

**SABINE COUNCIL ON AGING, INC.  
MANY, LOUISIANA**

**ANNUAL FINANCIAL REPORT  
JUNE 30, 2021**

**Sabine Council on Aging, Inc.  
Many, Louisiana**

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**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
 As of and for the Year Ended June 30, 2021

The following discussion and analysis of the Sabine Council on Aging's (the Council) financial performance is provided as an overview of the Council's financial activities for the year ended June 30, 2021. This document focuses on the current year's activities, resulting changes, and currently known facts. This document should be read in conjunction with the basic financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- Unrestricted net position, which represents the amount available to be used to meet ongoing obligations to the aged citizens of Sabine Parish and creditors in accordance with the Council's fund designation and fiscal policies increased \$65,181 (2.63%) to \$2,544,502 as of June 30, 2021, compared to a decrease of \$991,362 (28.56%) and a decrease of \$97,365 (2.73%) as of June 30, 2020 and 2019, respectively.
- Sales tax revenue decreased \$114,565 (8.47%) to \$1,238,589 during the year ended June 30, 2021, compared to an increase of \$209,710 (18.34%) and increase of \$196,033 (20.69%) during the years ended June 30, 2020 and 2019, respectively.
- The Council had an excess of revenues over expenses of \$448,867 for year ended June 30, 2021, compared to an excess of revenue over expenses of \$417,547 and an excess of revenue over expenses of \$366,510 for years ended June 30, 2020 and 2019, respectively.
- During the current year, expenses increased \$39,545 which is an 2.33% increase from last year.
- The Council had no long-term debt at years ending June 30, 2021, 2020, or 2019.

**HOW TO USE THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 13 and 14) provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances. Fund financial statements begin on page 16. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statements by providing information about the Council's most significant funds.

Our auditor has provided assurance in the independent auditor's report, located immediately before this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance about the supplemental financial information required by GASB Statement 34 and other supplemental financial information that follows later in this reporting package. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

**REPORTING THE COUNCIL AS A WHOLE USING GOVERNMENT-WIDE STATEMENTS**

Our analysis of the Council as a whole begins on page 13. An important question to ask about the Council's finances is, "Is the Council as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities (referred to collectively as the Government-Wide Financial Statements) report information about the Council as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-Wide statements report the Council's net position and changes in them. Some of the net position is restricted which means they can only be used for a specific purpose. The Statement of Net position

is designed to present the financial position of the Council as of year-end. Over time, increases or decreases in the Council's net position is one indicator of whether its financial position is improving or deteriorating. However, to assess the overall financial position of the Council, other nonfinancial factors, such as the condition of the council's capital assets and facilities, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services, should be considered. The Statement of Activities provides information that shows how the Council's net position changed as a result of this year's activities. All of the Council's significant activities are reported in the Statement of Activities. These activities include an Administration function, Medicaid Transportation function, and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include various supportive social services, nutritional services, utility assistance, and disease prevention and health promotion. The Medicaid Transportation is relevant to the activities of transporting the elderly, which are services reimbursable by Medicaid. All activities of the Council are considered to be governmental activities. A governmental activity is one where the Council uses money it receives from government grants and contracts, along with donations from the general public, and in the case of the Sabine Council, an assessed sales tax, to pay for the services it provides to the general public, or a segment of the general public, such as the elderly. In other words, the people benefiting from the services are not required to pay for what they receive. If the Council charged fees to cover all or most of the cost of providing a service, that activity would be classified as a business-type activity. The council does not have any business-type activities. However, the Council does charge a fee for persons under 60 years old to ride the Council's vans. We do not view the fees we charge for these activities as a business-type activity because we do not intend to make a profit or recover the full cost of providing the service.

#### **REPORTING THE COUNCIL'S MOST SIGNIFICANT FUNDS USING FUND FINANCIAL STATEMENTS**

Our analysis of the Council's major funds begins on page 16. The Fund Financial Statements can be found on pages 16 to 17 and provide detailed information about the most significant funds - not the Council as a whole. In the Fund Financial Statements, you will see a General Fund and a variety of major Special Revenue Funds. The General Fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. By using separate funds to track revenues and expenditures, we can control and manage funds for particular purposes or we can show that the fund is meeting legal responsibilities for using certain grants and other money.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified* accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. We have presented the difference between the net position of governmental activities and the fund balance of the governmental funds in reconciliation at the bottom of the Balance Sheet for Governmental Funds. In addition, the difference between the change in net position for the governmental funds and the change in net position for the governmental activities has been presented in a reconciliation at the bottom of the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds.

#### **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 on pages 18 to 32. You should read the notes before making assumptions or drawing conclusions about the Council's financial conditions.

#### **SUPPLEMENTAL FINANCIAL INFORMATION REQUIRED BY GASB STATEMENT 34**

The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual budget. The schedules compare the original and final appropriated budgets to actual budget results for the

Council's fiscal year. We have also opted to present positive and negative variances between the final budget and actual amounts.

Major funds are those funds whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria, but which we believe is important to present for the Council's financial statement users.

Management's Discussion and Analysis is also required supplementary information (RSI) by GASB Statement 34. However, it is presented under Required Supplementary Information (Part I) at the beginning of the reporting package and not with the other RSI by GASB Statement 34.

#### OTHER SUPPLEMENTAL FINANCIAL INFORMATION

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

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present as schedules the information on pages 39 to 40. This information will be used by GOEA to verify the accuracy of information the Council submitted to it during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council. The schedule of compensation, benefits and other payments to agency head or chief executive officer on page 42 is presented to fulfill the requirements of Louisiana Revised Statute 24:513(A)(3).

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

The following table reflects condensed information on the Council's net position:

	Governmental Activities		
	2021	2020	2019
Current and other assets	\$ 2,768,939	\$ 2,679,169	\$ 3,577,237
Capital assets, net of depreciation	3,836,601	3,452,626	2,043,497
Total Assets	\$ 6,605,540	\$ 6,131,795	\$ 5,620,734
Total current liabilities	\$ 212,719	\$ 187,841	\$ 94,327
Net Position:			
Net investment in capital assets	\$ 3,836,601	\$ 3,452,626	\$ 2,043,497
Restricted	11,718	12,007	12,227
Unrestricted	2,544,502	2,479,321	3,470,683
Total Net Position	\$ 6,392,821	\$ 5,943,954	\$ 5,526,407

As of June 30, 2021, the Council "as a whole" had assets greater than its liabilities by \$6,392,821. The Council's total net position increased \$448,867 (7.55%) since 2020 and increased \$866,414 (15.68%) since 2019. This is due primarily to the fluctuations in sales tax and grant revenue.

The Council's unrestricted net position increased by \$65,181 (2.63%) from last year's amount. About 39.80% of the Council's net position is unrestricted as of June 30, 2021. It is important that the Council have unrestricted net position so there will be resources available to adapt to changes in the economy, emergencies, unexpected needs, reductions in or termination of grant revenues by government agencies and future capital expenditures.

The Council's restricted net position of \$11,718 is for utility assistance and represents 0.18% of total net position. Net position is reported as restricted when the constraints placed upon the asset's use are either (a) externally imposed by a grantor, contributor, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The 60.01% of net position that have been invested in capital assets (\$3,836,601) are presented net of depreciation and any related outstanding debt incurred to acquire them.

Total liabilities increased by \$24,878 this year or 13.24%. The primary reason for the increase is an increase in accounts payable for expenses related to the construction in progress of the Many recreation center and additions to the Toledo Center.

The table below illustrates the revenues and expenses that caused the change in net position over the years.

	For the years ending June 30,		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues			
Program Revenues:			
Charges for Services	\$ 279	\$ 452	\$ 195
Operating Grants and Contributions	533,638	431,549	382,132
Capital Grants and Contributions	178,567	141,506	210,679
General Revenues			
Sales Tax Revenue	1,238,589	1,353,154	1,143,444
Unrestricted Grants and Contributions	159,641	158,104	97,246
Interest Income	20,478	31,038	26,176
Gain(Loss) on disposition of assets	(1,193)	-	(1,792)
Other General Revenues	58,133	1,464	3,242
Total Revenues	<u>2,188,132</u>	<u>2,117,267</u>	<u>1,861,322</u>
Program Expenses of the Health Welfare & Social Services			
Supportive Services:			
Homemaker	40,557	70,638	68,572
Information and Assistance	22,644	20,912	18,218
Legal Assistance	503	2,881	3,042
Outreach	4,658	4,622	4,861
Transportation	154,822	201,034	175,150
Other Non-priority Services	15,016	13,403	10,972
Nutrition Services:			
Congregate Meals	128,208	158,742	143,687
Home Delivered Meals	486,491	471,880	455,270
Nutrition Education	252	252	252
Medication Management and Wellness	4,986	5,029	5,210
National Family Caregiver	65,103	33,524	44,281
Utility Assistance	1,299	1,361	1,702
Senior Center Activities	199,884	182,705	130,060
Other Senior Activities	109,081	105,396	98,017
Program Expenses of Medicaid Transportation	269,415	217,099	200,170
Administration Expenses	236,346	210,242	135,348
Total Expenses	<u>1,739,265</u>	<u>1,699,720</u>	<u>1,494,812</u>
Excess(deficit) of revenues over expenses	448,867	417,547	366,510
Beginning Net Position	5,943,954	5,526,407	5,159,897
Ending Net Position	<u>\$ 6,392,821</u>	<u>\$ 5,943,954</u>	<u>\$ 5,526,407</u>

The Council's total revenues were \$2,188,132 or an increase of \$70,865 (3.35%) over 2020 for government-wide financial statements. The prior years' revenue was \$2,117,267 in 2020 an increase from 2019 revenue of \$255,945 (13.75%) and \$1,861,322 in 2019, which reflected an increase of \$447,399 (31.64%) from 2018. Total expenses increased by \$39,545 (2.33%) from \$1,699,720 in 2020 and increased by \$244,453 (16.35%) from \$1,494,812 in 2019.

#### AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

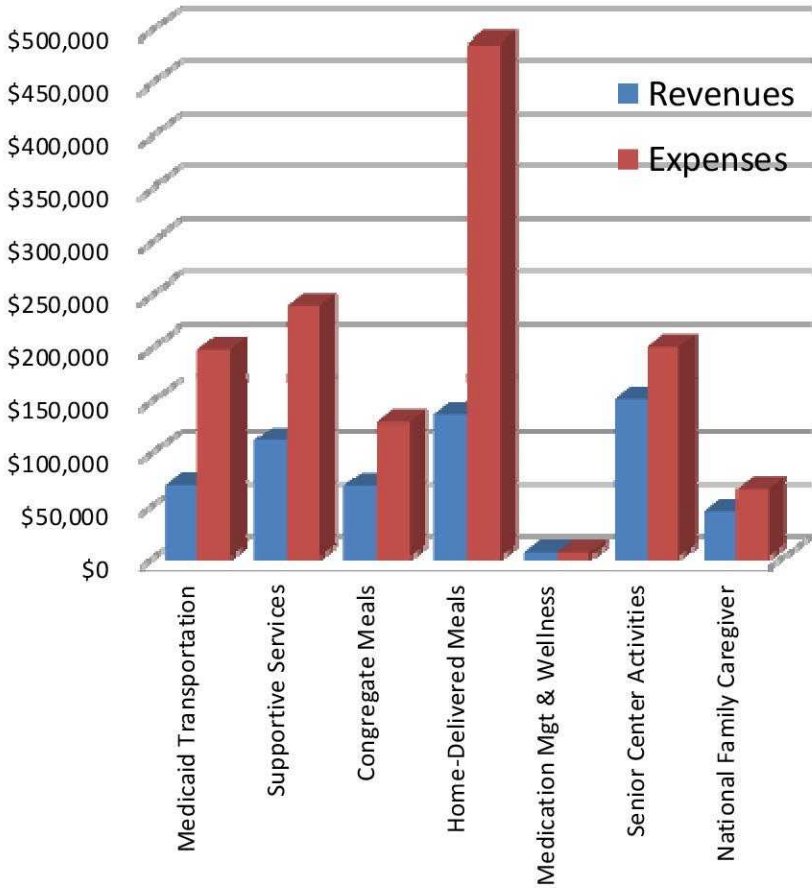
Most of the Council's activities are funded by federal, state, and local grants. Some of these grants are restricted which means that the money can only be used in certain programs. The amount of funds available from most of the grants remains rather constant from year to year, however, some grant amounts may change based upon the level of service provided by the Council under the terms of the particular grant award.

In 2003, the Council began receiving monies from a sales tax passed for a term of ten years beginning October 2003. This sales tax was renewed in December, 2012 for another ten years. This revenue has decreased \$520,173 since a high of \$1,758,762 in 2012.

The Council also receives donations from its clients and the general public. These revenues help to lessen the financial burden on the Council and allow it to maintain and expand services. Public support revenues typically represent only a small portion of revenues for the predominately rural area.

When reviewing the Government-Wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. As you can see, the Council's largest activities are related to supportive services (which include among other services, transportation and recreation) and nutrition services represented by congregate and home delivered meals. The Council's main focus is to meet the needs of the elderly citizens of Sabine Parish. Demand for these services is high; therefore, resources are channeled to meeting the demand.

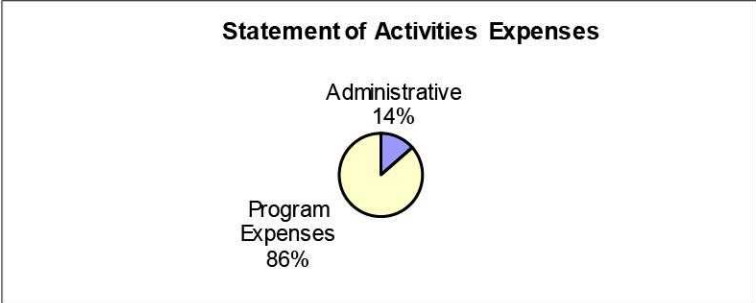
### Comparison of 2021 Program Revenues and Expenses



You will note that all the governmental activities have more expenses than revenues. We expect this situation to occur and have prepared the Council's budgets for these activities with this in mind. As you will also note, not all program revenues are included in this chart. Other types of grant monies are available to assist in the cost of certain programs, for instance, PCOA monies are utilized with the CII home-delivered meal program for the cost of raw materials for meals served to the qualified individuals. This chart is only to demonstrate those revenues and expenses that have been either directly or indirectly allocated to these specific funds prior to transfers. Traditionally, once qualified transfers from all grant sources have been exhausted, sales tax revenues are used to cover the excess of expenses over revenues in these activities. For year end June 30,

2021 the Council transferred \$562,565 of sales tax revenue to cover the deficits in these funds as compared to a transfer of \$683,389 for year ended June 30, 2020.

Another indication of how we are using money and resources efficiently can be analyzed by calculating the percentage of administration in relation to total program expenses. Administrative expenses account for 14% of total expenses.



The Utility Assistance program has no indirect costs that can be charged to this program because under the terms of the contract, the contributions given by the donor may only be used to pay for utility bills for certain needy people who meet the guidelines to receive assistance. In any given year, the amount of contributions received in this program may exceed the demand from qualified recipients.

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

**Fund Balances**

The Council showed a combined governmental fund balance of \$2,556,221 (as shown on the Fund Financial Statement’s balance sheet on page 16) at the end of this year, which is an increase of \$64,893 versus last year. When you look at the funds individually you will see that the Council’s General Fund increased by \$65,182 this year and the Non Major Funds have a combined fund balance decrease of \$289.

**Revenues**

The combined fund revenues increased \$78,010 this year versus last year, led by La DOTD donations for new vans of \$178,567, \$54,282 received in insurance reimbursements for hurricane damage, and \$119,267 in Coronavirus Aid, Relief, and Economic Security (CARES) Act funds received in response to the COVID-19 pandemic.

**Expenditures**

Current total expenditures decreased by \$978,465 this year. Notable reasons why this occurred are as follows:

- Decrease in capital expenditures of \$954,310.
- Decrease in the purchase of C-1 Congregate Meals of \$37,477 due to the centers closed down during the pandemic.

**AN ANALYSIS OF THE GENERAL FUND BUDGET**

Our GOEA budget was approved for the fiscal year ended June, 2021. You can find schedules of the original budget for the General Fund and each major fund in the Required Supplemental Information (Part II) section of this report on pages 34 to 36. When you review the budget versus actual schedule, you will note the favorable and unfavorable variances. In the General Fund the non-cash contributions for vans from the Louisiana Department of are not included in the budget. If these donations were removed from the actual revenues, the Council’s revenues remain more than the budgeted amounts. Actual expenditures were less than budgeted amounts by \$130,498.



## AN ANALYSIS OF CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of the year, the Council had \$3,836,601 in net fixed assets and a net increase in accumulated depreciation of \$94,499. The capital outlays included three new vans, extensive repairs to the Florien Meal Site and Toledo Center after Hurricane Laura, a treadmill, six recumbent bikes, and construction in progress of additions at the Toledo Center and a new Many Recreation Center. This resulted in a net increase of \$383,975 in fixed assets over last year.

	Balance June 30, 2020	Additions	Reclassifications/ Deletions	Balance June 30, 2021
Buildings and land	\$ 3,667,265	\$ 56,098	\$ -	\$ 3,723,363
Furniture and equipment	93,535	10,244	-	103,779
Automotive equipment	585,990	204,544	(131,835)	658,699
Construction-in-progress	25,429	304,760	-	330,189
Total general fixed assets	<u>\$ 4,372,219</u>	<u>\$ 575,646</u>	<u>\$ (131,835)</u>	<u>\$ 4,816,030</u>
Accumulated Depreciation				
Buildings	\$ 657,251	98,999	-	\$ 756,250
Furniture and equipment	40,309	6,823	-	47,132
Automotive equipment	222,033	78,705	(124,691)	176,047
Total accumulated depreciation	<u>\$ 919,593</u>	<u>\$ 184,527</u>	<u>\$ (124,691)</u>	<u>\$ 979,429</u>
Total Net Assets	<u>\$ 3,452,626</u>	<u>\$ 391,119</u>	<u>\$ (7,144)</u>	<u>\$ 3,836,601</u>

At the end of June 30, 2021, the Council had no long-term debt.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

As in the past, the Council receives funding from federal and state agencies for specific programs. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. A large percentage of funding is presently coming from sales tax revenue. In setting the budget for fiscal year 2021-2022, it was important that we continue to deliver the same or an increased level of service to our clients and the public compared to what we did in 2020-2021. All of the Council's grants and contracts from the usual federal and state agencies have been approved for FYE 2022. There was one significant change from the Governor's Office of Elderly Affairs for 2021. The GOEA reduced the Title III CARES funding to only the C2 program. The amount due to the Sabine Council on Aging, Inc. for the fiscal year 2021-2022 is \$24,859; a decrease of \$94,408 from the \$119,267 received in 2020-2021 for IIB, C2 and IIIE .

## CONTACTING THE COUNCIL'S MANAGEMENT

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask for more information, you should contact Jeffrey Morrow, the Council's Executive Director, at the Council's main office located at 200 Legacy Drive, Many, Louisiana, 71449, by phone at (318) 256-4140, or by email [jmorrow@sabinecoa.org](mailto:jmorrow@sabinecoa.org).

**T | C | B | T**  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Sabine Council on Aging, Inc.  
Many, Louisiana 71449

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sabine Council on Aging, Inc. (Council) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion 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 and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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, major funds, and the aggregate remaining fund information of the Sabine Council on Aging, Inc. as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require the information listed below to supplement the basic financial statements.

- Management's discussion and analysis
- Budgetary comparison information

Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and 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 management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to 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 Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The information listed below is presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA).

- Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds
- Comparative Schedule of General Fixed Assets and Changes in General Fixed Assets

Act 706 of the Louisiana 2014 Legislative Session requires the Council to present a supplementary Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer for the fiscal year. These schedules are not a required part of the basic financial statements.

This supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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, this supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021, on our consideration of the Council's internal control over financial reporting and on 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 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.

*Thomas, Cunningham, Broadway & Todtenbier, CPAs*

Thomas, Cunningham, Broadway & Todtenbier  
Certified Public Accountants  
Natchitoches, Louisiana

November 30, 2021

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT A

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**STATEMENT OF NET POSITION**  
June 30, 2021

		<u>GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>		
Cash	\$	1,979,756
Investments		644,683
Receivables		136,996
Prepaid expenses		6,884
Capital assets, net of accumulated depreciation		3,836,601
Utility deposits		<u>620</u>
<b>Total Assets</b>	<b>\$</b>	<b><u>6,605,540</u></b>
<b>LIABILITIES</b>		
Current:		
Accounts payable	\$	117,312
Retainage payable		10,745
Accrued payroll liabilities		28,201
Accrued compensated absences		<u>56,461</u>
<b>Total Liabilities</b>	<b>\$</b>	<b><u>212,719</u></b>
<b>NET POSITION</b>		
Net investment in capital assets	\$	3,836,601
Restricted for:		
Utility assistance		11,718
Unrestricted		<u>2,544,502</u>
<b>Total Net Position</b>	<b>\$</b>	<b><u><u>6,392,821</u></u></b>

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

## STATEMENT B

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2021

Functions/Programs	Direct Expenses	Indirect Expenses	Program Revenues			Net (Expenses) Revenues and Change in Net Position
			Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>						
<b>Health, Welfare &amp; Social Services</b>						
Supportive Services:						
Homemaker	\$ 26,556	\$ 14,001	\$ -	\$ 18,772	\$ -	\$ (21,785)
Information and assistance	14,827	7,817	-	10,202	-	(12,442)
Legal assistance	503	-	-	226	-	(277)
Outreach	3,050	1,608	-	2,098	-	(2,560)
Transportation	101,373	53,449	-	73,375	-	(81,447)
Other non-priority services	9,832	5,184	-	6,765	-	(8,251)
Nutrition Services:						
Congregate meals	88,902	39,306	-	68,191	-	(60,017)
Home delivered meals	389,798	96,693	-	135,468	-	(351,023)
Nutrition education	252	-	-	252	-	-
Preventive Health:						
Wellness	3,264	1,722	-	4,943	-	(43)
National family caregiver:						
In-home respite	48,741	12,282	-	40,582	-	(20,441)
Sitter service	1,273	13	-	855	-	(431)
Other services	1,832	962	-	1,858	-	(936)
Senior Center Activities	130,873	69,011	-	39,623	-	(160,261)
Other Senior Services	75,791	27,707	-	-	-	(103,498)
Utility Assistance	1,299	-	-	1,010	-	(289)
Medicare Outreach & Education	3,647	1,936	-	3,290	-	(2,293)
Other Transportation	197,290	72,125	279	69,866	178,567	(20,703)
Administrative (AAA & General)	-	236,346	-	56,262	-	(180,084)
Total Governmental Activities	\$ 1,099,103	\$ 640,162	\$ 279	\$ 533,638	\$ 178,567	\$ (1,026,781)
General revenues:						
Sales tax revenue						1,238,589
Grants not restricted to specific programs						159,641
Miscellaneous						58,133
Net loss on disposition of assets						(1,193)
Interest income						20,478
			Total general revenues			1,475,648
			Increase (decrease) of net position			448,867
			Net position, beginning			5,943,954
			Net position, ending			\$ 6,392,821

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.



## FUND FINANCIAL STATEMENTS

## STATEMENT C

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
 June 30, 2021

	<u>GENERAL</u>	<u>TITLE III-B</u>	<u>TITLE IIIC-2</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>					
Cash	\$ 1,979,756	\$ -	\$ -	\$ -	\$ 1,979,756
Investments	644,683	-	-	-	644,683
Accounts receivable	136,996	-	-	-	136,996
Due from general fund	-	-	-	11,718	11,718
Prepaid expenses	6,884	-	-	-	6,884
Utilities deposit	620	-	-	-	620
<b>Total Assets</b>	<u>\$ 2,768,939</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,718</u>	<u>\$ 2,780,657</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 117,312	\$ -	\$ -	\$ -	\$ 117,312
Retainage payable	10,745	-	-	-	10,745
Accrued payroll taxes	28,201	-	-	-	28,201
Accrued compensated absences	56,461	-	-	-	56,461
Due to other funds	11,718	-	-	-	11,718
<b>Total Liabilities</b>	<u>224,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,437</u>
<b>Fund Balances</b>					
Nonspendable:					
Utility deposits	620	-	-	-	620
Prepaid expense	6,884	-	-	-	6,884
Restricted for:					
Utility assistance	-	-	-	11,718	11,718
Unassigned	2,536,998	-	-	-	2,536,998
<b>Total Fund Balances</b>	<u>2,544,502</u>	<u>-</u>	<u>-</u>	<u>11,718</u>	<u>2,556,220</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,768,939</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,718</u>	<u>\$ 2,780,657</u>

**Reconciliation of Balance Sheet to Statement of Net Position:**

Amounts reported for governmental activities in the statements of net position are different because

<b>Balance Sheet--fund balances</b>	\$ 2,556,220
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	3,836,601
<b>Statement of Net Position</b>	<u>\$ 6,392,821</u>

The accompanying notes are an integral part of this statement.  
 See the accompanying independent auditor's report.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the year ended June 30, 2021

	<u>GENERAL</u>	<u>TITLE III-B</u>	<u>TITLE IIIC-2</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL</u>
<b>REVENUES</b>					
Intergovernmental:					
Governor's Office of Elderly Affairs	\$ 26,677	\$ 76,601	\$ 59,835	\$ 252,242	\$ 415,355
LaDOT Grant	178,567	-	-	-	178,567
NSIP Grant	-	-	48,728	-	48,728
Families First Coronavirus Response Act	-	30,719	73,726	14,822	119,267
Sales tax revenue	1,238,589	-	-	-	1,238,589
Public support	29,585	4,120	2,033	4,326	40,064
Interest income	20,478	-	-	-	20,478
Program service fees:					
Medicaid transportation	69,866	-	-	-	69,866
Other transportation	279	-	-	-	279
Miscellaneous	3,851	-	-	-	3,851
Total Revenues	<u>1,567,892</u>	<u>111,440</u>	<u>184,322</u>	<u>271,390</u>	<u>2,135,044</u>
<b>EXPENDITURES</b>					
<b>Health, Welfare, &amp; Social Services:</b>					
Current:					
Personnel	269,090	142,466	142,476	258,722	812,754
Fringe benefits	22,163	16,581	16,582	30,112	85,438
Travel	3,901	3,132	72,211	5,479	84,723
Operating services	72,588	54,718	39,250	50,598	217,154
Operating supplies	19,753	15,040	2,815	9,023	46,631
Other costs	8,884	5,760	6,788	8,791	30,223
Direct costs (no indirect allocation)	28,354	503	1,260	27,936	58,053
Meals	-	-	205,235	13,229	218,464
Energy assistance	-	-	-	1,299	1,299
Capital outlays	575,646	-	-	-	575,646
Total Expenditures	<u>1,000,379</u>	<u>238,200</u>	<u>486,617</u>	<u>405,189</u>	<u>2,130,385</u>
Excess of revenues over(under) expenditures	<u>567,513</u>	<u>(126,760)</u>	<u>(302,295)</u>	<u>(133,799)</u>	<u>4,659</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of assets	5,951	-	-	-	5,951
Insurance reimbursements	54,282	-	-	-	54,282
Operating transfers in	-	126,760	302,295	236,610	665,665
Operating transfers out	(562,565)	-	-	(103,100)	(665,665)
Total Other Financing Sources and Uses	<u>(502,332)</u>	<u>126,760</u>	<u>302,295</u>	<u>133,510</u>	<u>60,233</u>
Net increase(decrease) in fund balances	65,181	-	-	(289)	64,892
<b>FUND BALANCES</b>					
Beginning of year	2,479,321	-	-	12,007	2,491,328
End of year	<u>\$ 2,544,502</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,718</u>	<u>\$ 2,556,220</u>

**Reconciliation of Statement of Revenues Expenditures, and Changes in Fund Balance to Statement of Activities:**

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

Net increase in fund balances - total governmental funds \$ 64,892

Governmental funds report capital outlays as expenditures and the sales price of assets as revenue.

However in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense and gain or loss on disposition of assets is recorded.

Loss on disposition of assets	(7,144)	
Capital outlays	575,646	
Depreciation	(184,527)	383,975
Increase of net position of governmental activities	\$ 448,867	

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of Sabine Council on Aging, Inc. (the Council) conform to the 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 and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements. GAAP as applicable to governments also conforms to the requirements of Louisiana R.S. 24:517 and the guides set forth in the Governor's *Office of Elderly Affairs Audit Guide--Revision Effective for Fiscal Years Ending June 30, 2011* and to the industry guide, *Audits of State and Local Government Units*, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies used by the Council:

**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 Sabine Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish and state; 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; to coordinate and monitor services of other local agencies serving the aging people of the parish; to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA), and other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Sabine Parish include providing congregate and home delivered meals, nutritional education, caregiver assistance, information and assistance, outreach, material aid, utility assistance, homemaker services, recreation, legal assistance, medication management, public education, health promotion, in-home respite, sitter service, and transportation.

**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.

Before a council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. Each council on aging in Louisiana must comply with the state laws that apply to quasi-public agencies, as well as the policies and regulations established by GOEA.

The Sabine Council on Aging is a legally separate, non-profit, quasi-public corporation. It received its charter in 1973 and began operations 47 years ago. A board of directors, consisting of 15 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of, but not limited to, representatives of the Parish's elderly population, general public, private businesses, and elected public officials.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Reporting Entity (continued):**

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

Based on the criteria set forth in GASB Statement 14, *The Financial Reporting Entity*, the Sabine Council on Aging, Inc. is not a component unit of another primary government, nor does it have any component units that are related to it. In addition, based on the criteria set forth in the statement, the Council has presented its financial statements as a special purpose, stand-alone government; accordingly, it is applying the provisions of Statement 14 as if it were a primary government.

**C. Basis of Presentation of the Basic 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, whose purposes are to report individual major governmental funds and combined nonmajor governmental funds.

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

**Government-Wide Financial Statements:**

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Council. As a general rule, the effect of interfund activity has been eliminated from these statements. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in its net position (financial position) resulting from the activities of the current fiscal year. Intergovernmental revenues primarily support governmental activities.

In the government-wide Statement of Net Position only one column of numbers has been presented for total governmental activities. The numbers are presented on a consolidated basis and represent only governmental-type activities.

The Statement of Net Position has been prepared on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net position are reported in three parts -- invested in capital assets, net of related debt; restricted net position, and unrestricted net position.

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

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation of the Basic Financial Statements: (continued)**

Direct expenses reported in the Statement of Activities are those that are clearly identifiable with a specific function or program, whereas, the Council allocates indirect expenses among various functions and programs in accordance with OMB Circular A-87, *Cost Principles for States, Local and Indian Tribal Governments*. The Statement of Activities shows this allocation in a separate column labeled "indirect expenses."

In the Statement of Activities, charges for services represent program revenues obtained by the Council when it renders services provided by a specific function or program to people or other entities. Unrestricted contributions, unrestricted grants, interest income, and miscellaneous revenues that are not included among program revenues are reported instead as general revenues in this statement. Special items, if any, are significant transactions within the control of management that are either unusual in nature or infrequent in occurrence and are separately reported below general revenues. The Council did not have any material special items this year.

**Fund Financial Statements:**

The fund financial statements present financial information very similar to that which was included in the general-purpose financial statements issued by governmental entities before GASB Statement No. 34 required the format change.

The daily accounts and operations of the Council continue to be organized using funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities. 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 Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type, or the fund is determined to be particularly important to financial statement users and should be reported as a major fund. The nonmajor funds are summarized by category or fund type into a single column in the fund financial statements.

Governmental fund equity is called the fund balance. Fund balance is further classified on a hierarchy that shows, from the highest to the lowest, the level or form of constraints on fund balance and accordingly, the extent to which the Council is bound to honor them: nonspendable, restricted, committed, assigned and unassigned.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation of the Basic Financial Statements: (continued)**

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

**General Fund**

The general fund is the primary operating fund of the Council and is used to account for all financial resources except those required to be accounted for in another fund. The following is a brief description of the programs or funding sources that comprise the Council's General Fund:

**Local programs and funding.** The Council receives revenues that are not required to be accounted for in a specific program or fund. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds are mostly unrestricted, which means they may be used at management's discretion. Expenditures to acquire fixed assets, and expenditures for costs not allowed by another program due to budget limitations or the nature of the expenditures, are charged to the local program. Because of their unrestricted nature, local funds are often transferred to other programs to eliminate deficits in cases where the expenditures of the other programs exceeded their revenues. In addition, capital outlay expenditures are usually made with local funds to minimize restrictions on the use and disposition of fixed assets.

The **Title III C Area Agency Administration** funds are used to subsidize the costs of administering the Council's special programs for the aging. This fiscal year GOEA granted the Council \$26,677 of AAA funding, which has been received and accounted for in the Council's General fund along with an equal amount of administrative expenditures. The amount of funding is not enough to pay for all the administrative indirect costs. As a result, the Council will consume the GOEA grant funds first when paying for administrative costs and then allocate the excess administrative costs to other programs using a formula based on the percentage each program's direct costs bears to direct costs for all programs. In addition, due to program restrictions, administrative costs may not be allocated to certain funds and programs.

**Audit Funding.** Each year GOEA provides funds to subsidize the cost of the Council's annual audit. No audit funds FY 2021 were received to help pay for the cost of the audit, which was \$12,625 and is allocated as an indirect expense in the funds.

**Transportation Program Services--Non-elderly.** The Council provides various transportation services to the residents of Sabine Parish who are not 60 years old for a fee. These program service fees (\$279 for FY 2021) and their related costs are accounted for within the "Nonelderly Transportation" program of the General fund. In contrast, transportation services provided to residents who are at least 60 years old are accounted for in the "Elderly Transportation" program of the Title III B Fund.

**Medicaid Services.** The Council provides transports to certified Medicaid participants for medical treatments to and from the medical facilities. The Council is reimbursed based on mileage by the Department of Health and Hospitals (DHH). During the year the Council provided 1905 units (trips) for participants in this program, which generated \$69,866 of program service fees.

**Special Revenue Funds**

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term "*proceeds of specific revenue sources*" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The Council has established several special revenue funds. The following are brief descriptions of the purpose of each special revenue fund and their classification as either a major or nonmajor governmental fund:

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation of the Basic Financial Statements: (continued)**

**Major Governmental Funds**

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

	Units
Information and assistance	769
Legal assistance	7
Homemaker	609
Material aid	119
Outreach	143
Recreation	2,392
Transportation	2,212
Public education	30

There are three main sources of revenues that form the basis of this fund as follows:

- A grant from GOEA for Special Programs for the Aging, Title III, Part B--Grants for Supportive Services Supportive Services and Senior Centers \$76,601.
- Restricted, voluntary public support \$4,120 from persons who actually received homemaker and transportation services.

In addition to these two sources of funding, the Council on Aging received \$30,719 from the Families First Coronavirus Response Act for the year ended June 30, 2021.

The **Title III C-2 Fund** is used to account for funds that are used to provide nutritional meals to homebound people who are age 60 or older. During the year, the Council provided 59,432 home-delivered meals.

There were three main sources of revenues received this year that form the basis of this fund:

- A grant from GOEA for special Programs for the Aging, Title III, Part C-2, Nutrition Services \$59,835.
- Nutrition Services Incentive Program (NSIP) funds \$48,728 provided by GOEA to supplement the home-delivered meals program.
- Restricted, voluntary public support \$9,469\$2,033 from those persons who received the home-delivered meals.

In addition to these three sources of funding, the Council on Aging received \$73,726 from the Families First Coronavirus Response Act for the year ended June 30, 2021.

Any food that is purchased for use in this nutrition program using NSIP funds must be of United States origin or be commodities from the United States Department of Agriculture. Beginning October 1, 2000, GOEA began distributing NSIP funds to each parish council on aging in Louisiana based on how many meals each council on aging served in the previous year in relation to the total meals served statewide by all councils.

The primary purpose of the NSIP reimbursement is to provide money to the Council so that United States food and commodities may be purchased to supplement nutrition programs.



**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation of the Basic Financial Statements: (continued)**

**Non-Major Governmental Funds**

The **Title III C-1 Fund** is used to account for funds that are used to provide nutritional, congregate meals to the people age 60 or older in strategically located centers throughout Sabine Parish. The Council maintains meal sites in the Many, Converse, Florien and Toledo Town areas. During the year the Council provided 3,046 meals and 8 units of nutrition education to people eligible to participate in this program.

There were two main sources of revenues received this year that form the basis of this fund:

- A grant from GOEA for Special Programs for the Aging, Title III, Part C-1, Nutrition Services \$65,001.
- Restricted, voluntary public support \$3,316 from those persons who received congregate meals.

The **Title III D Fund** accounts for funds used for wellness, which include disease prevention and health promotion activities. During the year 346 units of wellness services were provided to eligible participants in this program. The main source of the revenue forming the basis for this fund is a grant the Council received from GOEA of \$4,943 for Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services.

The **Title III E Fund** is used to account for National Family Caregiver Support Program (NFCSP) funds used to provide a multi-faceted system of support services for family caregivers and for grandparents or older individuals who are relative caregivers. NFCSP Caregiver Services include (1) information about services/education, (2) assistance with access to services, (3) counseling/support groups, (4) respite care, and (5) supplemental services including material aid, and sitter services. During the year 1,060 units of service were provided. The main source of the revenue forming the basis for this fund is a grant for \$28,472 the Council received from GOEA for the Title III, Part E, National Family Caregivers Support Program.

The **Senior Center and Supplemental Senior Center** funds are also appropriated annually for the Council and remitted to the Council via GOEA. These grant funds can be used at management's discretion to pay for costs of any program involving elderly persons who are at least 60 years old. To obtain supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community, the elderly person will come to a "senior center." The Council maintains senior centers in Many, Converse, Florien, and Toledo Town. During the fiscal year, management used all of its grant revenue from the Senior Center \$39,623 and Supplemental Senior Center #2 (\$7,812) to fund senior center activities, and Supplemental Senior Center (\$3,100) was transferred to the Title III C-1 Fund to subsidize the operating costs of that fund's program services.

**PCOA** funds are appropriated annually for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council's management may use these "Act 735" funds at its discretion to fund any of its programs provided the program is benefiting elderly people (those who are at least 60 years of age). In FY 2021, the Council received this grant money into its General Fund and management transferred all (\$100,000) of the PCOA funds to the Title III C-2 Home-delivered meals to help pay for that fund's program expenditures.

The **Energy Assistance Fund** is used to account for the administration of utility assistance programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on the aging to provide assistance to the elderly for the payment of utility bills. The contributions can only be used to pay for direct services. No indirect or administration expenses can be paid for with these funds. The Council receives its Project Care donations directly from CLECO Corporation. During the year, the Council was able to provide \$1,299 to assist people with paying their utility bills.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. 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" revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements.

**Accrual Basis – Government-Wide Financial Statements.** The Statement of Net Position and the Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Modified Accrual Basis – Fund Financial Statements.** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund level financial statements use the flow of current financial resources measurement focus and the modified accrual basis of accounting. A current financial resources measurement focus means that only current assets and current liabilities are generally included on the fund balance sheet. The operating statements of the funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, The Council considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources. Depreciation is a cost not recognized in the governmental funds.

**E. Interfund Activity:**

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. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be repaid.

In the government-wide financial statements, all types of interfund transactions are eliminated when presenting the governmental activity information.

**F. Cash:**

Cash includes not only currency on hand, but demand deposits with banks or other financial institutions. For the purposes of the Statement of Net Position, restricted cash are amounts received or earned by the Council with an explicit understanding between the Council and the resource provider that the resource would be used for a specific purpose. At year end, the line item "Cash" on the Statement of Net Position is comprised of restricted cash of \$11,718 and unrestricted cash of \$1,968,038. The Council has presented restricted cash as a component of current assets in the Statement of Net Position because it is available for use in current operations.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Investments:**

GASB Statement 31 requires the Council to report its investments at fair value in the balance sheet, except for investments in non-participating interest-earning contracts, such as non-negotiable certificate of deposit with redemptions terms that do not consider market rates. This type of investment is reported using a cost-based measure, provided the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors. All the Council's investments are non-negotiable certificates of deposit.

**H. Prepaid Expenses:**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**I. Capital Assets:**

The accounting and reporting treatment used for capital assets depends on whether the capital assets are reported in the government-wide financial statements or the fund financial statements.

*Government-Wide Financial Statements.* Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Position. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation. Capital assets will also include major repairs to equipment and vehicles that significantly extend the asset's useful life. Routine repairs and maintenance are expenses as incurred.

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

Buildings and improvements	25-40 years
Equipment	5-7 years
Vehicles	5 years
Computers	3 years

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

*Fund Financial Statements.* In the fund financial statement, capital assets used in the Council's operations are accounted for as capital outlay expenditures of the governmental fund that provided the resources to acquire the assets. Depreciation is not computed or recorded on capital assets for purposes of the fund financial statements.

**J. Non-Current (Long-term) Liabilities:**

The accounting treatment of non-current liabilities depends on whether they are reported in the government-wide or fund financial statements. In the government-wide financial statements, all non-current liabilities that will be repaid from governmental resources are reported as liabilities. In the fund financial statements, non-current liabilities for governmental funds are not reported as liabilities or presented elsewhere in these statements. The Council did not have any non-current liabilities at year end.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Compensated Absences:**

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave to the next fiscal year, not to exceed the amount of designated leave based on tenure. Accordingly, a liability for the unpaid vacation leave has been recorded. Management has estimated this liability to be current based on historical trends and therefore is recorded as a payroll payable. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the fiscal year. An amount is added to this total for Social Security and Medicare taxes. The Council's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued.

**L. Net Position in the Government-wide Financial Statements:**

In the government-wide financial statements, equity (the difference between assets and liabilities) is classified as net position and is reported 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 capital assets. At year end the Council did not have any borrowings that were related to capital assets.
- b. Restricted net position--Consists of net position with constraints placed on the use by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position--Consists of all other assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

In the event that the Council, for the same function or purpose, received restricted and unrestricted monies, the policy is to first apply restricted resources when an expenditure is incurred. However, management will depart from its usual policy by using unrestricted funds in the Council's nutrition programs before consuming unspent NSIP funds, which is a restricted type revenue. The reason management will take this action is because certain unrestricted funds will have to be returned to GOEA if not consumed by June 30, whereas unconsumed NSIP funds are allowed by GOEA to be carried over and used in a subsequent year.

**M. Fund Equity in the Fund Financial Statements:**

Governmental fund equity is classified as fund balance. As required by GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, this statement provides clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. 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 as begin nonspendable as this item is not expected to be converted to cash.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**M. Fund Equity in the Fund Financial Statements: (continued)**

- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Management has classified \$11,718 of the fund balance for the energy assistance special revenue fund as being restricted due to the constraints placed on the use of the money contributed by the general public and CLECO.
- **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 did not have any committed resources as of year-end.
- **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.
- **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.

**N. Allocation of Indirect Expenses:**

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

**O. Management's Use of Estimates:**

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

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. Elimination and Reclassifications:**

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

**Q. Income Tax Status**

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501 (c)(3) of the Internal Revenue Code, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax.

The Council does file a Form 990. The Council's Forms 990, *Return of Organization Exempt from Income Tax*, is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Council management believes it is no longer subject to income tax examinations for periods ending prior to July 1, 2018, generally for three years after they are filed.

**2. REVENUE RECOGNITION**

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

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

**3. CASH MANAGEMENT, DEPOSITS AND INVESTMENTS**

*Cash:*

At June 30, 2021, the Council has cash (book balances) totaling \$1,979,756, as follows:

Petty Cash	\$	150
Demand Deposits		<u>1,979,606</u>
	\$	<u><u>1,979,756</u></u>

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**3. CASH MANAGEMENT, DEPOSITS AND INVESTMENTS (continued)**

*Investments:*

At June 30, 2021, the Council has the following investments and maturities:

Investment	Maturity	Fair Value
Certificate of Deposit	3/13/2022	\$ 318,650
Certificate of Deposit	9/11/2022	326,033
Totals		\$ 644,683

Investment valuation. Certificates of deposit are stated at cost, which approximates market.

The cash and investments of the Sabine Council on Aging, Inc. are subject to the following risks:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. As described in Louisiana law, the Council is classified as a quasi-public entity. Accordingly, the Council is not required to comply with Louisiana laws relating to the collateralization of bank deposits. However, the Council's policy is to follow state law in an effort to minimize risks. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Council's name.

At year end, the Council had collected bank balances of \$2,355,101. Of the total collected bank balances, \$797,289 was protected by federal depository insurance; \$1,557,812 was secured by pledged securities with a market value of \$3,096,223 held by the custodial banks in the name of the Council. Therefore, the Council was fully collateralized and was in compliance with R.S. 29:1225 which states the amount of the security shall at all times be equal to one hundred percent of the amount of collected funds on deposit except that portion of the deposits insured by any governmental agency insuring bank deposits.

*Interest Rate Risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The Council does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Council's certificate of deposits have maturities of one year or less which limits exposure to fair value losses arising from rising interest rates.

**4. ACCOUNTS RECEIVABLE**

Accounts Receivable at June 30, 2021, consists of the following:

Program	Fund	Provider	Amount
Administration	General	Sales Tax	\$ 136,954
Insurance overpayment	General	AFLAC	42
Total			\$ 136,996

The Council considers the receivables fully collectible; therefore no allowance for uncollectibles is recorded.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

## 5. CAPITAL ASSETS

A summary of changes in capital assets and related accumulated depreciation are as follows:

	Balance June 30, 2020	Additions	Reclassifications/ Deletions	Balance June 30, 2021
Land	\$ 214,271	\$ -	\$ -	\$ 214,271
Buildings	3,452,994	56,098	-	3,509,092
Construction in Progress	25,429	304,760	-	330,189
Furniture and equipment	93,535	10,244	-	103,779
Automotive equipment	585,990	204,544	(131,835)	658,699
Total general fixed assets	<u>\$ 4,372,219</u>	<u>\$ 575,646</u>	<u>\$ (131,835)</u>	<u>\$ 4,816,030</u>
Accumulated Depreciation				
Buildings	\$ 657,251	\$ 98,999	\$ -	\$ 756,250
Furniture and equipment	40,309	6,823	-	47,132
Automotive equipment	222,033	78,705	(124,691)	176,047
Total accumulated depreciation	<u>\$ 919,593</u>	<u>\$ 184,527</u>	<u>\$ (124,691)</u>	<u>\$ 979,429</u>
Total Net Assets	<u>\$ 3,452,626</u>	<u>\$ 391,119</u>	<u>\$ (7,144)</u>	<u>\$ 3,836,601</u>

Depreciation expense of \$184,527 was charged to the Indirect Administrative function on the government-wide Statement of Activities.

The Council's management has reviewed the capital assets and does not believe any of them are impaired. The additions of capital assets include donated assets totaling \$178,567.

## 6. INTERFUND RECEIVABLES AND PAYABLES

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans in the Fund Financial Statements. A summary of these interfund loans at year end is as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ -	\$ 11,718
Special Revenue Funds	11,718	-
	<u>\$ 11,718</u>	<u>\$ 11,718</u>

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

## 7. BOARD OF DIRECTORS' COMPENSATION

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

## 8. SALES TAX REVENUE

The Sabine Council on Aging, Inc. acting through the Policy Jury of Sabine Parish levies a one-fourth of one percent (1/4%) sales and use tax. This is a tax for ten years beginning October 1, 2013. The sales tax revenue is to provide funds for administering, acquiring, constructing, improving, maintaining, supporting and operating authorized activities, services, programs, and/or facilities for the council. The revenue recognized for the year ended June 30, 2021, is \$1,238,589.



**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**9. IN-KIND CONTRIBUTIONS**

The Council received \$59,100 in various in-kind contributions during the year, which have been valued at their estimated fair market value. The in-kind activities have been omitted from the Council's financial statements. The primary in-kind contributions consisted of labor and related costs, rent, materials and activities related to health fairs, fundraisers, and the meal-site facilities. A summary of the in-kind contributions and their respective values is as follows:

Salary and fringe benefits	\$ 29,600
Operating supplies	10,000
Other	19,500
Total in-kind	<u>\$ 59,100</u>

**10. CONTINGENCIES-GRANT PROGRAMS**

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

**11. RELATED PARTY TRANSACTIONS**

Procedures, observations, and inquiries did not disclose any material related party transactions for the fiscal year ended June 30, 2021.

**12. ECONOMIC DEPENDENCY**

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

**13. RISK MANAGEMENT**

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage.

The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of nature, like floods or earthquakes. The Council's management is not aware of any potential judgments, claims or similar contingencies pending at year end.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Year Ended June 30, 2021

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**14. INTERFUND TRANSFERS**

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

	Operating Transfers	
	In From	Out To
General Fund:		
Title III B Fund	\$ -	\$ 126,760
Title III C-1 Fund	-	56,917
Title III C-2 Fund	-	202,295
PCOA/Senior Center	-	152,448
Title III D	-	43
Title III E	-	21,809
MIPPA	-	2,293
Total General Fund	\$ -	\$ 562,565
PCOA/Senior Center		
Title III C-1 Fund	\$ -	\$ 3,100
Title III C-2 Fund	-	100,000
General Fund- sales tax	152,448	-
Total PCOA/Senior Center	\$ 152,448	\$ 103,100
Title III B Fund:		
General Fund- sales tax	\$ 126,760	\$ -
Title III C-1 Fund		
General Fund- sales tax	\$ 56,917	\$ -
General Fund- Supple Sr Center grant	3,100	-
Total III C-1 Fund	\$ 60,017	\$ -
Title III C-2 Fund		
General Fund- sales tax	\$ 202,295	\$ -
General Fund - PCOA grant	100,000	-
Total III C-2 Fund	\$ 302,295	\$ -
Other Non major funds in the aggregate:		
Title III D		
General Fund- sales tax	\$ 43	\$ -
Title III E		
General Fund- sales tax	21,809	-
MIPPA		
General Fund- sales tax	\$ 2,293	\$ -
Total other non major funds to aggregate	\$ 24,145	\$ -
Grand Totals	\$ 665,665	\$ 665,665

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them, to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

**15. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 30, 2021, which is the date the financial statements were available to be issued and determined that there are no significant events requiring recognition or disclosure through that date and time these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION REQUIRED  
BY GASB STATEMENT 34

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**BUDGETARY COMPARISON SCHEDULE**  
**General Fund**  
For the year ended June 30, 2021

	<b>BUDGET AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs:				
Area Agency Administration	\$ 26,677	\$ 26,677	\$ 26,677	\$ -
LaDOT Grant	-	-	178,567	178,567
Sales tax revenue	1,211,356	986,000	1,238,589	252,589
Public support	1,000	29,250	29,585	335
Interest income	23,400	21,000	20,478	(522)
Program service fees:				
Medicaid transportation	41,600	65,000	69,866	4,866
Special Revenue	1,400	745	-	(745)
Miscellaneous	2,350	42,915	4,130	(38,785)
<b>Total Revenues</b>	<b>1,307,783</b>	<b>1,171,587</b>	<b>1,567,892</b>	<b>396,305</b>
<b>EXPENDITURES</b>				
<b>Health, Welfare, &amp; Social Services:</b>				
Current:				
Personnel	248,395	224,372	269,090	(44,718)
Fringe benefits	27,323	24,510	22,163	2,347
Travel	2,111	1,859	3,901	(2,042)
Operating services	79,944	88,895	72,586	16,309
Operating supplies	26,062	13,750	19,753	(6,003)
Other costs	9,757	9,790	8,884	906
Direct costs (no indirect allocation)	23,940	22,700	28,354	(5,654)
Capital outlays	1,500,000	745,000	575,646	169,354
<b>Total Expenditures</b>	<b>1,917,532</b>	<b>1,130,876</b>	<b>1,000,379</b>	<b>130,497</b>
Excess of revenues over (under) expenditures	(609,749)	40,711	567,513	526,802
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of assets	-	-	5,951	5,951
Insurance reimbursements	-	-	54,282	54,282
Operating transfers in	-	-	-	-
Operating transfers out	(957,672)	(593,766)	(562,565)	31,201
<b>Total Other Financing Sources and Uses</b>	<b>(957,672)</b>	<b>(593,766)</b>	<b>(502,332)</b>	<b>91,434</b>
Net increase(decrease) in fund balances	(1,567,421)	(553,055)	65,181	618,236
<b>FUND BALANCES</b>				
Beginning of year	2,339,000	2,479,321	2,479,321	-
End of year	\$ 771,579	\$ 1,926,266	\$ 2,544,502	\$ 618,236

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**BUDGETARY COMPARISON SCHEDULE**  
**TITLE III B Supportive Services**  
For the year ended June 30, 2021

	<b>BUDGET AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs:	\$ 76,601	\$ 76,601	\$ 76,601	\$ -
Families First Coronavirus Response Act	-	30,719	30,719	-
Public support	4,200	2,600	4,120	1,520
Total Revenues	<u>80,801</u>	<u>109,920</u>	<u>111,440</u>	<u>1,520</u>
<b>EXPENDITURES</b>				
<b>Health, Welfare, &amp; Social Services:</b>				
Current:				
Personnel	227,406	181,774	142,466	39,308
Fringe benefits	25,012	19,853	16,581	3,272
Travel	16,667	3,183	3,132	51
Operating services	68,225	69,547	54,718	14,829
Operating supplies	21,332	12,022	15,040	(3,018)
Other costs	7,874	6,926	5,760	1,166
Direct costs (no indirect allocation)	2,900	2,900	503	2,397
Total Expenditures	<u>369,416</u>	<u>296,205</u>	<u>238,200</u>	<u>58,005</u>
Excess of revenues over (under) expenditures	<u>(288,615)</u>	<u>(186,285)</u>	<u>(126,760)</u>	<u>59,525</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	288,615	186,285	126,760	(59,525)
Operating transfers out	-	-	-	-
Total Other Financing Sources and Uses	<u>288,615</u>	<u>186,285</u>	<u>126,760</u>	<u>(59,525)</u>
Net increase(decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**BUDGETARY COMPARISON SCHEDULE**  
**TITLE III C-2 Home Delivered Meals**  
For the year ended June 30, 2021

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs:	\$ 59,835	\$ 59,835	\$ 59,835	\$ -
NSIP Grant	48,729	48,729	48,728	(1)
Families First Coronavirus Response Act	-	73,726	73,726	-
Public support	3,000	1,700	2,033	333
Total Revenues	<u>111,564</u>	<u>183,990</u>	<u>184,322</u>	<u>332</u>
<b>EXPENDITURES</b>				
<b>Health, Welfare, &amp; Social Services:</b>				
Current:				
Personnel	134,635	135,116	142,476	(7,360)
Fringe benefits	14,811	14,759	16,582	(1,823)
Travel	92,078	70,968	72,211	(1,243)
Operating services	39,524	43,661	39,250	4,411
Operating supplies	5,525	1,949	2,815	(866)
Other costs	6,292	6,444	6,788	(344)
Direct costs (no indirect allocation)	1,260	1,260	1,260	-
Meals	205,000	205,000	205,235	(235)
Total Expenditures	<u>499,125</u>	<u>479,157</u>	<u>486,617</u>	<u>(7,460)</u>
Excess of revenues over (under) expenditures	<u>(387,561)</u>	<u>(295,167)</u>	<u>(302,295)</u>	<u>(7,128)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	387,561	295,167	302,295	7,128
Operating transfers out	-	-	-	-
Total Other Financing Sources and Uses	<u>387,561</u>	<u>295,167</u>	<u>302,295</u>	<u>7,128</u>
Net increase(decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

**SABINE COUNCIL ON AGING, INC**  
**Many, Louisiana**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
For the year ended June 30, 2021

Note 1. BUDGETARY REPORTING

The budget information presented in this section of required supplementary information applies to "major" governmental funds for which annual budgets were adopted. Budgetary information for "nonmajor" funds has not been included anywhere in these financial statements.

The Council follows these procedures in establishing the budgetary data that has been presented as required supplementary information in these financial statements.

- The GOEA notifies the Council each year as to the funding levels for each program's grant award.
- Revenue projections are also made based on grants from GOEA and other agencies, program service fees, public support (including client contributions), interest income, and other miscellaneous sources.
- Expenditure projections are developed using historical information and changes to the upcoming year that management is aware of at the time of budget preparation.
- Once the information regarding projected revenues and expenditures has been obtained, the Council's executive director prepares a proposed budget based on the projections. The proposed budget is submitted to the Board of Directors for final approval.
- The public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing
- After the public meeting, the Board of Directors reviews and adopts the budget for the next fiscal year prior to the commencement of the fiscal year for which the budget is being adopted.
- The adopted budget is forwarded to the GOEA for compliance approval for the funds.
- The budget is prepared on the modified accrual basis, consistent with the basis of accounting for governmental funds, for comparability of budgeted and actual revenues and expenditures.
- During the fiscal year, the board of directors amend the budget as needed.
- Actual amounts are compared to budgeted amounts during the fiscal year as a management control device.
- GOEA requires management to amend the budget in cases where actual expenditures for a particular line item exceed their budgeted amount by more than 10%, unless unrestricted funds are available to "cover" the overrun.
- Appropriations that are not expended lapse at year end.

Through the budget, the SCOA allocates its resources and establishes its priorities. That annual budget assures the efficient and effective uses of the Council's economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Council's performance.

The budget comparison schedules present the original adopted budget and the final amended budget. The Council amended the budgets once during the year.

For the year ended June 30, 2021, actual revenues in the General Fund were more than budgeted amounts by \$396,305. Actual expenditures were less than appropriations in the General Fund by \$130,498.

The Council is in compliance with the Local Government Budget Act R.S. 39:1301-1316 and the budget requirements of R.S. 39-1331-1342.

SUPPLEMENTARY INFORMATION REQUIRED  
BY GOEA



**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS -- NONMAJOR FUNDS**  
For the year ended June 30, 2021

	TITLE III-D	TITLE III-E	TITLE C-1	PCOA/ Senior Center	MIPPA	Energy Assistance	TOTAL
<b>REVENUES</b>							
Intergovernmental:							
Governor's Office of Elderly Affairs	\$ 4,943	\$ 28,472	\$ 65,001	\$ 150,536	\$ 3,290	\$ -	\$ 252,242
Families First Coronavirus Response Act	-	14,822	-	-	-	-	14,822
Public Support	-	-	3,316	-	-	-	3,316
General Public via Utility Co. Program	-	-	-	-	-	1,010	1,010
Total Revenues	<u>4,943</u>	<u>43,294</u>	<u>68,317</u>	<u>150,536</u>	<u>3,290</u>	<u>1,010</u>	<u>271,390</u>
<b>EXPENDITURES</b>							
Health, Welfare, & Social Services:							
Current:							
Personnel	2,899	26,078	82,711	142,975	4,059	-	258,722
Fringe benefits	335	3,035	9,627	16,643	472	-	30,112
Travel	13	2,537	993	1,921	15	-	5,479
Operating services	693	5,329	16,051	27,747	778	-	50,598
Operating supplies	925	518	1,703	5,754	123	-	9,023
Other costs	121	930	2,760	4,844	136	-	8,791
Direct costs (no indirect allocation)	-	26,676	1,260	-	-	-	27,936
Meals	-	-	13,229	-	-	-	13,229
Energy Assistance	-	-	-	-	-	1,299	1,299
Total Expenditures	<u>4,986</u>	<u>65,103</u>	<u>128,334</u>	<u>199,884</u>	<u>5,583</u>	<u>1,299</u>	<u>405,189</u>
Excess of revenues over (under) expenditures	<u>(43)</u>	<u>(21,809)</u>	<u>(60,017)</u>	<u>(49,348)</u>	<u>(2,293)</u>	<u>(289)</u>	<u>(133,799)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	43	21,809	60,017	152,448	2,293	-	236,610
Operating transfers out	-	-	-	(103,100)	-	-	(103,100)
Total Other Financing Sources and Uses	<u>43</u>	<u>21,809</u>	<u>60,017</u>	<u>49,348</u>	<u>2,293</u>	<u>-</u>	<u>133,510</u>
Net increase(decrease) in fund balances	-	-	-	-	-	(289)	(289)
<b>FUND BALANCES</b>							
Beginning of year	-	-	-	-	-	12,007	12,007
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,718</u>	<u>\$ 11,718</u>

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**

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

For the year ended June 30, 2021

	Balance <u>June 30, 2020</u>	Additions	Deletions/ Reclassifications	Balance <u>June 30, 2021</u>
General Fixed Assets at cost:				
Buildings and land	\$ 3,667,265	\$ 56,098	\$ -	\$ 3,723,363
Construction in progress	25,429	304,760	-	330,189
Furniture and equipment	93,535	10,244	-	103,779
Automotive equipment	585,990	204,544	(131,835)	658,699
Total Capital Assets at cost	<u>\$ 4,372,219</u>	<u>\$ 575,646</u>	<u>\$ (131,835)</u>	<u>\$ 4,816,030</u>
Investment in General Fixed Assets				
Property Acquired from:				
PCOA (Act 735)	\$ 31,549	\$ -	\$ (10,000)	\$ 21,549
General Funds	3,851,286	397,079	(49,461)	4,198,904
Prior to 1999 - AAA, IIIB, CI, CII, IIID, OMB, IIIF, and Waiver	1,150	-	-	1,150
Misc. Grants	488,234	178,567	(72,374)	594,427
Total Cost Basis of General Fixed Assets	<u>4,372,219</u>	<u>575,646</u>	<u>(131,835)</u>	<u>4,816,030</u>
Less accumulated Depreciation	(919,593)	(184,527)	124,691	(979,429)
Total Investment in General Fixed Assets	<u>\$ 3,452,626</u>	<u>\$ 391,119</u>	<u>\$ (7,144)</u>	<u>\$ 3,836,601</u>

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

SUPPLEMENTARY INFORMATION REQUIRED  
BY LOUISIANA LAW

**SABINE COUNCIL ON AGING, INC.**  
**Many, Louisiana**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER BENEFITS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**  
For the year ended June 30, 2021

Executive Director

**Jeffrey Morrow**

Purpose

Salary	74,769
Benefits - Insurance (Medicare)	1,079
Benefits - Retirement (Social Security)	4,613
Car Allowance	-
Per diem	-
Reimbursements	39
Travel	2,606
Registration fees	100
Conference travel	343
Training	-
Civic organization dues	900
Special meals	-
Total	<u>\$ 84,449</u>

The accompanying notes are an integral part of this statement.  
See the accompanying independent auditor's report.

## OTHER REPORTS

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

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Natchitoches, Louisiana 71457  
(318) 352-3652  
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INDEPENDENT AUDITORS' 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 of  
Sabine Council on Aging, Inc.  
Many, Louisiana 71449

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Sabine Council on Aging's (Council) basic financial statements and have issued our report thereon dated November 30, 2021.

**Internal Control over Financial Reporting**

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

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

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 might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from 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 did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Thomas, Cunningham, Broadway & Todtenbier, CPAs*

Thomas, Cunningham, Broadway & Todtenbier  
Certified Public Accountants  
Natchitoches, Louisiana

November 30, 2021

Sabine Council on Aging, Inc.  
Schedule of Audit Findings  
Year Ended June 30, 2021

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the Sabine Council on Aging, Inc. as of and for the year ended June 30, 2021.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.
4. Sabine Council on Aging, Inc. was not subject to a federal single audit for the year ended June 30, 2021.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None identified.

III. PRIOR YEAR FINDINGS

*2020-001 Local Government Budget Act*

*Criteria* – Louisiana State Law (R.S. 39:1301) requires that budgets be amended when actual revenues are less than budgeted revenues by more than 5% and/or actual expenditures are more than budgeted expenditures by 5% or more.

*Condition* – For the year ended June 30, 2020, actual expenditures in the General Fund exceeded budgeted expenditures by more than 5%.

*Status* – At June 30, 2021, this condition was cleared.

*Cause* – Upon preparation of the amended budget, management underestimated capital project expenditures expected to be incurred prior to the end of the current fiscal year.

*2020-002 Disposition of Surplus Movable Property*

*Criteria* – Louisiana R.S. 33:4712(f) provides for the sale of any movable property having an appraised value of \$5,000 or less at private sale provided that (1) a resolution is passed giving the reasons for the action and setting the minimum price and terms of the sale, (2) notice of the resolution and proposed sale is published once at least 15 days prior to the date of the sale, and (3) the sale is made to the highest bidder.

*Condition* – During the year ended June 30, 2020, the Council disposed of surplus movable property without offering for sale as prescribed by state law.

*Status* – At June 30, 2021, this condition was cleared.