West Baton Rouge Council on Aging, Inc.
P.O. Box 122
Port Allen, Louisiana.70767
Phone (225) 383-0638

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Council on Aging, Port Allen, Louisiana, (the Council) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Council as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1 through 8) and budgetary comparison information (pages 25 through 29) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds and the Comparative Schedule of Capital Assets and Changes in Capital Assets are presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA) and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

The information in these three schedules is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, I have also issued my report dated December 20, 2014 on my consideration of the Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Baton Rouge, Louisiana,
December 16, 2014


Michael R. Choate & Company, CPAs

GOVERNMENT WIDE STATEMENT OF NET ASSETS

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA**

June 30, 2014

| | Governmental Activities |
|---|------------------------------------|
| Assets | |
| Cash | \$ 1,400,453 |
| Grants and contracts receivable | 7,996 |
| Capital assets, net of accumulated depreciation | 21,947 |
| Total Assets | \$ 1,430,396 |
| Liabilities | |
| Accounts payable | \$ 11,010 |
| Payroll liabilities | 2,138 |
| Accrued compensated absences | 61,124 |
| Total Liabilities | 74,272 |
| Net Assets | |
| Invested in Capital Assets | 21,947 |
| Restricted for: | |
| Utility Assistance | 8,441 |
| Title III- E | 29 |
| Millage | 1,315,619 |
| Unrestricted | 10,088 |
| Total Net Assets | \$ 1,356,124 |

The accompanying notes are an integral part of this statement.

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES
WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA**

For the year ended June 30, 2014

| | <u>Direct Expenses</u> | <u>Indirect Expenses</u> | <u>Operating Grants and Contributions</u> | <u>Net (Expense) Revenue and Increases (Decreases) in Net Assets</u> |
|--|------------------------|--------------------------|---|--|
| | | | | <u>Total Governmental Activities</u> |
| Functions / Programs | | | | |
| Governmental Activities | | | | |
| Health, Welfare & Social Services | | | | |
| Supportive Services: | \$ 250,500 | \$ 180,159 | \$ 37,707 | \$ (392,952) |
| Personal Care | - | - | - | - |
| Other Services | - | - | - | - |
| Homemaker | - | - | - | - |
| Information and Assistance | - | - | - | - |
| Legal Assistance | - | - | - | - |
| Outreach | - | - | - | - |
| Transportation | - | - | - | - |
| Nutrition Services: | | | | |
| Congregate Meals | 29,084 | 19,364 | 14,050 | (34,398) |
| Home Delivered Meals | 79,786 | 42,169 | 4,850 | (117,105) |
| Home Delivered Meals-Other | 242,174 | - | - | (242,174) |
| Utility Assistance | 9,034 | - | 5,567 | (3,467) |
| National Family Caregiver Support | 350 | 348 | 900 | 202 |
| Multipurpose Senior Centers | - | - | 36,972 | 36,972 |
| Administration | 29,418 | 7,519 | 216 | (36,721) |
| Total governmental activities | \$ 640,346 | \$ 249,559 | \$ 100,262 | \$ (789,643) |
| General Revenues: | | | | |
| Ad Valorem Taxes | | | | 924,151 |
| Grants and contributions not restricted to specific programs | | | | 40,600 |
| Unrestricted Investment Income | | | | 474 |
| Miscellaneous | | | | 3,582 |
| Total general revenues | | | | 968,807 |
| Increase (Decrease) in net position | | | | 179,164 |
| Net position - beginning of the year | | | | 1,176,960 |
| Net position - end of the year | | | | \$ 1,356,124 |

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

Balance Sheet
 Governmental Funds
 West Baton Rouge Council on Aging, Inc.
 June 30, 2014

| | General Fund | Millage | Title III B | Title III C-1 | Title III C-2 | Total Non Major Funds | Total |
|--|------------------|---------------------|-------------|---------------|-----------------|--------------------------|---------------------|
| Assets | | | | | | | |
| Cash | \$ 11,284 | \$ 1,381,269 | \$ (6,692) | \$ (900) | \$ 7,022 | \$ 8,470 | \$ 1,400,453 |
| Grants and Contracts Receivable | - | - | 6,692 | 900 | 404 | - | 7,996 |
| Total Assets | \$ 11,284 | \$ 1,381,269 | \$ - | \$ - | \$ 7,426 | \$ 8,470 | \$ 1,408,449 |
| Liabilities and Fund Balance | | | | | | | |
| Liabilities | | | | | | | |
| Accounts Payable | 1,196 | 2,388 | - | - | 7,426 | - | 11,010 |
| Payroll Taxes Payable | - | 2,138 | - | - | - | - | 2,138 |
| Total Liabilities | 1,196 | 4,526 | - | - | 7,426 | - | 13,148 |
| Fund Balances | | | | | | | |
| Unreserved/Undesignated: | | | | | | | |
| General Fund | 10,088 | - | - | - | - | - | 10,088 |
| Special Revenue Fund | - | 1,376,743 | - | - | - | 8,470 | 1,385,213 |
| Total Fund Balances | 10,088 | 1,376,743 | - | - | - | 8,470 | 1,395,301 |
| Total Liabilities and Fund Balances | \$ 11,284 | \$ 1,381,269 | \$ - | \$ - | \$ 7,426 | \$ 8,470 | |

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

| | |
|---|---------------------|
| Compensation absences are not paid for out of current financial resources and therefore are not reported fu | (61,124) |
| Capital assets used in governmental activities are not resources therefore are not reported in the funds | 21,947 |
| Net assets of Governmental Activities | \$ 1,356,124 |

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 West Baton Rouge Council on Aging, Inc.
 Baton Rouge, LA

For the Year Ended June 30, 2014

| | General Fund | Millage | Title III B | Title III C-1 | Title III C-2 | Total Non Major Funds | Total Governmental Funds |
|---|-----------------|------------------|----------------|---------------|----------------|-----------------------|--------------------------|
| REVENUES | | | | | | | |
| Advalorem Tax | \$ - | \$ 924,151 | \$ - | \$ - | \$ - | \$ - | \$ 924,151 |
| Intergovernmental | | | | | | | |
| Capital Area Agency on Aging District II, Inc. | - | - | 37,353 | 10,810 | 4,422 | 1,116 | 53,701 |
| Governor's Office of Elderly Affairs | 37,500 | - | - | - | - | 40,072 | 77,572 |
| Public Support | | | | | | | |
| Contributions-clients | - | - | 354 | 3,240 | 428 | - | 4,022 |
| Contributions-other | - | - | - | - | - | - | - |
| Entergy Project Care | - | - | - | - | - | 5,567 | 5,567 |
| Investment Income | 474 | - | - | - | - | - | 474 |
| Miscellaneous | 3,582 | - | - | - | - | - | 3,582 |
| Inkind Contributions | - | - | - | - | - | - | - |
| Total Revenues | 41,556 | 924,151 | 37,707 | 14,050 | 4,850 | 46,755 | 1,069,069 |
| EXPENDITURES | | | | | | | |
| Health, Welfare, & Social Services | | | | | | | |
| Current: | | | | | | | |
| Personnel | - | 156,119 | 229,741 | 18,071 | 62,424 | 327 | 466,682 |
| Fringe | - | 12,173 | 76,100 | 23,184 | 26,999 | 246 | 138,702 |
| Meals | - | 49,650 | - | - | 16,750 | - | 66,400 |
| Operating Services | - | 20,675 | 73,695 | 5,029 | 11,003 | 87 | 110,489 |
| Operating Supplies | - | 2,400 | 35,232 | 604 | 1,337 | 10 | 39,583 |
| Other Costs | 29,586 | 1,157 | 13,387 | 1,275 | 2,806 | 239 | 48,450 |
| Travel | - | - | 2,504 | 285 | 636 | 5 | 3,430 |
| Utility Assistance | - | - | - | - | - | 9,034 | 9,034 |
| Capital Outlays | - | - | - | - | - | - | - |
| Inkind | - | - | - | - | - | - | - |
| Total Expenditures | 29,586 | 242,174 | 430,659 | 48,448 | 121,955 | 9,948 | 882,770 |
| Excess (deficiency) of Revenues over Expenditures | 11,970 | 681,977 | (392,952) | (34,398) | (117,105) | 36,807 | 186,299 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | 25,134 | - | 392,952 | 34,398 | 117,105 | 3,467 | 573,056 |
| Transfers Out | (37,806) | (494,976) | - | - | - | (40,274) | (573,056) |
| Total other Financing Sources and Uses | (12,672) | (494,976) | 392,952 | 34,398 | 117,105 | (36,807) | - |
| Net Increase (Decrease) in Fund Balances | (702) | 187,001 | - | - | - | - | 186,299 |
| FUND BALANCES | | | | | | | |
| Beginning of the Year | 10,790 | 1,189,742 | - | - | - | 8,470 | 1,209,002 |
| End of the Year | \$ 10,088 | \$ 1,376,743 | \$ - | \$ - | \$ - | \$ 8,470 | \$ 1,395,301 |

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana

Year Ended June 30, 2014

| | |
|---|-------------------------|
| Net Increase (Decrease) in fund balances – total governmental funds | \$ 186,299 |
| <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays \$ 0 differs from depreciation (\$9,324) in the current period.</p> | |
| | (9,324) |
| <p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</p> | |
| Compensated absences | <u>2,189</u> |
| Increase (Decrease) of net position of governmental activities | <u><u>\$179,164</u></u> |

NOTES TO FINANCIAL STATEMENTS

West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana

June 30, 2014

Note 1 - Summary Of Significant Accounting Policies

A. Statement of Presentation:

The accompanying financial statements conform to generally accepted accounting principles for local government units as prescribed by Statement 1, Governmental Accounting and Financial Reporting Principles published by the National Council on Governmental Accounting, and Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants.

The local councils on the aging were created under Act No. 456 of 1964 for the welfare of the aging people in their respective parish.

B. Fund Accounting:

The accounts of the Council are organized on the basis of funds, 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, fund 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 presented in the financial statements in this report are as follows:

Governmental Fund types

Governmental funds are those through which most governmental functions of the Council are financed. The acquisition, use and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Council's governmental funds:

Note 1 - Summary Of Significant Accounting Policies (continued)

Governmental Fund (continued):

General Fund - The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the Council’s special revenue funds are provided by GOEA.

The Title III funds are provided by the United States Department of Health and Human Services – Administration on Aging through the Governor’s Office of Elderly Affairs which in turn “passes through” the funds to the Capital Area Agency on Aging and then to the Council.

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

Major Special Revenue Funds

A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category type.

Title III-B Supportive Services Fund

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

GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive social services provided during the fiscal year, are as follows:

- Information and Assistance
- Homemaker
- Recreation
- Transportation for people age 60 or older
- Utility Assistance
- Medical Alert
- Telephoning

Title III C-1 Congregate Meals Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

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

Millage Fund

The Millage Fund is used to account for the revenue received from a West Baton Rouge Parish property tax. These funds significantly finance the Council's budget and activities.

Non Major Special Revenue Funds

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.

Senior Center Fund

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

Title III-E Fund

The Title III-E Fund is used to account for funds which are used to provide continuing education services to assist individuals to acquire knowledge about services and/or care giving role and needs.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. West Baton Rouge Council on Aging, Inc. was one of the parish councils to receive a supplemental grant. These funds are "passed through" the Governor's Office of Elderly Affairs.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the Capital Area Agency on Aging (CAAA), which in turn remits funds relating to West Baton Rouge Parish to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

C. Capital Assets:

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

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

| | |
|-----------------------|-----------|
| Building Improvements | 20 years |
| Equipment | 5-7 years |
| Vehicles | 5 years |
| Computers | 3 years |

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category or capital asset, management has used 10% of the vehicles initial cost as a salvage value estimate.

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

D. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for as an asset or liability through the various due from and due to accounts.

E. Budget Policy:

Budgets for the programs are prepared by the Council's Executive Director and approved by the grantors and the Council's board of directors.

F. Compensated Absences:

For government wide financial statements, the Council's liability for accumulated unpaid vacation has been recorded. The liability has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. The maximum hours that can be carried forward for an employee is 480. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

G. Management's Use of Estimates:

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

H. Revenue Recognition:

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

Note 2 - Board of Director's Compensation

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

Note 3 - In Kind Financial Assistance

The Council receives nominal financial assistance from the West Baton Rouge Parish government. However, facilities and land are owned by the Parish. No rent is charged under a 99 year lease agreement which expires December 31, 2097.

Note 4 - Economic Dependency

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

Note 5 - Transfers

Transfers in and out are listed by fund type for the year ended June 30, 2014:

| | Transfers Out | | | | | |
|------------------------------|----------------------|--------------------------|---------------------|---------------------|---------------------------|-------------------|
| <u>Title III E</u> | <u>Senior Center</u> | <u>Sup Senior Center</u> | <u>Millage Fund</u> | <u>General Fund</u> | <u>Total Transfers In</u> | |
| <u>Transfers In</u> | | | | | | |
| <u>Special Revenue Fund:</u> | | | | | | |
| Title III B | \$ - | \$ 36,972 | \$ 3,100 | \$ 315,380 | \$ 37,500 | \$ 392,952 |
| Title III C-1 | - | - | - | 34,398 | - | 34,398 |
| Title III C-2 | - | - | - | 117,105 | - | 117,105 |
| Millage | - | - | - | - | - | - |
| Utility Assistance | - | - | - | 3,467 | - | 3,467 |
| General Fund | 202 | - | - | 24,626 | 306 | 25,134 |
| Total Transfers Out | \$ 202 | \$ 36,972 | \$ 3,100 | \$ 494,976 | \$ 37,806 | \$ 573,056 |

Note 6 - General Fixed Assets

The changes in the general fixed asset account group are as follows:

| | <u>Balance</u> <u>6/30/2013</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>6/30/2014</u> |
|-------------------------|------------------------------------|------------------|------------------|------------------------------------|
| Furniture and Equipment | \$ 36,577 | \$ - | \$ - | \$ 36,577 |
| Land Improvements | 3,987 | - | - | 3,987 |
| Vehicles | <u>145,576</u> | <u>-</u> | <u>-</u> | <u>145,576</u> |
| | <u>\$ 186,140</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 186,140</u> |

Note 7 - Deposits With Financial Institutions

At June 30, 2014, The Council had bank balances totaling \$1,400,453 Bank balances totaling \$25,000 are insured by federal deposit insurance while deposits of \$1,150,453 are collateralized by securities held by the depository bank in the Council's name. This is considered as "Category 1" credit risk in accordance with GASB Statement 3.

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

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

Note 8 – Grants & Accounts Receivable

Accounts receivable at June 30, 2014 included the following funds:

| <u>Special Revenue</u> | |
|------------------------|-----------------|
| Title III B | \$ 6,692 |
| Title III C-1 | 900 |
| Title C-2 | <u>404</u> |
| Total | <u>\$ 7,996</u> |

Note 9 – Income Tax Status

The Council, a non-profit corporation, is exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code.

Note 10 – Subsequent Events

Management has evaluated subsequent events through December 20, 2014, which is the date the financial statements were available to be issued. There were no events that required disclosure.

SUPPLEMENTARY FINANCIAL INFORMATION

Required by GASB 34

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2014**

| <u>REVENUES</u> | <u>BUDGETS</u> | | <u>ACTUAL</u> | <u>FAVORABLE (UNFAVORABLE) VARIANCE</u> |
|--|--------------------|--------------------|-----------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental: | | | | |
| Capital Area Agency on Aging District II, Inc. | - | - | - | |
| State of Louisiana | 37,500 | 37,500 | 37,500 | - |
| Other: | | | | |
| Miscellaneous | - | - | 3,582 | 3,582 |
| Contributions | - | - | - | - |
| Investment Income | 1,000 | 1,000 | 474 | (526) |
| Total Revenues | <u>38,500</u> | <u>38,500</u> | <u>41,556</u> | <u>3,056</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Personnel | - | - | - | - |
| Fringe | - | - | - | - |
| Operating services | - | - | - | - |
| Operating supplies | - | - | - | - |
| Meals | - | - | - | - |
| Travel | - | - | - | - |
| Capital outlay | - | - | - | - |
| Utility assistance | - | - | - | - |
| Other | 35,160 | 35,160 | 29,586 | 5,574 |
| Total Expenditures | <u>35,160</u> | <u>35,160</u> | <u>29,586</u> | <u>5,574</u> |
| Excess of Revenues over (under) Expenditures | 3,340 | 3,340 | 11,970 | 8,630 |
| <u>OTHER FINANCING SOURCES</u> | | | | |
| <u>USES</u> | | | | |
| Operating transfers in | - | - | 25,134 | 25,134 |
| Operating transfers out | (37,500) | (37,500) | (37,806) | (306) |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | <u>\$ (34,160)</u> | <u>\$ (34,160)</u> | <u>\$ (702)</u> | <u>\$ 33,458</u> |

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III-B**

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2014**

| <u>REVENUES</u> | <u>BUDGETS</u> | | <u>ACTUAL</u> | <u>FAVORABLE (UNFAVORABLE) VARIANCE</u> |
|--|-----------------|----------------|----------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental: | | | | |
| Capital Area Agency on Aging District II, Inc. State of Louisiana | 35,283 | 35,283 | 37,353 | 2,070 |
| Other: | | | | |
| Miscellaneous | - | - | - | - |
| Contributions | 1,000 | 1,000 | 354 | (646) |
| Project Care | - | - | - | - |
| Contributions in Kind | - | - | - | - |
| Total Revenues | 36,283 | 36,283 | 37,707 | 1,424 |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Expenditures in Kind | | | | - |
| Personnel | 223,129 | 238,666 | 229,741 | 8,925 |
| Fringe | 81,251 | 86,820 | 76,100 | 10,720 |
| Travel | 3,325 | 3,387 | 2,504 | 883 |
| Operating services | 91,323 | 90,221 | 73,695 | 16,526 |
| Operating supplies | 37,302 | 37,548 | 35,232 | 2,316 |
| Meals | - | - | - | - |
| Capital outlay | 20,000 | - | - | - |
| Utility assistance | - | - | - | - |
| Other | 14,444 | 16,819 | 13,387 | 3,432 |
| Total Expenditures | 470,774 | 473,461 | 430,659 | 42,802 |
| Excess of Revenues over (under) Expenditures | (434,491) | (437,178) | (392,952) | 44,226 |
| <u>OTHER FINANCING SOURCES</u> | | | | |
| <u>USES</u> | | | | |
| Operating transfers in | 434,491 | 437,178 | 392,952 | (44,226) |
| Operating transfers out | - | - | - | - |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | \$ - | \$ - | \$ - | \$ - |

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-1**

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2014**

| <u>REVENUES</u> | <u>BUDGETS</u> | | <u>ACTUAL</u> | <u>FAVORABLE (UNFAVORABLE) VARIANCE</u> |
|--|-----------------|---------------|---------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental: | | | | |
| Capital Area Agency on Aging District II, Inc. | 10,810 | 10,810 | 10,810 | - |
| State of Louisiana | | | | - |
| Other: | | | | |
| Miscellaneous | - | - | - | - |
| Contributions | 3,000 | 3,000 | 3,240 | 240 |
| Project Care | - | - | - | - |
| Contributions in Kind | - | - | - | - |
| Total Revenues | <u>13,810</u> | <u>13,810</u> | <u>14,050</u> | <u>240</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Expenditures in Kind | - | - | - | - |
| Personnel | 18,311 | 18,134 | 18,071 | 63 |
| Fringe | 25,563 | 23,094 | 23,184 | (90) |
| Travel | 208 | 192 | 285 | (93) |
| Operating services | 4,718 | 4,372 | 5,029 | (657) |
| Operating supplies | 830 | 769 | 604 | 165 |
| Meals | - | - | - | - |
| Capital outlay | - | - | - | - |
| Other | 1,643 | 1,715 | 1,275 | 440 |
| Total Expenditures | <u>51,273</u> | <u>48,276</u> | <u>48,448</u> | <u>(172)</u> |
| Excess of Revenues over (under) Expenditures | (37,463) | (34,466) | (34,398) | 68 |
| <u>OTHER FINANCING SOURCES</u> | | | | |
| <u>USES</u> | | | | |
| Operating transfers in | 37,463 | 34,466 | 34,398 | (68) |
| Operating transfers out | - | - | - | - |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-2**

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2014**

| <u>REVENUES</u> | <u>BUDGETS</u> | | <u>ACTUAL</u> | <u>FAVORABLE (UNFAVORABLE) VARIANCE</u> |
|--|-----------------|----------------|----------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental: | | | | |
| Capital Area Agency on Aging District II, Inc. | 4,422 | 4,422 | 4,422 | - |
| State of Louisiana | | | | - |
| Other: | | | | |
| Miscellaneous | | | | - |
| Contributions | 1,000 | 1,000 | 428 | (572) |
| Project Care | - | - | - | - |
| Contributions in Kind | - | - | - | - |
| Total Revenues | 5,422 | 5,422 | 4,850 | (572) |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Expenditures in Kind | - | - | - | - |
| Personnel | 68,290 | 62,150 | 62,424 | (274) |
| Fringe | 29,617 | 27,221 | 26,999 | 222 |
| Operating services | 10,528 | 9,477 | 11,003 | (1,526) |
| Operating supplies | 1,854 | 1,667 | 1,337 | 330 |
| Meals | 17,300 | 16,750 | 16,750 | - |
| Travel | 463 | 417 | 636 | (219) |
| Capital outlay | - | - | - | - |
| Utility assistance | - | - | - | - |
| Other | 3,666 | 3,718 | 2,806 | 912 |
| Total Expenditures | 131,718 | 121,400 | 121,955 | (555) |
| Excess of Revenues over (under) Expenditures | (126,296) | (115,978) | (117,105) | (1,127) |
| <u>OTHER FINANCING SOURCES</u> | | | | |
| <u>USES</u> | | | | |
| Operating transfers in | 126,296 | 115,978 | 117,105 | 1,127 |
| Operating transfers out | - | - | - | - |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | \$ - | \$ - | \$ - | \$ - |

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - MILLAGE**

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2014**

| <u>REVENUES</u> | <u>BUDGETS</u> | | <u>ACTUAL</u> | <u>FAVORABLE (UNFAVORABLE) VARIANCE</u> |
|---|------------------|------------------|-------------------|---|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| Ad valorem taxes | \$ 889,382 | \$ 889,382 | \$ 924,151 | \$ 34,769 |
| Intergovernmental: | | | | |
| Capital Area Agency on Aging District II, Inc. | - | - | - | - |
| State of Louisiana | - | - | - | - |
| Other: | | | | |
| Miscellaneous | - | - | - | - |
| Contributions | - | - | - | - |
| Project Care | - | - | - | - |
| Contributions in Kind | - | - | - | - |
| Total Revenues | 889,382 | 889,382 | 924,151 | 34,769 |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Expenditures in Kind | - | - | - | - |
| Personnel | 156,111 | 156,111 | 156,119 | (8) |
| Fringe | 11,943 | 11,943 | 12,173 | (230) |
| Operating services | 20,850 | 20,850 | 20,675 | 175 |
| Operating supplies | - | - | 2,400 | (2,400) |
| Meals | 48,250 | 48,250 | 49,650 | (1,400) |
| Travel | - | - | - | - |
| Capital outlay | 20,000 | 20,000 | - | 20,000 |
| Utility assistance | - | - | - | - |
| Other | 88,018 | 88,018 | 1,157 | 86,861 |
| Total Expenditures | 345,172 | 345,172 | 242,174 | 102,998 |
| Excess of Revenues over (under) Expenditures | 544,210 | 544,210 | 681,977 | 137,767 |
| <u>OTHER FINANCING SOURCES USES</u> | | | | |
| Operating transfers in | - | - | - | - |
| Operating transfers out | (519,678) | (519,678) | (494,976) | 24,702 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | \$ 24,532 | \$ 24,532 | \$ 187,001 | \$ 162,469 |

SUPPLEMENTARY FINANCIAL INFORMATION

Required by: Governor's Office of Elderly Affairs

Statement of Revenues, Expenditures, and Changes in Fund Balances
Non Major Funds
West Baton Rouge Council on Aging, Inc.
Baton Rouge, LA

For the Year Ended June 30, 2014

| | Audit | Senior Center | Title III E | Utility Assistance | Supplemental Senior Center | Total Non Major Funds |
|--|------------|-----------------|--------------|--------------------|----------------------------|-----------------------|
| REVENUES | | | | | | |
| Advalorem Tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | | | | | | |
| Capital Area Agency on Aging District II, Inc. | 216 | - | 900 | - | - | 1,116 |
| Governor's Office of Elderly Affairs | - | 36,972 | - | - | 3,100 | 40,072 |
| Public Support | | | | | | |
| Contributions-clients | - | - | - | - | - | - |
| Entergy Project Care | - | - | - | 5,567 | - | 5,567 |
| Investment Income | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Inkind Contributions | - | - | - | - | - | - |
| Total Revenues | 216 | 36,972 | 900 | 5,567 | 3,100 | 46,755 |
| EXPENDITURES | | | | | | |
| Health, Welfare, & Social Services | | | | | | |
| Current: | | | | | | |
| Personnel | - | - | 327 | - | - | 327 |
| Fringe | - | - | 246 | - | - | 246 |
| Meals | - | - | - | - | - | - |
| Operating Services | - | - | 87 | - | - | 87 |
| Operating Supplies | - | - | 10 | - | - | 10 |
| Other Costs | 216 | - | 23 | - | - | 239 |
| Travel | - | - | 5 | - | - | 5 |
| Utility Assistance | - | - | - | 9,034 | - | 9,034 |
| Capital Outlays | - | - | - | - | - | - |
| Inkind | - | - | - | - | - | - |
| Total Expenditures | 216 | - | 698 | 9,034 | - | 9,948 |
| Excess (deficiency) of Revenues over Expenditures | - | 36,972 | 202 | (3,467) | 3,100 | 36,807 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | - | 3,467 | - | 3,467 |
| Transfers Out | - | (36,972) | (202) | - | (3,100) | (40,274) |
| Total other Financing Sources and Uses | - | (36,972) | (202) | 3,467 | (3,100) | (36,807) |
| Net Increase (Decrease) in Fund Balances | - | - | - | - | - | - |
| FUND BALANCES | | | | | | |
| Beginning of the Year | - | - | 29 | 8,441 | - | 8,470 |
| End of the Year | \$ - | \$ - | \$ 29 | \$ 8,441 | \$ - | \$ 8,470 |

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

West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana

For the year ended June 30, 2014

| | Balance <u>June 30, 2013</u> | <u>Additions</u> | <u>Deletions</u> | Balance <u>June 30, 2014</u> |
|--|---------------------------------|------------------|------------------|---------------------------------|
| General Fixed Assets: | | | | |
| Vehicles | \$ 145,576 | \$ - | \$ - | \$ 145,576 |
| Land improvements | 3,987 | - | - | 3,987 |
| Office Furniture and Equipment | 36,577 | - | - | 36,577 |
| Total Fixed Assets | \$ 180,343 | \$ - | \$ - | \$ 186,140 |
| Investment in General Fixed Assets: | | | | |
| Property acquired with funds from- | | | | |
| PCOA | 9,002 | - | - | 9,002 |
| Local | 2,800 | - | - | 2,800 |
| Millage | 174,338 | - | - | 174,338 |
| Title III C-2 | - | - | - | - |
| Title III B | - | - | - | - |
| Title III C-1 | - | - | - | - |
| Total Investments in General Fixed Assets | \$ 186,140 | \$ - | \$ - | \$ 186,140 |

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors,
West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Council on Aging, Port Allen, Louisiana, (the Council) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated December 20, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, I do not express an opinion on the effectiveness of the Council's internal control.

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

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purposes of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Baton Rouge, Louisiana,
December 20, 2014


Michael R. Choate & Company, CPAs

CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS

**West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana**

June 30, 2014

There were no deficiencies found for the prior year.