

Terrebonne Council on Aging, Inc.

Houma, Louisiana

For the year ended June 30, 2016

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Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

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PRINCIPAL OFFICIALS

Terrebonne Council on Aging, Inc.

June 30, 2016

BOARD OF DIRECTORS

	<u>Term</u> <u>Expiration Date</u>
Ivy Dupre, Chairman	December 31, 2018
L.J Folse, Vice Chairman	December 31, 2021
Victoria Rouse, Secretary	December 31, 2018
Bert LeBoeuf, Treasurer	December 31, 2020
Charles Boudreaux	December 31, 2020
H. Rene Rhodes	December 31, 2019
Stanley Yancey	December 31, 2019
Debra Marcel Thibodeaux	December 31, 2017
Louis Pitre	December 31, 2021
Natalie Bergeron	December 31, 2017
Thomas Guidroz	December 31, 2019

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Terrebonne Council on Aging, Inc., (the Council), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of content.

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

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures 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 Council'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 Council's internal control. Accordingly, we

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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Terrebonne Council on Aging, Inc., as of June 30, 2016, and the respective changes in financial position for the year then ended in conformity 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 and Budgetary Comparison Schedules on pages 4 through 10, 48 through 53 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires with management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Requirements), and is also not a required part of the basic financial statements.

The accompanying financial information listed in the supplementary information section, except for the information contained in Schedule 7, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were 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 our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. Schedule 7, Units of Service, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2016 on our consideration of the Terrebonne Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Council's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
December 1, 2016.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Terrebonne Council on Aging, Inc.

The Management's Discussion and Analysis of the Terrebonne Council on Aging, Inc.'s (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2016. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Council's assets exceeded its liabilities at the close of fiscal year 2016 by \$27,892,784 (net position), which represents a 7.40% increase from last fiscal year. 5.27% of the increase in net position results from a change in accounting.

The Council's revenue decreased \$1,168,540 (or 13.92%) primarily as a result of not recognizing deferred ad valorem tax revenue.

The Council's expenses increased \$186,803 (or 2.88%) primarily due to increases in salaries, fringes, operating services and supplies.

Capital assets increased by \$727,591. The increase is due to the completion of several projects within the current year. See Note 7 in the notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Government-wide Financial Statements

The government-wide financial statements (Exhibits A and B) are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. The Statement of Net Position presents information on all of the Council's assets, and liabilities with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. The Statement of Activities presents information showing how the Council's net position changed

during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Council is health and welfare which is comprised of various programs that include various supportive services, nutritional services, utility assistance and respite.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities (Exhibits D and F).

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

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (Exhibits H, I, J and K).

The Council has a section of supplementary information. The Governor's Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (Schedules 3, 4 and 6). GOEA also requires the Council to present combining schedules of its General Fund Programs (Schedules 1 and 2), and a comparative schedule of Units of Service (Schedule 7). Louisiana state law requires the Schedule of Compensation Benefits, and Other Payments to Agency Head or Chief Executive Officer, (Schedule 5).

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Council's financial position. As of June 30, 2016, assets exceeded liabilities by \$27,892,784. A large portion of the Council's net position (26.66%) reflects its investment in capital assets (e.g., land; construction in progress; intangible assets; buildings and leasehold improvements; office furniture, fixtures and equipment; vehicles, machinery and equipment). Consequently, these assets are not available for future spending.

Condensed Statements of Net Position

	June 30,		Dollar Change
	2016	2015	
Current and other assets	\$ 21,461,551	\$ 23,338,638	\$ (1,877,087)
Capital assets	7,437,265	6,709,674	727,591
Total assets	<u>28,898,816</u>	<u>30,048,312</u>	<u>(1,149,496)</u>
Long-term liabilities outstanding	676,350	448,578	227,772
Other liabilities	329,682	340,608	(10,926)
Unavailable revenues	-	3,287,713	(3,287,713)
Total liabilities	<u>1,006,032</u>	<u>4,076,899</u>	<u>(3,070,867)</u>
Net Position:			
Net investment in capital assets	7,437,265	6,709,674	727,591
Restricted	12,391	10,113	2,278
Unrestricted	20,443,128	19,251,626	1,191,502
Total net position	<u>\$ 27,892,784</u>	<u>\$ 25,971,413</u>	<u>\$ 1,921,371</u>

A restatement of net position as of July 1, 2015 resulted from a change in accounting for ad valorem taxes. The impact of the change was the removal of \$3,287,713 in unavailable revenues and \$1,919,661 of current assets resulting in a \$1,368,052 increase in net position.

Governmental Activities

Governmental activities increased the Council's net position by \$1,921,371 including a change in accounting amounting to \$1,368,052. Key elements of this increase are as follows:

Condensed Changes in Net Position

	For the year ended		Dollar Change	Total Percent Change
	June 30,			
	2016	2015		
Revenues:				
Program revenues:				
Charges for services	\$ 101,881	\$ 131,054	\$ (29,173)	-22.26%
Operating grants and contributions	1,326,581	1,278,076	48,505	3.80%
Capital grants and contributions	204,599	8,236	196,363	2384.20%
General revenues:				
Grants and contributions not restricted to specific programs	5,556,913	6,893,885	(1,336,972)	-19.39%
Unrestricted investment earnings	28,129	37,105	(8,976)	-24.19%
Miscellaneous	5,603	43,890	(38,287)	-87.23%
Total revenues	<u>7,223,706</u>	<u>8,392,246</u>	<u>(1,168,540)</u>	-13.92%
Expenses:				
Health and welfare	<u>6,670,387</u>	<u>6,483,584</u>	<u>186,803</u>	2.88%
Increase in net position	553,319	1,908,662	(1,355,343)	-71.01%
Net position beginning of year	25,971,413	24,062,751	1,908,662	7.93%
Restatement	<u>1,368,052</u>	<u>-</u>	<u>1,368,052</u>	0.00%
Net position, beginning of year as restated	<u>27,339,465</u>	<u>24,062,751</u>	<u>3,276,714</u>	13.62%
Net position end of year	<u>\$ 27,892,784</u>	<u>\$ 25,971,413</u>	<u>\$ 1,921,371</u>	7.40%

Operating grants and contributions in program revenue increased because of increases in the grant awards. Capital grants and contributions increased as a result of a receipt of four vans from the Department of Transportation and Development. Operating grants and contributions in general revenues decreased as a result of recognition of the change in accounting for ad valorem tax as a component of equity. Expenses increased due to increases in salaries, fringes, insurance, and operating supplies.

The restatement is the result of an Attorney General's opinion the Council received during the year which stated the Terrebonne Parish Consolidated Government is the proper entity to collect, manage and administer a 7.50 mill ad valorem tax used to support the Council.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$21,131,869, an increase of \$1,421,552 in comparison with the prior year. The Council's total General Fund balance increased by \$1,411,830 during the current fiscal year; whereas, the combined increase in fund balance for all other governmental funds was \$9,722. The unassigned fund balance component of the General Fund was \$10,880,439 (Exhibit C) and is available for spending at the Council's discretion. The remainder of the General Fund's fund balance of \$10,195,125 is comprised of \$499,753 of nonspendable resources, \$928 of restricted resources, \$7,858,036 of committed resources and \$1,836,908 of assigned resources. The \$56,305 fund balance of all other governmental funds is comprised of \$18,926 of restricted resources, and the remaining \$37,379 is assigned to special projects.

General Fund Budgetary Highlights

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

Revenues

- Intergovernmental decreased by \$467,496 to reflect anticipation of actual receipts of governmental grants.

Expenditures

- Capital outlay expenditures decreased \$1,073,501 due to many capital projects being put on hold until the following year.

The major differences in the original and final budgets of other major funds include Title III B Supportive Services were decreased in revenues and expenditures by \$113,663 and \$53,997, primarily due to the decreases in GOEA funding, operating services and other costs during the year. Title III C Home Delivered Meals Fund decreased total expenditures by \$212,966 to reflect decreases in salaries, fringe benefits, operating services and supplies.

During the year, actual revenues and expenditures reported favorable variances from the amount of final budgetary estimates in the General Fund. Required supplementary information budgetary comparison schedules were prepared for the General Fund and each major Special Revenue Fund (Exhibits H, I, J and K).

CAPITAL ASSETS

Capital Assets

The Council's investment in capital assets for its governmental activities as of June 30, 2016, amounts to \$7,437,265 (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; buildings and leasehold improvements; office furniture, fixtures and equipment; and vehicles, machinery and equipment (see table below).

	<u>2016</u>	<u>2015</u>
Land	\$ 723,889	\$ 723,889
Construction in progress	320,125	787,843
Intangible assets	5,250	8,750
Buildings and leasehold Improvements	5,739,340	4,582,392
Office furniture, fixtures and equipment	101,971	110,183
Vehicles, machinery and equipment	<u>546,690</u>	<u>496,617</u>
Totals	<u>\$ 7,437,265</u>	<u>\$ 6,709,674</u>

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

- Addition of 4 vans into the fleet.
- Chauvin sewer plant, park drainage, Chauvin parking lot, Shady Acres carport, and generator projects were all completed in the current year.
- Payments for the Houma School Apartments housing project began in the current year and is shown as construction in progress.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Council receives most of its funding from Federal and State agencies and local taxes. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues from grants may vary from year to year. 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 2016-2017. The Council plans to implement the following programs during the fiscal year ending June 30, 2017:

- Funding for the Houma School Apartments.
- Security and other improvements at the warehouse.

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

- Consideration of funding to be received from GOEA.
- The ad valorem tax proceeds budgeted represents the estimated amount of the November 2016 assessment, which the Council will receive, for the most part, in January and February 2017.
- Interest revenues have been budgeted with no anticipation of an increase in interest rates.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates.
- Services the Council will provide along with estimated service cost.
- Estimate of operating supplies needed to perform necessary services.
- Detail plan of equipment needed to be purchased.
- Detail plan of capital projects required to provide services.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Terrebonne Council on Aging, Inc., 955 West Tunnel Blvd, Houma, Louisiana 70360.

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

June 30, 2016

	<u>Primary Government</u>	<u>Component Unit</u>
Assets		
Cash	\$ 20,098,356	\$ 145,118
Investments	719,927	-
Contracts receivable	120,330	-
Other receivable	23,685	-
Other current assets	6,000	20,767
Advances to component unit	493,253	-
Restricted deposits	-	175,322
Capital assets:		
Non-depreciable	1,044,014	1,300,000
Depreciable, net of accumulated depreciation	<u>6,393,251</u>	<u>4,536,796</u>
Total assets	<u>28,898,816</u>	<u>6,178,003</u>
Liabilities		
Accounts payable and accrued expenses	329,682	146,288
Advances from funding agencies	-	449,073
Non-current liabilities - due in more than one year	<u>676,350</u>	<u>-</u>
Total liabilities	<u>1,006,032</u>	<u>595,361</u>
Net Position		
Net investment in capital assets	7,437,265	-
Restricted for -		
Other purposes	12,391	3,461,960
Unrestricted	<u>20,443,128</u>	<u>2,120,682</u>
Total net position	<u>\$ 27,892,784</u>	<u>\$ 5,582,642</u>

See notes to financial statements.

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

For the year ended June 30, 2016

<u>Functions/Programs</u>	<u>Direct Expenses</u>	<u>Indirect Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>	<u>Component Unit</u>
				<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Governmental Activities</u>	
Governmental activities:							
Health, welfare and social services:							
Supportive Services:							
Personal Care	\$ 196,436	\$ -	\$ -	\$ 38,220	\$ -	\$ (158,216)	
Other Services	53,509	46,340	-	2,192	-	(97,657)	
Homemaker	219,689	-	-	31,628	-	(188,061)	
Information and Assistance	254,060	190,553	-	62,016	-	(382,597)	
Legal Assistance	5,476	-	-	5,476	-	-	
Material Aid	145,542	82,265	-	8,734	-	(219,073)	
Outreach	12,742	12,850	-	10,952	-	(14,640)	
Transportation	1,028,069	465,855	7,485	439,252	204,599	(842,588)	
Wellness	138,754	35,038	-	5,904	-	(167,888)	
Recreation	176,233	42,813	-	23,527	-	(195,519)	
Nutrition Services:							
Congregate Meals	414,087	127,385	10,175	189,590	-	(341,707)	
Home Delivered Meals	1,505,716	536,534	-	304,855	-	(1,737,395)	
Elderly Housing	63,159	25,753	84,221	-	-	(4,691)	
Utility Assistance	137,995	-	-	3,239	-	(134,756)	
Respite	232,816	-	-	35,008	-	(197,808)	
Medication Management	28,624	8,895	-	23,030	-	(14,489)	
Medicare Improvement MIPP	14,698	5,594	-	14,800	-	(5,492)	
Administration	2,042,782	(1,579,875)	-	128,158	-	(334,749)	
Total governmental activities	<u>\$ 6,670,387</u>	<u>\$ -</u>	<u>\$ 101,881</u>	<u>\$ 1,326,581</u>	<u>\$ 204,599</u>	<u>(5,037,326)</u>	
Component Unit:							
Elderly Housing	<u>\$ 430,372</u>				<u>\$ 373,596</u>		<u>(56,776)</u>
General revenues:							
Grants and contributions not restricted to specific programs						5,556,913	
Unrestricted investment earnings						28,129	
Miscellaneous						5,603	
Total general revenues						<u>5,590,645</u>	
Change in net position						<u>553,319</u>	<u>(56,776)</u>
Net position:							
Beginning of year						25,971,413	5,639,418
Restatement						<u>1,368,052</u>	<u>-</u>
Beginning, as restated						<u>27,339,465</u>	<u>5,639,418</u>
End of year						<u>\$ 27,892,784</u>	<u>\$ 5,582,642</u>

See notes to financial statements.

**FUND BALANCE SHEET -
GOVERNMENTAL FUNDS**

Terrebonne Council on Aging, Inc.

June 30, 2016

	General Fund	Title III B - Supportive Services Fund	Title III C-2 - Home Delivered Meals Fund	Rural Transportation Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 20,098,356	\$ -	\$ -	\$ -	\$ -	\$ 20,098,356
Investments	719,927	-	-	-	-	719,927
Contracts receivable	-	-	-	104,321	16,009	120,330
Other receivables	18,201	300	736	738	3,710	23,685
Due from other funds	161,584	72,217	53,408	-	78,093	365,302
Other current assets	6,000	-	-	-	-	6,000
Advances to component unit	493,253	-	-	-	-	493,253
Total assets	\$ 21,497,321	\$ 72,517	\$ 54,144	105,059	\$ 97,812	\$ 21,826,853
Liabilities						
Accounts payable and accrued expenditures	218,039	52,667	32,195	\$ 7,935	\$ 18,846	\$ 329,682
Due to other funds	203,718	19,850	21,949	97,124	22,661	365,302
Total liabilities	421,757	72,517	54,144	105,059	41,507	694,984
Fund Balances						
Nonspendable						
Prepaid expenditures	6,000	-	-	-	-	6,000
Advances to component unit	493,253	-	-	-	-	493,253
Restricted	928	-	-	-	18,926	19,854
Committed						
Elderly housing	5,179,875	-	-	-	-	5,179,875
Disaster relief	2,678,161	-	-	-	-	2,678,161
Assigned						
Retiree health insurance	1,756,962	-	-	-	-	1,756,962
Special projects	79,946	-	-	-	37,379	117,325
Unassigned	10,880,439	-	-	-	-	10,880,439
Total fund balances	21,075,564	56,305	21,131,869	21,131,869	56,305	21,131,869
Total liabilities, deferred inflow of resources and fund balances	\$ 21,497,321	\$ 72,517	\$ 54,144	\$ 105,059	\$ 97,812	\$ 21,826,853

See notes to financial statements.

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

Terrebonne Council on Aging, Inc.

June 30, 2016

Fund Balances - Governmental Funds		\$ 21,131,869
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:</p>		
Governmental capital assets	\$ 10,807,890	
Less accumulated depreciation	<u>(3,370,625)</u>	7,437,265
<p>Non-current liabilities are not due and payable in the current period and therefore are not reported in the funds:</p>		
Postemployment benefit obligations	(407,582)	
Compensated absences payable	<u>(268,768)</u>	<u>(676,350)</u>
Net Position of Governmental Activities		<u>\$ 27,892,784</u>

See notes to financial statements.

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

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	General Fund	Title III B - Supportive Services Fund	Title III C-2 - Home Delivered Meals Fund	Rural Transportation Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Intergovernmental:						
Federal Government:						
Department of Housing and Urban Development	\$ 84,221	\$ -	\$ -	\$ 265,969	\$ 80,000	\$ 430,190
State of Louisiana:						
Governor's Office of Elderly Affairs	45,498	286,567	260,266	16,001	322,965	931,297
Department of transportation	195,689	-	-	-	-	195,689
Terrebonne Parish Consolidated Government	5,358,769	-	-	-	1,505	5,360,274
Charges for services	-	-	-	-	7,485	7,485
Interest income	29,653	-	-	-	-	29,653
Public support:						
Contributions	11,193	4,781	44,309	-	18,111	78,394
Other	3,000	-	-	-	2,234	5,234
Miscellaneous:						
Program income	-	-	-	-	24,358	24,358
Other	154,141	-	-	-	-	154,141
Total revenues	<u>5,882,164</u>	<u>291,348</u>	<u>304,575</u>	<u>281,970</u>	<u>456,658</u>	<u>7,216,715</u>
Expenditures						
Current:						
Health and welfare:						
Salaries	387,076	581,610	741,818	258,873	341,438	2,310,815
Fringe	79,931	165,037	184,041	62,341	99,032	590,382
Travel	4,562	10,119	4,677	1,064	3,598	24,020
Operating services	522,322	168,298	435,800	165,111	277,074	1,568,605
Operating supplies	52,253	17,631	168,313	73,222	106,223	417,642
Other costs	35,058	421,602	-	-	187,496	644,156
Meals	-	-	352,031	-	114,892	466,923
Capital outlay	<u>1,147,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,147,661</u>
Total expenditures	<u>2,228,863</u>	<u>1,364,297</u>	<u>1,886,680</u>	<u>560,611</u>	<u>1,129,753</u>	<u>7,170,204</u>
Excess (deficiency) of revenues over expenditures	<u>3,653,301</u>	<u>(1,072,949)</u>	<u>(1,582,105)</u>	<u>(278,641)</u>	<u>(673,095)</u>	<u>46,511</u>
Other Financing Sources (Uses)						
Insurance proceeds	6,989	-	-	-	-	6,989
Operating transfers in	1,272	1,072,949	1,582,105	278,641	684,089	3,619,056
Operating transfers out	<u>(3,617,784)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,272)</u>	<u>(3,619,056)</u>
Total other financing sources (uses)	<u>(3,609,523)</u>	<u>1,072,949</u>	<u>1,582,105</u>	<u>278,641</u>	<u>682,817</u>	<u>6,989</u>
Net Change in Fund Balances	<u>43,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,722</u>	<u>53,500</u>
Fund Balances						
Beginning of year	19,663,734	-	-	-	46,583	19,710,317
Restatement	<u>1,368,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,368,052</u>
Beginning of year, as restated	<u>21,031,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,583</u>	<u>21,078,369</u>
End of year	<u>\$ 21,075,564</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,305</u>	<u>\$ 21,131,869</u>

See notes to financial statements.

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

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds **\$ 53,500**

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	\$ 1,147,661	
Depreciation expense	<u>(407,853)</u>	739,808

The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins and donations, is to decrease net assets.		(12,217)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Increase in postemployment obligations	(203,790)	
Increase in compensated absences	<u>(23,982)</u>	<u>(227,772)</u>

Change in Net Position of Governmental Activities		<u>\$ 553,319</u>
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See notes to financial statements.

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

June 30, 2016

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

The accounting and reporting policies of Terrebonne Council on Aging, Inc. (the Council) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of certain significant accounting policies:

a) Purpose of the Council on Aging

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

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

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

b) Reporting Entity

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. In 1979, the Louisiana Legislature created the 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. However, before a council on aging can begin operations in a specific parish, its application for a charter must receive approval from GOEA pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and are governed by policies and regulations established by GOEA. The Council was created on April 28, 1965, under Act No. 456 of 1964. On September 10, 1975, the Council was incorporated under the provisions of Title 12, Chapter 2 of the Louisiana Revised Statutes of 1950 to operate as a quasi-public, non-profit organization.

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

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

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

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

b) Reporting Entity (continued)

5. Financial benefit/burden relationship between the Council and the potential component unit.

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

It has also been determined based upon the above criteria that the Council is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and will be included in its comprehensive financial report for the year ending December 31, 2016.

c) Basis of Presentation

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

Government-wide Financial Statements:

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

Both the government-wide and fund financial statements categorize primary activities as either "governmental" or "business" type. The Council's functions and programs have all been categorized as "governmental" activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the government-wide financial statements do not include any of these activities or funds.

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

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

c) Basis of Presentation (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Council allocates its indirect costs among various functions and programs in accordance with *the U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, (Uniform Guidance)*. The Statement of Activities shows this allocation in a separate column labeled “indirect expenses.” In addition, GOEA provides grant funds, included in operating grants and contributions, to help the Council pay for a portion of its indirect costs. As a result, total governmental activities reported by function or program contain the indirect costs in excess of the GOEA funds. Other program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported as general revenues.

Fund Financial Statements:

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

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

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the Council are grouped into generic fund types and fund categories as follows:

Governmental activities presented as governmental funds in the fund financial statements:

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

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

c) Basis of Presentation (continued)

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

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

The following programs comprise the Council's General Fund:

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

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

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

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

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

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

c) Basis of Presentation (continued)

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

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

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

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

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

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

Transportation Program Fund - Monies are received from transportation services provided for nursing home clientele and clientele of The Work Connection, Inc. Monies are received based on per trip billing.

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

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

c) Basis of Presentation (continued)

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

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

Non-Emergency Medical Transportation Fund - Monies are received from the Department of Health and Hospitals for Medicaid of Louisiana programs for non-emergency medical transportation. Monies are received based on per trip billing.

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

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

Schriever Senior Center Fund – Monies are generated through special projects and donations. The purpose of this fund is to provide various supplies and costs associated with providing a community service center at which the elderly people of Schriever can receive supportive social services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community of Schriever.

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

d) Component Unit Disclosure

The component unit column and rows in the government-wide Statement of Net Position and Statement of Activities include the financial data of the Council's component unit for their fiscal year end of December 31, 2015. It is reported in a separate column to emphasize that it is legally separate from the Council. TCOA Elderly Housing, Inc. (the Corporation) is a subsidiary of the Council. Board members for the Corporation are elected by the general membership of the Corporation. The Corporation's purpose is the construction and management of housing facilities to serve the elderly and elderly handicapped. As of June 30, 2016, the Council has advanced \$493,253 to the Corporation for which it anticipates reimbursement from future funds.

e) Measurement Focus and Basis of Accounting

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

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Fund Financial Statements:

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

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

e) Measurement Focus and Basis of Accounting (Continued)

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

f) Use of Estimates

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

g) Accounts Receivable

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

h) Cash and Investments

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

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

i) Capital Assets

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

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$1,000 or more are valued at historical cost or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Assets with estimated fair value amounted to \$14,000 as of June 30, 2016. Additions, improvements and other capital outlays that significantly extend the

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

i) Capital Assets (continued)

useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

Fund Financial Statements:

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

j) Non-Current Liabilities

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

Government-wide Financial Statements:

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

Fund Financial Statements:

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

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

k) Accumulated Vacation, Compensatory Time and Sick Leave

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

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

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

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

l) Income Taxes

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

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosures of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. Tax years ended June 30, 2013 and later remain subject to examination by the taxing authorities. As of June 30, 2016 management of the Council believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

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

m) Interfund Transactions

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

n) Related Party Transactions

There were no related party transactions during the fiscal year.

o) Allocation of Indirect Expenses

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

p) Fund Equity

Government-wide Statements:

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. At June 30, 2016 the Council did not report any borrowings.
- b. Restricted net position – Consists of assets and deferred outflows of resources less liabilities and deferred inflow of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

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

p) Fund Equity

- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

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

Component unit restricted net position

The component unit received a \$4,082,400 capital advance from HUD for the construction of a multifamily residual housing facility. The construction of the facility along with the cost of land improvements was capitalized as a fixed asset and therefore the temporary restriction is lifted as the building and land improvements depreciate over its useful life. As of December 31, 2015, \$620,442 of total cost has been depreciated and therefore is included in unrestricted net assets.

Fund Financial Statements:

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures, receivables anticipated to be collected after 1 year and deposits as being nonspendable as these items are not expected to be converted to cash.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either:
 - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.

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

p) Fund Equity (continued)

As of June 30, 2016, the Council has classified \$3,087 as restricted because of spending constraints placed upon this money by GOEA. Management has also classified \$16,767 as restricted fund balance due to the constraints placed on the use of the money by donors.

- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's board of directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Council has committed \$5,179,875 for senior housing and \$2,678,161 of funds for disaster assistance as of June 30, 2016.
- **Assigned:** This classification includes spendable amounts that are reported in governmental funds other than the General Fund, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by either the Council's board of directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purposes. The Council's management assigned funds for the purposes of retiree health insurance, utility assistance, fundraising, gift program and various special purposes, at June 30, 2016 in the amounts of \$1,756,962, \$2,380, \$31,114, \$36,996 and \$46,835, respectively.
- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

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

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

q) Restatement Of Net Position/Fund Balance

In July 2015, the Council received a response from the Louisiana Attorney General’s (AG) Office on an opinion it sought regarding the management and administration of the ad valorem tax proceeds levied and collected by the Terrebonne Parish Consolidated Government (the Parish) for the purpose of supporting the Council.

In the opinion of the AG, the Parish is the proper entity to collect, use and administer the proceeds, as well as ensure that they are being used for the specific purposes outlined in the tax proposition. Pursuant to a cooperative endeavor agreement the Council is allocated the tax proceeds, see Note 2.

As a result of receiving the AG’s opinion the Council changed its accounting for the tax proceeds from the tax deferral method, whereby revenue is recognized in the period for which it’s levied to finance budgeted expenditures, to accounting for an unrestricted grant or contribution.

A restatement of net position/fund balance had the following impact on previously reported balances:

Description	Governmental Fund Balance	Adjustments	Governmental Activities Net Position
Beginning Balances:			
As previously reported	\$ 19,710,317	\$ 6,261,096	\$ 25,971,413
Change in accounting for ad valorem tax proceeds	1,368,052	-	1,368,052
As restated	\$ 21,078,369	\$ 6,261,096	\$ 27,339,465

r) New GASB Statements

During the year ending June 30, 2016, the Council implemented the following GASB Statements:

Statement No. 72, “*Fair Value Measurement and Application.*” This Statement addresses accounting and financial reporting issues related to fair value measurement. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

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

r) New GASB Statements (continued)

Statement No. 73, *“Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.”* The Statement completes the suite of pension standards and establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (in other words, those not covered by Statements 67 and 68). This Statement did not affect the Council’s financial statements.

Statement No. 76, *“The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.”* The objective of this Statement is to identify the hierarchy of generally accepted accounting principles (GAAP).

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

Statement No. 74, *“Financial Reporting for Postemployment Benefit Plans other than Pension Plans.”* The Statement addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria and follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments and also sets forth note disclosure requirements for defined contribution OPEB plans. The statement will be effective for periods beginning after June 15, 2016. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 75, *“Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions.”* replaces the requirements of GASB Statement No. 45. This Statement requires governments to report a liability on the face of the financial statements for the OPEB that they provide: governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability, governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan and governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017.

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

r) New GASB Statements (continued)

Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 77, "*Tax Abatement Disclosures*" defines tax abatements as reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. This Statement requires disclosures of the government's own tax abatement agreements and those tax abatement agreements of other governments that reduce the government's revenue. This Statement takes effect starting with the fiscal year that ends December 31, 2016, early implementation is encouraged. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 78, "*Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*" amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement will be effective for periods beginning after December 15, 2015. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 79, "*Certain External Investment Pools and Pool Participants*" establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement also establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost. This Statement will be effective for periods beginning after June 15, 2015 except for the provisions in paragraphs 18, 19, 23-26, and 40, which are effective for periods beginning after December 15, 2015. Management has not yet determined the effect of this Statement on the financial statements.

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

r) **New GASB Statements (continued)**

Statement No. 80, "*Blending Requirement for Certain Component Units*" improves financial reporting by clarifying the financial statement presentation requirements for certain component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This requirement enhances comparability and decision usefulness of financial statements among governments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 81, "*Irrevocable Split Interest Agreements*" provided recognition and measurement guidance for situation in which a government is a beneficiary of an irrevocable split interest agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split interest agreement recognize assets, liabilities and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in agreements administered by third parties. Governments are required by this Statement to recognize revenue when the resources become applicable to the reporting period. This Statement enhances comparability and decision usefulness of financial statements among governments. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2016. Management has not yet determined the effect of this statement on the financial statements.

Statement No. 82, "*Pension Issues*" addresses several issues raised with respect to Statements No. 67, "*Financial Reporting for Pension Plans*," No. 68, "*Accounting and Financial Reporting for Pensions*," and No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*." Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2016. Management has not yet determined the effect of this Statement on the financial statements.

Note 2 - Funding Policies

The Council receives federal and state funding on a reimbursement basis for services performed. Funding from the Governor’s Office of Elderly Affairs (GOEA) is received on a reimbursement basis. In addition, the Council performs transportation services using Department of Transportation funding passed through the Terrebonne Parish Consolidated Government (the Parish).

The Council receives grants from the Parish from a 7.50 mill parish-wide ad valorem tax for the purpose of operating and maintaining programs for elderly and disabled people of Terrebonne Parish. Funding from the Parish is included in intergovernmental revenue and amounted to \$5,358,769 during the year ended June 30, 2016. The funding from the Parish is subject to the terms of a cooperative endeavor agreement, (CEA), dated May 19, 2016, which allocated the tax proceeds to the Council pursuant to approval of the Council’s budget by the Parish council. The CEA term is for three years from execution.

Note 3 - DEPOSITS AND INVESTMENTS

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

Bank Deposits:

The Council is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. As a matter of policy, the Council however, obtains collateralization for cash at financial institutions which is in excess of the FDIC insurance. Acceptable collateralization includes FDIC insurance, securities purchased and pledged to the political subdivision and letters of credit with the Federal Home Loan Bank pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

The year end balances of deposits are as follows:

	Bank Balances	Reported Amount
Cash	\$ 20,566,735	\$ 20,098,356
Certificates of Deposit	719,927	719,927
Totals	\$ 21,286,662	\$ 20,818,283

Note 3 - DEPOSITS AND INVESTMENTS (Continued)

Custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council has a written policy for custodial credit risk. As of June 30, 2016, \$20,273,233 of the Council's bank balance of \$21,286,662 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, and are deemed to be held in the Council's name by state statutes.

At June 30, 2016, cash and certificates of deposits were adequately collateralized in accordance with the Council's policy, similar to state law. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to draw down upon the pledged securities Letters of Credit or sell the pledged securities within 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 on the Statement of Net Position is as follows:

Cash on hand		\$ 3,100
Reported amount of deposits		<u>20,815,183</u>
 Total		 <u>\$ 20,818,283</u>
 Classified as:		
Cash		\$ 20,098,356
Investments		<u>719,927</u>
 Total		 <u>\$ 20,818,283</u>

Component Unit Cash and Investments

At December 31, 2015 the balance of deposits and the certificate of deposit, reported as an investment, in the bank was fully insured by the FDIC's Transaction Account Guaranty Program.

Note 4 - CONTRACTS RECEIVABLE

Contracts receivable at June 30, 2016 consisted of reimbursements for expenditures incurred under the following programs:

State of Louisiana -	
Department of Health and Hospitals -	
Non-Emergency Medical Transportation Program	\$ 409
Medicare Improvement for Patients and Providers Act	40
Department of Transportation and Development	
Enhanced Mobility of Seniors and Individuals with Disabilities Small Urban	12,750
Terrebonne Parish Consolidated Government –	
Rural Transportation Program	104,321
Nursing Homes – Transportation Programs	<u>2,810</u>
Total	<u>\$ 120,330</u>

Note 5 - ADVANCE TO COMPONENT UNIT

The Council advanced TCOA Elderly Housing, Inc. start up funds for design, construction of the housing project operated by the component unit. The advance does not bear interest, is unsecured and is not anticipated to be collected during the next fiscal year. As of June 30, 2016, the balance of advanced funds were \$493,253. During the year ended June 30, 2016, the Council made advances totaling \$84,221. Repayments of \$150,000 were received within the year.

Note 6 - RESTRICTED DEPOSITS

The component unit is required to set aside amounts for the replacement of property and other project expenditures approved by HUD. HUD-restricted deposits are held in separate accounts and generally are not available for operating purposes. As of December 31, 2015 the component unit had \$175,322 deposited in the separate accounts.

Note 7 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Capital assets not being depreciated:				
Land	\$ 723,889	\$ -	\$ -	\$ 723,889
Construction in progress	787,843	681,952	(1,149,670)	320,125
Total capital assets not being depreciated	<u>1,511,732</u>	<u>681,952</u>	<u>(1,149,670)</u>	<u>1,044,014</u>
Capital assets being depreciated:				
Intangible assets	10,500	-	-	10,500
Buildings and leasehold improvements	5,916,819	1,357,647	-	7,274,466
Office furniture, fixtures and equipment	550,645	20,646	(78,725)	492,566
Vehicles, machinery and equipment	2,133,227	237,086	(383,969)	1,986,344
Total capital assets being depreciated	<u>8,611,191</u>	<u>1,615,379</u>	<u>(462,694)</u>	<u>9,763,876</u>
Less accumulated depreciation for:				
Intangible assets	(1,750)	(3,500)	-	(5,250)
Building and leasehold improvements	(1,334,427)	(200,699)	-	(1,535,126)
Office furniture, fixtures and equipment	(440,462)	(27,916)	77,783	(390,595)
Vehicles, machinery and equipment	(1,636,610)	(175,738)	372,694	(1,439,654)
Total accumulated depreciation	<u>(3,413,249)</u>	<u>(407,853)</u>	<u>450,477</u>	<u>(3,370,625)</u>
Total capital assets being depreciated, net	<u>5,197,942</u>	<u>1,207,526</u>	<u>(12,217)</u>	<u>6,393,251</u>
Total capital assets, net	<u>\$ 6,709,674</u>	<u>\$ 1,889,478</u>	<u>\$ (1,161,887)</u>	<u>\$ 7,437,265</u>

The Council's major capital asset acquisitions include the purchase of four vans. Construction in progress as of June 30, 2016 included the first payment for the Houma School Apartments Senior Housing. Projects completed within the year include the park drainage, Chauvin sewerage, generators at Shady Acres and Schriever, a carport at Shady Acres, the Chauvin Senior Center parking lot, and pond aeration and walking path lighting at the park.

Depreciation was charged to governmental activities as follows:

Administration	\$ 218,507
Nutrition Services:	
Congregate Meals	36,650
Home Delivered Meals	75,905
Supportive Services:	
Transportation	25,123
Recreation	21,950
Wellness	16,884
Information and Assistance	5,065
Other	<u>7,769</u>
Total	<u>\$ 407,853</u>

Note 7 - CHANGES IN CAPITAL ASSETS (Continued)

Component Unit Capital Assets

The component unit's capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Additions/ Disposals	Ending Balance
Land	\$ 1,300,000	\$ -	\$ 1,300,000
Construction in progress	6,870	(6,870)	-
Land improvements	934,587	-	934,587
Building	4,294,952	96,961	4,391,913
Furniture and equipment	22,957	-	22,957
Total	6,559,366	90,091	6,649,457
Accumulated depreciation	(667,856)	(144,805)	(812,661)
Net book value	<u>\$ 5,891,510</u>	<u>\$ (54,714)</u>	<u>\$ 5,836,796</u>

Note 8 - ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES

Accounts payable and accrued expenditures at June 30, 2016 consisted of the following:

	Vendors	Salaries and Benefits	Total Payables
Governmental activities:			
General Fund	\$ 162,315	\$ 55,724	218,039
Title III B-Supportive Services Fund	37,378	15,289	52,667
Title III C-2- Home Delivered Meals Fund	15,005	17,190	32,195
Rufal Transportation Fund	-	7,935	7,935
Non-major Funds	10,172	8,674	18,846
Total accounts payable and accrued expenditures	<u>\$ 224,870</u>	<u>\$ 104,812</u>	<u>329,682</u>

Component Unit's Accounts Payable

The component unit's accounts payable consists of money owed to the Council and tenants' deposits as of December 31, 2015.

Note 9 - DUE TO/FROM OTHER FUNDS

Due to/from other funds are listed by fund for the year ended June 30, 2016:

	<u>Receivable</u>	<u>Payable</u>
General Fund:		
Title III B-Supportive Fund	\$ 19,850	\$ 72,217
Title III C-Home Delivered Meals Fund	21,949	53,408
Rural Transportation Fund	97,124	-
Non-major Funds	<u>22,661</u>	<u>78,093</u>
Totals	161,584	203,718
Title III B-Supportive Services Fund:		
General Fund	72,217	19,850
Title III C-2-Home Delivered Meals Fund:		
General Fund	53,408	21,949
Rural Transportation Fund		
General Fund	-	97,124
Non-major Funds:		
General Fund	<u>78,093</u>	<u>22,661</u>
Grand Totals	<u>\$ 365,302</u>	<u>\$ 365,302</u>

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

Note 10 - LONG-TERM OBLIGATIONS

Long-term obligations consist of accumulated unpaid vacation and other postemployment benefit obligations. The following is a summary of the changes in long-term obligations of the Council for the year ended June 30, 2016:

	<u>Payable</u>	<u>Obligations</u>		<u>Payable</u>
	<u>July 1, 2015</u>	<u>Retired</u>	<u>Generated</u>	<u>June 30, 2016</u>
Compensated absences	\$ 244,786	\$ -	\$ 23,982	\$ 268,768
Other postemployment obligations	<u>203,792</u>	<u>-</u>	<u>203,790</u>	<u>407,582</u>
	<u>\$ 448,578</u>	<u>\$ -</u>	<u>\$ 227,772</u>	<u>\$ 676,350</u>

Compensated absences are described in Note 1k.

Other postemployment obligations are described in Note 13.

Note 11 - INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 2016:

	Operating Transfers	
	In	Out
General Fund:		
Title III B-Supportive Fund		\$ 1,072,949
Title III C-Home Delivered Meals Fund		1,582,105
Rural Transportation Fund		278,641
Non-major Funds	\$ 1,272	684,089
Totals	1,272	3,617,784
Title III B-Supportive Fund:		
General Fund	1,072,949	-
Title III C-Home Delivered Meals Fund:		
General Fund	1,582,105	-
Rural Transportation Fund		
General Fund	278,641	
Non-major Funds:		
General Fund	684,089	1,272
Grand Totals	\$ 3,619,056	\$ 3,619,056

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund and certain Special Revenue Funds to finance various programs and projects accounted for in other funds in accordance with budgetary authorizations.

Note 12 - RISK MANAGEMENT

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

Coverage for general liability claims in excess of the above stated limit are to be funded first by assets of the Parish's risk management internal service fund, \$4,731,868 at December 31, 2015, then secondly by the Council. The Parish is self-insured for the first \$175,000 of each claim relating to group health insurance. The aggregate deductible for

Note 12 - RISK MANAGEMENT (Continued)

all group claims related to group health insurance for the year ended December 31, 2015 was \$16,194,282. The Parish is covered under an insurance contract for the excess liability on individual claims. There is no lifetime maximum claims limit for covered employees. Coverage for group health claims in excess of the above limits are to be funded first by assets of the Parish's group health internal service fund, \$1,825,534 at December 31, 2015, then secondly by the Council. Worker's compensation claims in excess of \$500,000 are covered under an insurance contract for claims aggregate up to limits are to be funded first by assets of the Parish's workers' compensation internal service fund. At June 30, 2016 the Council had no claims in excess of the coverage limits. Total premiums paid to The Parish for group insurance for the year ended June 30, 2016 amounted to \$462,586.

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS

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

Plan Description

The Council administers a single employer defined benefit healthcare plan (the Plan). The Plan provides for the payment of medical, dental and life insurance premiums for eligible employees, retirees and their spouses as approved by the Board of Directors. Employees hired before January 1, 2013 shall be eligible to participate in the plan approved by the Board of Directors under the following vesting schedule: 1 to 16 years of service, 60.25% of total employee premium; 17 to 20 years of service, 60.25% plus 4.00% per year; 21 to 25 years or more of service, 76.25% plus 4.75% per year after year 20, after 25 years, 100%. For all employees hired after December 31, 2012, the plan shall be available to eligible retiring employees with a minimum of thirty years of full time service and who are at fifty nine and a half years of age at retirement. In addition to the years of service requirements, employees must have participated in the group insurance coverage for a minimum of five continuous years immediately prior to retirement.

Funding Policy

The Council fully funds required premiums based on pay-as-you-go financing requirements. For the year ended June 30, 2016 the Council didn't have any retirees' participating in the plan; therefore the Council didn't pay any retiree premiums.

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Council's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The table below shows the components of the Council's annual OPEB cost for the year, the premiums actually paid and changes in the Council's net OPEB asset.

Annual required contribution (ARC)	\$	203,790
Interest adjustment to net OPEB obligation		-
Adjustments to ARC		-
Annual OPEB cost (expense)		203,790
 Contributions made		 -
 Increase in Net OPEB obligation		 203,790
 Net OPEB obligation - beginning of year		 203,792
Net OPEB obligation - end of year		\$ 407,582

The Council's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB liability as of June 30, 2016 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Liability
6/30/2016	\$ 203,790	0.00%	\$ 407,582

Funded Status and Funding Progress

As of July 1, 2014, the most recent actuarial valuation date, the unfunded actuarial accrued liability (UAAL) was \$1,756,962. Covered payroll for eligible employees was \$1,588,260 and the total UAAL represents 110.6 percent of covered payroll.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and eligible employees) and include the types of benefits provided at the time of each valuation and on the historical pattern of sharing benefit costs between the employer and eligible employees and retirees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of plan assets.

In July 1, 2014 actuarial valuations, the entry age-normal actuarial cost method was used. The actuarial assumptions included a 3.5 percent investment rate of return (discount rate), a 3.0 percent expected increase in payroll and annual medical cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after seven years. The annual dental cost trend was initially 4.0 percent, reduced by decrements to an ultimate rate of 3.0 percent after five years. Zero trends were assumed for valuing life insurance. Other assumptions include (1) expenses per participant per month are expected to increase with inflation at 3.0 percent per annum, (2) 60 percent of employees will choose to continue benefits, (3) family coverage includes a spouse and no children, and (4) male spouses are two years older than females. The UAAL is being amortized over an open 30 year period using the level percent of payroll method with an assumption that payroll increases by 3 percent per year. The remaining amortization period at July 1, 2014 was 30 years.

Note 14 - PENSION PLAN

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

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Council's Board of Directors. Under this plan participating employees are permitted to make elective deferrals in amounts that are within the limits of Code Sections 403(b) and 402(g) of their compensation and the Council will match 20% of the amount contributed not to exceed 7%, of the employee's compensation after 2 years of service. An additional 20% of the amount contributed will be added per year thereafter until the match reaches 100% after 6 years. For the year ended June 30, 2016 employee contributions totaled \$134,437 and the Council recognized a pension expense of \$88,568.

Note 14 - PENSION PLAN (Continued)

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

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 2 years	0
2 but less than 3 years	20
3 but less than 4 years	40
4 but less than 5 years	60
5 but less than 6 years	80
6 or more years	100

Nonvested contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. For the year ended June 30, 2016, forfeitures reduced the Council's pension expense by \$6,651.

Note 15 - IRC SECTION 125 CAFETERIA PLAN

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

Note 16 - IN-KIND CONTRIBUTIONS

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

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

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

Note 17 - JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

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

Note 18 - BOARD OF DIRECTORS

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

Note 19 - CONTINGENCIES

The Council participates in a number of federally assisted programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the 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.

Component Unit's Contingencies

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

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

Note 20 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through December 1, 2016, which is the date the financial statements were available to be issued.

GASB REQUIRED SUPPLEMENTARY INFORMATION SECTION

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	Budgeted Amounts		Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 6,548,169	\$ 5,926,436	\$ 7,052,229	\$ 1,125,793
Interest income	34,200	33,882	29,653	(4,229)
Public support	5,012	11,146	14,193	3,047
Miscellaneous	143,054	116,341	154,141	37,800
Total revenues	<u>6,730,435</u>	<u>6,087,805</u>	<u>7,250,216</u>	<u>1,162,411</u>
Expenditures				
Current:				
Health and welfare:				
Salaries	328,073	420,815	387,076	33,739
Fringe	87,274	113,564	79,931	33,633
Travel	5,935	7,057	4,562	2,495
Operating services	404,797	547,101	522,322	24,779
Operating supplies	433,193	262,293	52,253	210,040
Other costs	341,496	340,462	35,058	305,404
Capital outlay	4,838,890	3,765,389	1,147,661	2,617,728
Total expenditures	<u>6,439,658</u>	<u>5,456,681</u>	<u>2,228,863</u>	<u>3,227,818</u>
Excess (deficiency) of revenues over expenditures	<u>290,777</u>	<u>631,124</u>	<u>5,021,353</u>	<u>4,390,229</u>
Other Financing Sources (Uses)				
Insurance proceeds	-	-	6,989	6,989
Operating transfers in	-	8,604	1,272	(7,332)
Operating transfers out	(4,982,852)	(5,043,671)	(3,617,784)	1,425,887
Total other financing sources (uses)	<u>(4,982,852)</u>	<u>(5,035,067)</u>	<u>(3,609,523)</u>	<u>1,425,544</u>
Net Change in Fund Balance	<u>(4,692,075)</u>	<u>(4,403,943)</u>	<u>1,411,830</u>	<u>\$ 5,815,773</u>
Fund Balance				
Beginning of year	<u>18,110,249</u>	<u>19,663,734</u>	<u>19,663,734</u>	
End of year	<u>\$ 13,418,174</u>	<u>\$ 15,259,791</u>	<u>\$ 21,075,564</u>	

See note to required supplementary information.

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

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 286,565	\$ 171,921	\$ 286,567	\$ 114,646
Public support	7,733	9,800	4,781	(5,019)
Miscellaneous	2,200	1,114	-	(1,114)
Total revenues	<u>296,498</u>	<u>182,835</u>	<u>291,348</u>	<u>108,513</u>
Expenditures				
Current:				
Health and welfare:				
Salaries	671,263	703,632	581,610	122,022
Fringe benefits	178,016	189,952	165,037	24,915
Travel	10,316	9,426	10,119	(693)
Operating services	292,891	217,707	168,298	49,409
Operating supplies	63,328	41,100	17,631	23,469
Other costs	631,476	631,476	421,602	209,874
Total expenditures	<u>1,847,290</u>	<u>1,793,293</u>	<u>1,364,297</u>	<u>428,996</u>
Deficiency of revenues over expenditures	(1,550,792)	(1,610,458)	(1,072,949)	537,509
Other Financing Sources				
Operating transfers in	<u>1,550,792</u>	<u>1,610,458</u>	<u>1,072,949</u>	<u>(537,509)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance				
Beginning of year			<u>-</u>	
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

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 260,266	\$ 260,266	\$ 260,266	\$ -
Public support	55,186	51,916	44,309	(7,607)
Total revenues	<u>315,452</u>	<u>312,182</u>	<u>304,575</u>	<u>(7,607)</u>
Expenditures				
Current:				
Health and welfare:				
Salaries	979,329	947,783	741,818	205,965
Fringe benefits	260,177	255,712	184,041	71,671
Travel	6,524	7,168	4,677	2,491
Operating services	703,811	628,596	435,800	192,796
Operating supplies	400,333	297,949	168,313	129,636
Meals	450,000	450,000	352,031	97,969
Total expenditures	<u>2,800,174</u>	<u>2,587,208</u>	<u>1,886,680</u>	<u>700,528</u>
Deficiency of revenues over expenditures	(2,484,722)	(2,275,026)	(1,582,105)	692,921
Other Financing Sources				
Operating transfers in	<u>2,484,722</u>	<u>2,275,026</u>	<u>1,582,105</u>	<u>(692,921)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

See note to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
RURAL TRANSPORTATION

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 307,217	\$ 307,217	\$ 265,969	\$ (41,248)
Charges for services	14,000	7,190	16,001	8,811
Total revenues	<u>321,217</u>	<u>314,407</u>	<u>281,970</u>	<u>(32,437)</u>
Expenditures				
Current:				
Health and welfare:				
Salaries	312,006	242,018	258,873	(16,855)
Fringe benefits	82,737	65,306	62,341	2,965
Travel	1,281	1,415	1,064	351
Operating services	115,098	209,965	165,111	44,854
Operating supplies	42,623	80,684	73,222	7,462
Total expenditures	<u>553,745</u>	<u>599,388</u>	<u>560,611</u>	<u>38,777</u>
Deficiency of revenues over expenditures	(232,528)	(284,981)	(278,641)	6,340
Other Financing Sources				
Operating transfers in	<u>232,528</u>	<u>284,981</u>	<u>278,641</u>	<u>(6,340)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance				
Beginning of year			-	
End of year			<u>\$ -</u>	

See note to required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

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

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

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING

(continued)

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

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

	<u>Net Change in Fund Balance</u>
Actual	\$ 43,778
Effect of a change in accounting for revenues previously accounted for as ad valorem taxes	<u>1,368,052</u>
Budgetary basis	<u><u>\$ 1,411,830</u></u>

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

SUPPLEMENTARY INFORMATION SECTION

BALANCE SHEET - GOVERNMENTAL FUND -
GENERAL FUND PROGRAMS

Terrebonne Council on Aging, Inc.

June 30, 2016

	Programs of the General Fund		
	Ad Valorem Tax Monies	Act 735 Monies	Total
Assets			
Cash	\$ 20,098,356		\$ 20,098,356
Investments	719,927		719,927
Other receivables	18,201		18,201
Due from other funds	161,584		161,584
Other current assets	6,000		6,000
Advances to component unit	493,253		493,253
	<u>\$ 21,497,321</u>	<u>\$ -</u>	<u>\$ 21,497,321</u>
Liabilities			
Accounts payable and accrued expenditures	\$ 218,039		\$ 218,039
Due to other funds	203,718		203,718
	<u>421,757</u>		<u>421,757</u>
Fund Balance			
Nonspendable:			
Deposits and prepaid expenditures	6,000		6,000
Advances to component unit	493,253		493,253
Restricted for home energy assistance	928		928
Committed			
Elderly housing	5,179,875		5,179,875
Disaster relief	2,678,161		2,678,161
Assigned			
Retiree health insurance	1,756,962		1,756,962
Revenue projects	79,946		79,946
Unassigned	10,880,439		10,880,439
	<u>21,075,564</u>		<u>21,075,564</u>
Total fund balance	<u>21,075,564</u>		<u>21,075,564</u>
Total liabilities and fund balance	<u>\$ 21,497,321</u>	<u>\$ -</u>	<u>\$ 21,497,321</u>

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

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	General Fund Programs		
	Ad Valorem Tax Monies	Act 735 Monies	Total
Revenues			
Taxes - ad valorem	\$ 5,358,769		\$ 5,358,769
Intergovernmental:			
Federal Government:	84,221		84,221
State of Louisiana:			
Office of Elderly Affairs - Act 735	-	\$ 45,498	45,498
Department of transportation	195,689	-	195,689
Interest income	29,653	-	29,653
Public support:			
Contributions	11,193	-	11,193
Other	3,000	-	3,000
Miscellaneous:			
Other	154,141	-	154,141
	<u>5,836,666</u>	<u>45,498</u>	<u>5,882,164</u>
Total revenues			
Expenditures			
Current:			
Health and welfare:			
Salaries	387,076	-	387,076
Fringe	79,931	-	79,931
Travel	4,562	-	4,562
Operating services	522,322	-	522,322
Operating supplies	52,253	-	52,253
Other costs	35,058	-	35,058
Capital outlay	1,147,661	-	1,147,661
	<u>2,228,863</u>	<u>-</u>	<u>2,228,863</u>
Total expenditures			
Excess of revenues over expenditures	<u>3,607,803</u>	<u>45,498</u>	<u>3,653,301</u>
Other Financing Sources (Uses)			
Insurance claims	6,989	-	6,989
Operating transfers in	1,272	-	1,272
Operating transfers out	<u>(3,572,286)</u>	<u>(45,498)</u>	<u>(3,617,784)</u>
	<u>(3,564,025)</u>	<u>(45,498)</u>	<u>(3,609,523)</u>
Net Change in Fund Balance	43,778	-	43,778
Fund Balance			
Beginning of year	19,663,734	-	19,663,734
Restatement	1,368,052	-	1,368,052
Beginning of year, as restated	<u>21,031,786</u>	<u>-</u>	<u>21,031,786</u>
End of year	<u>\$ 21,075,564</u>	<u>\$ -</u>	<u>\$ 21,075,564</u>

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

Terrebonne Council on Aging, Inc.

June 30, 2016

	Special Revenue Funds			
	Title III C - Area Agency Administration Fund	Title III C-1 - Congregate Meals Fund	Title III D - Preventive Health Fund	Title III E - National Family Caregiver Program Fund
Assets				
Contracts receivable	\$ -	\$ -	\$ -	\$ -
Other receivables	-	99	-	-
Due from other funds	<u>1,352</u>	<u>14,018</u>	<u>159</u>	<u>1,300</u>
Total assets	<u>\$ 1,352</u>	<u>\$ 14,117</u>	<u>\$ 159</u>	<u>\$ 1,300</u>
Liabilities				
Accounts payable and accrued expenditures	\$ 1,352	\$ 9,601	\$ 159	\$ 547
Due to other funds	<u>-</u>	<u>4,516</u>	<u>-</u>	<u>753</u>
Total liabilities	<u>1,352</u>	<u>14,117</u>	<u>159</u>	<u>1,300</u>
Fund Balances				
Restricted for:				
Prescription medication assistance	-	-	-	-
Donor purposes	-	-	-	-
Assigned for:				
Utility assistance	-	-	-	-
Special revenue purposes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,352</u>	<u>\$ 14,117</u>	<u>\$ 159</u>	<u>\$ 1,300</u>

Special Revenue Funds

Helping Hands Fund	No Wrong Door Service	Transportation Fund	Enhanced Mobility - Small Urban
\$ -	\$ -	\$ 2,810	\$ 12,750
1,580	-	-	-
<u>875</u>	<u>7,200</u>	<u>227</u>	<u>-</u>
<u>\$ 2,455</u>	<u>\$ 7,200</u>	<u>\$ 3,037</u>	<u>12,750</u>
\$ -	-	\$ 2,787	\$ 1,011
<u>75</u>	<u>-</u>	<u>250</u>	<u>11,739</u>
<u>75</u>	<u>-</u>	<u>3,037</u>	<u>12,750</u>
-	-	-	-
-	-	-	-
2,380	-	-	-
<u>-</u>	<u>7,200</u>	<u>-</u>	<u>-</u>
<u>2,380</u>	<u>7,200</u>	<u>-</u>	<u>-</u>
<u>\$ 2,455</u>	<u>\$ 7,200</u>	<u>\$ 3,037</u>	<u>\$ 12,750</u>

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

Terrebonne Council on Aging, Inc.

June 30, 2016

	Special Revenue Funds		
	Senior RX Fund	Special Fund	Non-Emergency Medical Transportation Fund
Assets			
Contracts receivable	\$ -	\$ -	\$ 409
Other receivables	-	2,031	-
Due from other funds	6,523	33,640	-
Total assets	\$ 6,523	\$ 35,671	\$ 409
Liabilities			
Accounts payable and accrued expenditures	\$ 1,709	\$ 382	\$ -
Due to other funds	2,655	1,723	409
Total liabilities	4,364	2,105	409
Fund Balances			
Restricted for:			
Prescription medication assistance	2,159	-	-
Donor purposes	-	5,868	-
Assigned for:			
Utility assistance	-	-	-
Special revenue purposes	-	27,698	-
Total fund balances	2,159	33,566	-
Total liabilities and fund balances	\$ 6,523	\$ 35,671	\$ 409

<u>Special Revenue Funds</u>			
<u>Medicare Improvement for Patients and Providers Act</u>	<u>Schriever Senior Center Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
\$ 40	\$ -	\$ -	\$ 16,009
-	-	-	3,710
<u>773</u>	<u>101</u>	<u>11,925</u>	<u>78,093</u>
<u>\$ 813</u>	<u>\$ 101</u>	<u>\$ 11,925</u>	<u>\$ 97,812</u>
\$ 272	\$ -	\$ 1,026	\$ 18,846
<u>541</u>	<u>-</u>	<u>-</u>	<u>22,661</u>
<u>813</u>	<u>-</u>	<u>1,026</u>	<u>41,507</u>
-	-	-	2,159
-	-	10,899	16,767
-	-	-	2,380
<u>-</u>	<u>101</u>	<u>-</u>	<u>34,999</u>
<u>-</u>	<u>101</u>	<u>10,899</u>	<u>56,305</u>
<u>\$ 813</u>	<u>\$ 101</u>	<u>\$ 11,925</u>	<u>\$ 97,812</u>

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

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	Special Revenue Funds			
	Title III C - Area Agency Administration Fund	Title III C-1 - Congregate Meals Fund	Title III D - Preventive Health Fund	Title III E - National Family Caregiver Program Fund
Revenues				
Intergovernmental:				
Federal Government:				
Department of Housing and Urban Development	\$ -	\$ -	\$ -	\$ -
State of Louisiana:				
Governor's Office of Elderly Affairs	7,485	179,135	5,904	43,672
Terrebonne Parish Consolidated Government	-	-	-	-
Charges for services	-	-	-	-
Public support:				
Contributions	-	10,453	-	65
Other	-	-	-	-
Miscellaneous:				
Program income	-	-	-	-
Total revenues	<u>7,485</u>	<u>189,588</u>	<u>5,904</u>	<u>43,737</u>
Expenditures				
Current:				
Health and welfare:				
Salaries	3,530	156,489	-	18,771
Fringe benefits	852	52,773	-	5,308
Travel	64	1,773	-	279
Operating services	2,755	137,010	-	3,593
Operating supplies	284	32,738	-	315
Other costs	-	-	5,904	43,604
Meals	-	114,892	-	-
Total expenditures	<u>7,485</u>	<u>495,675</u>	<u>5,904</u>	<u>71,870</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(306,087)</u>	<u>-</u>	<u>(28,133)</u>
Other Financing Sources (Uses)				
Operating transfers in	-	306,087	-	28,133
Operating transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>306,087</u>	<u>-</u>	<u>28,133</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue Funds

Helping Hands Fund	No Wrong Door Service	Transportation Fund	Enhanced Mobility - Small Urban
\$ -	\$ -	\$ -	\$ 80,000
-	-	-	-
1,505	-	-	-
-	-	7,485	-
-	-	-	-
734	-	-	-
-	-	-	-
<u>2,239</u>	<u>-</u>	<u>7,485</u>	<u>80,000</u>
-	-	7,468	34,524
-	-	1,748	8,336
-	-	60	77
-	-	3,206	100,511
-	-	459	46,471
137,224	-	-	-
-	-	-	-
<u>137,224</u>	<u>-</u>	<u>12,941</u>	<u>189,919</u>
<u>(134,985)</u>	<u>-</u>	<u>(5,456)</u>	<u>(109,919)</u>
135,175	-	5,456	109,919
-	-	-	-
<u>135,175</u>	<u>-</u>	<u>5,456</u>	<u>109,919</u>
190	-	-	-
2,190	7,200	-	-
<u>\$ 2,380</u>	<u>\$ 7,200</u>	<u>\$ -</u>	<u>\$ -</u>

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

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Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	Special Revenue Funds		
	Senior RX Fund	Special Fund	Non -Emergency Medical Transportation Fund
Revenues			
Intergovernmental:			
Federal Government:			
Department of Housing and Urban Development	\$ -	\$ -	\$ -
State of Louisiana:			
Governor's Office of Elderly Affairs	71,969	-	-
Terrebonne Parish Consolidated Government	-	-	-
Charges for services	-	-	-
Public Support:			
Contributions	-	7,593	-
Other	-	1,500	-
Miscellaneous:			
Program income	-	24,309	-
Total revenues	71,969	33,402	-
Expenditures			
Current:			
Health and welfare:			
Salaries	72,792	34,972	-
Fringe benefits	20,288	6,391	-
Travel	1,153	129	-
Operating services	14,845	12,417	-
Operating supplies	4,308	21,431	-
Other costs	-	764	-
Meals	-	-	-
Total expenditures	113,386	76,104	-
Excess (deficiency) of revenues over expenditures	(41,417)	(42,702)	-
Other Financing Sources (Uses)			
Operating transfers in	41,417	53,457	-
Operating transfers out	-	(1,272)	-
Total other financing sources	41,417	52,185	-
Net Change in Fund Balances	-	9,483	-
Fund Balances			
Beginning of year	2,159	24,083	-
End of year	\$ 2,159	\$ 33,566	\$ -

Special Revenue Funds			
Medicare Improvement for Patients and Providers	Schriever Senior Center Fund	Capital Projects Fund	Total
\$ -	\$ -	\$ -	\$ 80,000
14,800	-	-	322,965
-	-	-	1,505
-	-	-	7,485
-	-	-	18,111
-	-	-	2,234
-	49	-	24,358
<u>14,800</u>	<u>49</u>	<u>-</u>	<u>456,658</u>
12,892	-	-	341,438
3,336	-	-	99,032
63	-	-	3,598
2,737	-	-	277,074
217	-	-	106,223
-	-	-	187,496
-	-	-	114,892
<u>19,245</u>	<u>-</u>	<u>-</u>	<u>1,129,753</u>
<u>(4,445)</u>	<u>49</u>	<u>-</u>	<u>(673,095)</u>
4,445	-	-	684,089
-	-	-	(1,272)
<u>4,445</u>	<u>-</u>	<u>-</u>	<u>682,817</u>
-	49	-	9,722
-	52	10,899	46,583
<u>\$ -</u>	<u>\$ 101</u>	<u>\$ 10,899</u>	<u>\$ 56,305</u>

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

Terrebonne Council on Aging, Inc.

June 30, 2016

Agency Head Name: Diana Edmonson

Purpose	Amount
Salary	\$ 158,793
Benefits - insurance	5,817
Benefits - retirement	9,323
Benefits - other	-
Car allowance	6,000
Vehicle provided by government	-
Per diem	-
Reimbursements	210
Unvouchered expenses	3,115
Travel	-
Registration fees	3,235
Conference travel	-
Continuing professional education fees	-
Housing	-
Meals	-
	<hr/>
	\$ 186,493

COMPARATIVE STATEMENT OF CAPITAL ASSETS
AND CHANGES IN CAPITAL ASSETS

Terrebonne Council on Aging, Inc.

For the year ended June 30, 2016

	Balance July 1, 2015	Additions	Adjustments/ Deletions	Balance June 30, 2016
Capital Assets, at Cost:				
Land	\$ 723,889			\$ 723,889
Construction in progress	787,843	\$ 681,952	\$ (1,149,670)	320,125
Buildings and leasehold improvements	5,916,819	1,357,647		7,274,466
Office furniture, fixtures and equipment	561,145	20,646	(78,725)	503,066
Vehicles, machinery and equipment	2,133,227	237,086	(383,969)	1,986,344
Total capital assets	\$ 10,122,923	\$ 2,297,331	\$ (1,612,364)	\$ 10,807,890
Investment in Capital Assets:				
Property acquired with funds from -				
General and Other Funds	\$ 5,008,055	\$ 2,297,331	\$ (1,612,364)	\$ 5,693,022
Capital Projects Fund	4,925,092	-	-	4,925,092
Title III C - 1 - Congregate Meals	2,502	-	-	2,502
Title III F - Disease Prevention and Health Promotion Services	1,800	-	-	1,800
Senior Citizens	161,513	-	-	161,513
Senior Rx	10,926	-	-	10,926
Disaster Assistance	13,035	-	-	13,035
Total investment in capital assets	\$ 10,122,923	\$ 2,297,331	\$ (1,612,364)	\$ 10,807,890

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

For the years ended June 30, 2016 and 2015

(Unaudited)

	<u>Units</u>	
	<u>2016</u>	<u>2015</u>
Title III B - Supportive Services Fund:		
Information and Assistance	3,091	3,063
Personal Care	12,277	8,512
Outreach	643	516
Homemaker	13,945	2,607
Recreation	23,156	21,703
Transportation	39,492	35,144
Legal	115	117
Material Aid	29,111	41,788
Visiting	636	608
Telephone	2,535	2,523
Wellness	13,978	11,262
Title III C-1 - Congregate Meals Fund:		
Congregate Meals	43,799	38,575
Title III C-2 - Home Delivered Meals Fund:		
Home Delivered Meals	143,911	152,350
Title III D - Preventive Health Fund:		
Wellness	330	37
Med Management	344	283
Title III E - National Family Caregiver Program Fund:		
Information and Assistance	279	231
Caregiver Services	2,183	2,450
Material Aid	399	408
Social Services Block Grant		
Utility Assistance	942	600

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Terrebonne Council on Aging, Inc. (the Primary Government), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Primary Government's basic financial statements and have issued our report thereon dated December 1, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Primary Government's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Primary Government's internal control.

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

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

Compliance and Other Matters

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

Primary Government's Response to Findings

The Primary Government's responses to the comments are described in the accompanying schedule of findings and questioned costs. We did not audit the Primary Government's response and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
December 1, 2016.

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

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

Compliance

We have audited the compliance of the Terrebonne Council on Aging, Inc., (the Primary Government) a component unit of Terrebonne Parish Consolidated Government, State of Louisiana with the types of compliance requirements described in the *U.S Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, that could have a direct and material effect on each of the Primary Government's major federal programs for the year ended June 30, 2016. The Primary Government's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for the Primary Government's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements (Uniform Guidance)*. Those standards and the Uniform Guidance 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 Primary Government'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 on compliance for the major federal program. However, our audit does not provide a legal determination on the Primary Government's compliance.

Opinion on Each Major Federal Program

In our opinion, the Primary Government complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the Primary Government is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirement referred to above. In planning and performing our audit, we considered the Primary Government's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each federal major program and to test and report on internal control over compliance in accordance with Uniform Requirements, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Primary Government's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph in this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
December 1, 2016.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Council on Aging, Inc.
(The Primary Government)

For the year ended June 30, 2016

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Grant Year Ended	Program or Award Amount	Federal Revenue Recognized	Federal Expenditures
Terrebonne Council on Aging, Inc.					
Department of Transportation:					
Public Transportation Operating Assistance Program Enhanced Mobility for the Small-Urban Area	20.513	6/30/2016	\$ 80,000	\$ 80,000	\$ 80,000
<u>Pass-Through Program From:</u>					
<u>Louisiana Department of Transportation and Development</u> <u>Terrebonne Parish Consolidated Government:</u> Public Transportation Operating Assistance Program for the Rural Area	20.509	6/30/2016	307,217	265,969	265,969
Total Department of Transportation			<u>387,217</u>	<u>345,969</u>	<u>345,969</u>
Department of Health and Human Services:					
Administration on Aging:					
<u>Pass-Through Program From:</u>					
<u>Louisiana Governor's Office of Elderly Affairs:</u>					
Aging Cluster:					
Title III, Part B - Supportive Services and Senior Centers	93.044	6/30/2016	93,709	93,709	93,709
Title III, Part C - Nutrition Services (Area Agency Administration)	93.045	6/30/2016	7,127	5,614	5,614
Title III, Part C-1 - Nutrition Services (Congregate Meals)	93.045	6/30/2016	98,570	98,570	98,570
Title III, Part C-2 - Nutrition Services (Home Delivered Meals)	93.045	6/30/2016	93,701	93,701	93,701
Subtotal CFDA #93.045			<u>199,398</u>	<u>197,885</u>	<u>197,885</u>
Nutrition Services Incentive Program	93.053	6/30/2016	135,217	135,217	135,217
Total Aging Cluster			<u>428,324</u>	<u>426,811</u>	<u>426,811</u>
Special Programs for the Aging:					
Title III, Part D - Preventive Health Services	93.043	6/30/2016	5,937	5,904	5,904
Title III, Part E - National Family Caregiver Program	93.052	6/30/2016	32,754	32,754	32,754
Affordable Care Act, Medicare Improvements for Patients and Providers	93.518	6/30/2016	14,800	14,800	14,800
Total Department of Health and Human Services			<u>481,815</u>	<u>480,269</u>	<u>480,269</u>
Total Terrebonne Council On Aging, Inc.			<u>\$ 869,032</u>	<u>\$ 826,238</u>	<u>\$ 826,238</u>

See notes to Schedule of Expenditures of Federal Awards.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Terrebonne Council on Aging, Inc. (The Primary Government)

For the year ended June 30, 2016

Note 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the Terrebonne Council on Aging, Inc. (the Primary Government), and is presented on the modified accrual basis of accounting. Awards passed through the Louisiana Governor's Office of Elderly Affairs report Federal awards only, as do all other awards. The information in this schedule is presented in accordance with the requirements of Uniform Requirements. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

Note 2 - FINDINGS OF NONCOMPLIANCE

There were no Federal award findings or questioned costs reported during the audit of the financial statements for the year ended June 30, 2016.

Note 3 - SUBRECIPIENTS

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

Note 4 - NON-CASH ASSISTANCE

No Federal awards were expended in the form of non-cash assistance during the fiscal year.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Terrebonne Council on Aging, Inc.
(The Primary Government)**

For the year ended June 30, 2016

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified that are not
 considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

b) Federal Awards

Internal control over major programs:

- Material weakness (es) identified? yes X no
- Significant deficiency(ies) identified that are not
 considered to be material weaknesses? yes X none reported

Type of auditor's report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be
 Reported in accordance with
 Uniform Requirements? yes X no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(continued)

**Terrebonne Council on Aging, Inc.
(The Primary Government)**

For the year ended June 30, 2016

Section I Summary of Auditor's Results (continued)

c) Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
Aging Cluster: 93.044	Special Programs for the Aging: – Title III, Part B-Grants for Supportive Services and Senior Centers
93.045	Special Programs for the Aging – Title III, Part C – Nutrition Services
93.053	Nutrition Services Incentive Program

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as 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, 2016.

Section III Federal Award Findings and Questioned Costs

There were no Federal award findings or questioned costs reported during the audit for the year ended June 30, 2016.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

Terrebonne Council on Aging, Inc. (The Primary Government)

For the year ended June 30, 2016

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

Internal Control

No material weaknesses were noted during the audit for the year ended June 30, 2015.

No significant deficiency(ies) were reported during the audit for the year ended June 30, 2015.

Compliance

No compliance findings material to the basic financial statements were noted during the audit for the year ended June 30, 2015.

Section II Internal Control and Compliance Material to Federal Awards

There were no federal award findings or questioned costs reported during the audit for the year ended June 30, 2015.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2015.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Terrebonne Council on Aging, Inc. (The Primary Government)

For the year ended June 30, 2016

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

Internal Control

No material weaknesses were noted during the audit for the year ended June 30, 2016.

No significant deficiency(ies) were reported during the audit for the year ended June 30, 2016.

Compliance

No compliance findings material to the basic financial statements were noted during the audit for the year ended June 30, 2016.

Section II Internal Control and Compliance Material to Federal Awards

There were no Federal award findings on questioned costs reported during the audit for the year ended June 30, 2016.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2016.