

**ST. HELENA COUNCIL ON THE AGING, INC.**  
**GREENSBURG, LOUISIANA**

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**ANNUAL FINANCIAL STATEMENTS**

As of and for the Year Ended June 30, 2022



**Hebert Johnson  
& Associates, Inc.**  
Certified Public Accountants

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*A Professional Accounting Corporation*

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Greensburg, Louisiana  
June 30, 2022

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A PROFESSIONAL ACCOUNTING CORPORATION

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Helena Council on the Aging Inc., Greensburg, Louisiana, (the Council) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Helena Council on the Aging Inc., Greensburg, Louisiana, as of June 30, 2022, 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.

#### *Responsibilities of Management of 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, and for 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.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

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

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

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

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 18) and budgetary comparison information (pages 56 through 59) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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.



### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Comparative Schedule of Capital Assets and Changes in Capital Assets is presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA). In addition, Louisiana Revised Statute 24:513 (A)(3), as amended, requires the Council to present a supplementary schedule of Compensation, Benefits, and Other Payments Made to the Council's Executive Director for the fiscal year. These schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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, the 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 August 18, 2023 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Respectfully Submitted,

*Chris Johnson*

Hebert Johnson & Associates, Inc.  
A Professional Accounting Corporation  
Albany, Louisiana  
August 18, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **St. Helena Council on the Aging, Inc.**

June 30, 2022

The following discussion and analysis of the St. Helena Council on the Aging, Inc.'s (the Council) financial performance provides an overview of the Council's financial performance and activities for the year ended June 30, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts. This document should be read in conjunction with basic financial statements, which follow this section.

#### **Financial Highlights**

- The Council showed an increase in overall net position of \$64,597.
- Capital assets, net of depreciation, increased by \$105,429.
- The Council's fund revenues decreased by \$9,274, or about 1%.
- Fund expenditures increased by \$132,372, or about 22%.
- The unassigned fund balance for the Council's General Fund decreased from \$118,490 to \$78,718.
- No deficit fund balances existed at year-end.
- The Council had \$68,286 of long-term debt at the end of the year relating to the purchase of a building.
- Administrative expenses increased this year by \$55,680, which is about a 32.96% increase from last year.

#### **How To Use this Annual Report**

The Council's annual financial report consists of six main parts:

- (1) Management's discussion and analysis (this section)
- (2) The basic financial statements (government-wide, fund and footnotes)
- (3) Supplementary financial information required by GASB 34
- (4) Supplementary financial information for GOEA analysis,
- (5) Supplementary financial information required by Louisiana law, and
- (6) Auditor reports.

Government-wide financial statements are comprised of the Statement of Net Position (Exhibit A) and the Statement of Activities (Exhibit B). These financial statements provide information about the activities of the Council as a whole and present a long-term view of the Council's finances. In contrast, the fund financial statements, which consist of the Fund Balance Sheet (Exhibit C) and the Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit D), tell how services were financed in the short-term, as well as what remains for future spending for governmental funds. Fund financial

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

statements also report the Council's operations in more detail than the government-wide financial statements by providing information about the Council's most significant funds.

The auditor has provided assurance in his independent auditor's report, located immediately before this Management's Discussion and Analysis (MD&A), that the Basic Financial Statements are fairly stated. The auditor also mentions in his report that he has performed limited procedures about Management's Discussion and Analysis and certain budgetary comparison schedules required by accounting principles generally accepted in the United States of America (specifically, GASB Statement 34) in this reporting package but did not audit them and therefore expresses no opinion on them. Finally, the auditor states in his report that he has applied certain audit procedures to the supplementary financial information presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA) and a supplementary schedule of compensation, benefits, and other payments made to the Council's executive director as required by Louisiana law, and that this information is fairly stated in all material respects in relation to the financial statements as a whole.

On page 67 of this reporting package is a second auditor's report. This report is on the Council's compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.

### **BASIC FINANCIAL STATEMENTS**

The basic financial statements consist of the government-wide financial statements and fund financial statements, which present different views about the Council, along with notes to the financial statements.

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

Management's analysis of the Council as a whole begins on page 4. An important point to consider is whether or not the Council's finances, as a whole, are better or worse off as a result of this year's activities. The Statement of Net Position and the Statement of Activities (referred to collectively as the government-wide financial statements) reports information about the Council as a whole and about its activities in a way that helps when considering this point. 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. Although the government-wide financial statements found on pages 19 and 20 report the Council's net position and changes in

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

them, users of these financial statements must also consider non-financial 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.

The Statement of Net Position (Exhibit A) 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 are one indicator of whether its financial position is improving or deteriorating. The Council has restricted net position of \$6,499, which must be used for specific purposes, whereas \$92,373 of its net position is unrestricted, meaning that it can be used for any program at management's discretion.

The Statement of Activities (Exhibit B) provides information that shows how the Council's net position changed as a result of this year's activities. This year the Council's net position increased by \$64,597. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will affect cash flows in future periods. All of the Council's significant activities are reported in the Statement of Activities, including an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include supportive social services, nonelderly transportation, nutritional services, and family caregiver support. Subprogram activities are also presented, in some cases, to help the reader analyze the Council's operations in more detail. All activities of the Council are considered to be governmental activities. A governmental activity is usually one where the Council uses money it receives from governmental grants and contracts, along with donations from the general public, to provide services at no charge to the general public, or a segment of the general public, such as the elderly. In other words, the people benefiting from the service are not required to pay for what they receive. If the Council charged fees with the intention of making a profit or recovering the full cost of providing the service, that activity would be classified as a business-type activity. The Council does not have any business-type activities.

### **Fund Financial Statements**

The fund financial statements (Exhibits C and D) provide detailed information about the most significant funds, not the Council as a whole entity. In the fund financial statements, the reader will see a General Fund and three Special Revenue Funds that have been determined to be *Major Funds*, and a column for the total of all remaining Special Revenue



## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Funds, which are considered to be *Nonmajor 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 restricted or committed to expenditure for specified purposes other than debt service or capital projects. By using separate funds to track revenues and expenditures, management can control funds for particular purposes or show that the fund is meeting legal responsibilities for using certain grants and other revenues.

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 the *modified* accrual basis of 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 the reader to determine whether there are more or fewer financial resources that can be spent in the near future for Council programs. The difference between net position of governmental activities and fund balances of the governmental funds is reconciled at the bottom of the Balance Sheet for governmental funds. In addition, the difference between the change in fund balances for the governmental funds and the change in net position for the governmental activities has been reconciled on a separate page that follows the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds. These two reconciliations will facilitate the comparison between governmental activities and 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 follow the fund financial statements and should be read before making assumptions or drawing conclusions about the Council's financial condition.

### SUPPLEMENTARY 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 an adopted annual budget. The schedules compare the original budget

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **(Continued)**

amounts and, if applicable, the final budget amounts to actual results for the Council's fiscal year. Positive and negative variances between the final budget and actual amounts are also presented.

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 is believed to be important to present to the Council's financial statement users. Management did not subjectively elevate any nonmajor fund to major fund status for purposes of financial statement presentation this year.

Management's Discussion and Analysis (MD&A) is also required supplementary information (RSI) by GASB Statement 34. However, GASB Statement 34 requires the MD&A be presented as the first item, after the independent accountant's review report, in this reporting package and not with the other RSI, which is included later in this reporting package.

### **SUPPLEMENTARY INFORMATION REQUIRED BY GOEA**

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present two additional schedules as supplementary information. This information will be used by GOEA to verify the accuracy of the information submitted by the Council during the year to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

### **SUPPLEMENTARY INFORMATION REQUIRED BY STATE LAW**

Act 706 of the 2014 Louisiana Legislative session amended Louisiana Revised Statute 24:513 A (3) to require a supplementary Schedule of Compensation, Reimbursements, Benefits and Other Payments to the Council's Executive Director. This information is designed to permit the public to see what the agency's head has been paid or reimbursed during the year. The objective is to make the Council's expenditures more transparent.

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

The following table reflects condensed information on the Council's assets, liabilities, and net position for fiscal years 2022 and 2021:

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(Continued)**

	2022	2021	Increase/(Decrease)	
			Amount	Percent
Current and Other Assets:				
Current Assets	\$ 128,665	\$ 195,374	\$ (66,709)	-34.14%
Other Assets	9,703	13,654	(3,951)	-28.94%
Capital Assets, net of depreciation	395,292	289,863	105,429	36.37%
Total Assets	533,660	498,891	34,769	6.97%
Current Liabilities	43,180	67,905	(24,725)	-36.41%
Long-term Debt	64,602	69,705	(5,103)	-7.32%
Total Liabilities	107,782	137,610	(29,828)	-21.68%
Net Position				
Net Investment in Capital Assets	327,006	215,737	111,269	51.58%
Restricted	6,499	6,499	-	0.00%
Unrestricted	92,373	139,045	(46,672)	-33.57%
Total Net Position	\$ 425,878	\$ 361,281	\$ 64,597	17.88%

As of June 30, 2022, and 2021, the Council *as a whole* had assets greater than its liabilities of \$425,878 and \$361,281, respectively. About 22% and 39% of the Council's total net positions are unrestricted as of June 30, 2022 and 2021, respectively. Unrestricted net position is important because it represents resources that management has available to adapt to changes in the economy, emergencies, unexpected needs, and reduction in or termination of grant revenues by government agencies.

The Council's restricted net position represents about 1.5% and 2% of the Council's total net position as of June 30, 2022 and 2021, respectively. Net position is reported as restricted when the constraints placed upon the assets' 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 net investment in the capital assets portion of net position is presented net of any related outstanding debt to acquire them. As of June 30, 2022 the Council has \$68,286 of debt related to capital assets. Net investment in capital assets represents about 77% of total net position at the end of 2022 compared to 60% at the end of 2021.

The following table illustrates the revenues and expenses that produced the change in net position for fiscal years 2022 and 2021.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Condensed Statement of Activities

<u>Revenues</u>	<u>2022</u>	<u>% of Total</u>	<u>2021</u>	<u>% of Total</u>	<u>Increase (Decrease)</u>
Program Revenues:					
Charges for services	\$ 3,444	0.50%	\$ 9,218	1.09%	\$ (5,774)
Operating Grants and Contributions	303,901	43.76%	325,122	38.58%	(21,221)
Capital Grants and Contributions	0	0.00%	200,000	23.73%	(200,000)
General Revenues:					
Property Taxes	180,270	25.96%	168,067	19.94%	12,203
Unrestricted Grants and Contributions	141,913	20.43%	136,018	16.14%	5,895
Interest Income	193	0.03%	373	0.04%	(180)
Proceeds from Insurance	14,349	2.07%	2,140	0.25%	12,209
Miscellaneous Income	2,059	0.30%	2,580	0.31%	(521)
PPP Loan Forgiveness	48,360	6.96%	-	0.00%	48,360
Loss on disposal of vehicle	-	0.00%	(719)	-0.09%	719
<b>Total Revenues</b>	<b>694,489</b>	<b>100.00%</b>	<b>842,799</b>	<b>100.00%</b>	<b>(148,310)</b>
<b>Direct Program Expenses of the Health, Welfare, and Social Services Function:</b>					
Supportive Services:					
Transportation of the elderly	216,620	34.39%	155,555	30.83%	61,065
Other supportive services	49,110	7.80%	39,779	7.88%	9,331
Transportation Services-non-elderly	11,401	1.81%	23,244	4.61%	(11,843)
Nutrition Services:					
Congregate Meals	48,377	7.68%	0	0.00%	48,377
Home-delivered Meals	73,785	11.71%	117,458	23.28%	(43,673)
Other Health, Welfare & Social Services	-	0.00%	684	0.14%	(684)
Interest Expense & Late Fees	8,605	1.37%	1,569	0.31%	7,036
Direct Administrative Expenses	221,994	35.24%	166,314	32.96%	55,680
<b>Total Expenses</b>	<b>629,892</b>	<b>100.00%</b>	<b>504,603</b>	<b>100.00%</b>	<b>125,289</b>
<b>Increase (Decrease) in Net Position</b>	<b>64,597</b>		<b>338,196</b>		<b>(273,599)</b>
Net position, beginning of year	361,281		23,085		338,196
<b>Net position, end of year</b>	<b>\$ 425,878</b>		<b>\$ 361,281</b>		<b>\$ 64,597</b>

For 2022, the Council's total revenues decreased \$148,310 or about 18% from 2021. Total expenses for 2022 increased by \$125,289 or about 25% from 2021.

### AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

As illustrated by the table above, the Council gets most of its revenues from **operating grants & contributions**, which are specifically related to a program and must be used in the programs to which they relate. **Property tax** revenue was the second largest source of revenue and has been a stabilizing source for many years. **Unrestricted grants and**



## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**contributions** make up the third largest percentage of revenues and this revenue is available to management to use at its discretion. **Charges for services** arise from fees the Council has charged for providing a particular service and this revenue is used to pay for the expenses of the programs for which the fees were charged.

The expenses in the table have been presented by primary programs, with some additional details about the subprograms. In presenting this information, only direct program expenses are shown. The **administration** function includes all administrative expenses of the Council before any allocations were made to the various programs. Percentages have been presented for the expenses associated with each program for ease of analysis and to illustrate where the Council has spent its money this year and last year. The expense allocations are a good indication of the demand for each type of service.

When reviewing the government-wide Statement of Activities (Exhibit B), there are relationships that are important to the understanding of the Council's operations. As you can see, the Council's largest program activities are **supportive services**, particularly elderly transportation, and **nutrition services**. Accordingly, management allocates funds to these programs because those are the areas of greatest demand.

Another area of interest on the Statement of Activities relates to the **Total Governmental Activities** column wherein the Council shows that most of the governmental activities have more expenses than revenues. In other words, the Council's programs are generally not self-supporting. On occasion, a program might *break even* or even make a slight *profit*. The Council's ability to support all governmental activities relies heavily on general revenues. As a result, management prepares the annual budget based on this expectation, which means that general revenues will be used to cover the excess of expenses over revenues in these activities. Without the unrestricted grants and contributions, the Council would be unable to provide services at current levels. Furthermore, the general nature of these revenues allows management discretion as to how to apply them in paying for the Council's current services, as well as reallocating them to meet changing demands.

Another indication of how money is used efficiently or inefficiently can be analyzed by comparing the amount of administration costs from year-to-year as well as calculating the percentage administration expenses bears in relation to total expenses. For 2022, total administration expenses were \$221,994 or about 35% of total expenses, whereas these same expenses were \$166,314 or 33% of total expenses in 2021. Administration expenses include indirect-type costs, which are costs not specifically identified with a particular

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **(Continued)**

program but those that benefit all programs. Management would like to point out that administrative expenses are higher than expected and desired because the effects of the virus pandemic caused management to change how it had to operate. For example, some employees who were usually providing direct services had to be reassigned to doing administrative work in order to keep them employed. Accordingly, their time had to be coded to the administrative function and not directly to a specific program service.

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

#### **Fund Balances**

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances for all fund types of \$85,217 (see Exhibit C), a decrease of \$42,721 when compared to last year. The unassigned fund balance component of the General Fund was \$78,718 whereas last year it was \$118,490. The remainder of the fund balance consists of \$6,499 of restricted resources. None of the special revenue funds had a fund balance at year-end.

#### **Revenues**

The combined fund revenues decreased \$9,274 this year versus last year, as shown in the table below.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

	% of 2022		% of 2021		Increase/(Decrease)	
	2022	Total	2021	Total	Amount	Percent
Intergovernmental	\$ 435,708	68.31%	\$ 459,641	71.03%	(23,933)	-5.21%
Property Taxes	186,317	29.21%	173,790	26.86%	12,527	7.21%
Program Service Fees	3,444	0.54%	9,218	1.42%	(5,774)	-62.64%
Public Support	10,106	1.58%	1,499	0.23%	8,607	574.18%
Interest Income	193	0.03%	373	0.06%	(180)	-48.26%
Miscellaneous Income	2,059	0.32%	2,580	0.40%	(521)	-20.19%
Total Revenues	<u>\$ 637,827</u>	<u>100.00%</u>	<u>\$ 647,101</u>	<u>100.00%</u>	<u>\$ (9,274)</u>	<u>-1.43%</u>

The **intergovernmental revenues** are comprised of federal and state grants. These grants amounted to approximately 68% and 71% of the Council's total revenues in 2022 and 2021, respectively. Most of these grants are restricted, which means the money can only be used in certain programs. The amount of annual funding from the grants the Council receives is usually constant from year-to-year. However, in any given year some grant amounts may change based upon the level of service provided by the Council and, on occasion, the state legislature appropriates extra funds for council on aging entities around the state.

The Council received **property tax revenue** which accounted for approximately 29% and 27% of the Council's total revenues in 2022 and 2021, respectively. The Council has no control over how much property tax revenue it receives each year because the amount depends on the assessed value of property subject to tax within St. Helena Parish. Without the property tax revenue, the Council could not provide the current level of services to its elderly clients.

**Program service** fees are mainly composed of fees charged by the Council to transport people under age 60. The fees for this service decreased by \$5,774 or 63% this year because the demand for this service decreased.

The Council also receives **public support** in the form of restricted and unrestricted donations from its clients and the general public. Public support helps the Council to maintain and expand services. Public support revenues represented about 1.5% for fiscal year 2022 and less than 1% of the Council's total revenues for fiscal year 2021. Public support comes from donations from the general public and client contributions. Because this source of income is voluntarily given, the Council cannot predict the amount it will receive each year with certainty. This year the Council received \$1,755 of restricted public support for its home-delivered meals program and \$2,351 of restricted public support for its congregate meals program.



## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**Miscellaneous** revenues in 2022 include \$1,981 of dividend income from LWCC.

The other revenue sources are insignificant and require no explanation.

### Expenditures

Total expenditures increased overall by \$132,372 this year, as shown in the table below.

	% of 2022		% of 2021		Increase/(Decrease)	
	2022	Total	2021	Total	Amount	Percent
Personnel	\$ 322,227	43.35%	\$ 246,249	40.31%	\$ 75,978	30.85%
Fringe	30,063	4.04%	22,864	3.74%	7,199	31.49%
Travel	1,871	0.25%	440	0.07%	1,431	325.23%
Operating Services	114,586	15.42%	94,331	15.44%	20,255	21.47%
Operating Supplies	59,138	7.96%	46,230	7.57%	12,908	27.92%
Other Costs	16,793	2.26%	13,548	2.22%	3,245	23.95%
Meals	68,856	9.26%	69,204	11.33%	(348)	-0.50%
Full Service	4,668	0.63%	4,102	0.67%	566	13.80%
Capital Outlay	106,816	14.37%	91,251	14.94%	15,565	0.00%
Intergovernmental	6,047	0.81%	20,615	3.37%	(14,568)	-70.67%
Debt Service	12,192	1.64%	2,051	0.34%	10,141	494.44%
	<u>\$ 743,257</u>	100.00%	<u>\$ 610,885</u>	100.00%	<u>\$ 132,372</u>	<u>21.67%</u>

**Personnel expenditures** increased about 31% when compared to last year. Each year changes in personnel costs will arise primarily because there are fluctuations in hours worked, new hires, and employee attrition. The Council typically employs about 17 people at any given time throughout the year. Several employees received an increase in pay equal to between 5% and 10% during the year.

**Fringe expenditures** increased \$7,199 primarily because FICA taxes increased. FICA taxes increased because personnel costs also increased.

**Travel expenditures** increased by \$1,431 from last year for various reasons, none of which was individually significant.

**Operating service expenditures** increased \$20,255 mainly due to increases in dues and

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

subscriptions (\$11,024), general liability insurance (\$7,008), utilities (\$5,413) and vehicle insurance (\$5,494). The increases were offset by a decrease vehicle maintenance (\$7,945).

**Operating supplies expenditures** increased by \$12,098 when compared to last year. The main reason for this increase was because the Council purchased more fuel (\$9,221) due to the increase in demand for transportation services.

**Other costs** increased \$3,245 for various reasons which are not significant to discuss.

**Meals expenditures** decreased \$348 because even though more meals were served. This is because while home delivered meals decreased congregate meals increased and home delivered meals are more expensive to purchase. This year the Council served 26,774 home-delivered meals, whereas last year the Council served 37,780. This decrease (11,006 meals) was due to clients being able to return to the congregate meal site rather than receive their meal at home. The Council served 11,315 congregate meals this year whereas it was not able to serve any during fiscal year 2021 due to the Covid-19 pandemic.

**Full-service expenditures** increased by \$566 this year which is not significant.

**Capital outlay expenditures** increased by \$15,565 because the Council spent money on repairs and updates to the new building that was purchased in FY21.

**Intergovernmental expenditures** decreased by \$14,568 when compared to the previous year because the Council did not pay any *matching funds* whereas the Council did have *matching funds* of \$14,892 during FY21.

**Debt Service expenditures** increased by \$10,141 because the Council expended more money for principal and interest payments on borrowed funds.

### AN ANALYSIS OF THE GENERAL FUND BUDGET

During the fiscal year the Council did not amend its budget. However, there are occasions when budget amendments are necessary, such as, to account for unanticipated or significant changes (particularly unfavorable) in revenues and expenditures and to prevent compliance violations under the Council's grants from GOEA and Capital Area Agency on Aging.

The budget for the year forecasted an operating surplus of \$116,737 whereas the actual results were a deficit of \$42,721 resulting in an unfavorable variance of \$159,458. In many cases, favorable and unfavorable variances on the various expenditure line items of the General Fund are a result of what has occurred within the operations of the various

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

special revenue funds. The noteworthy variances that caused this overall unfavorable variance are as follows:

- Actual capital outlay expenditures were over budget by \$106,816 because these expenditures were unknown at the time the budget was originally prepared.
- The amount of the Section 5311 reimbursement grant which was allocated to the general fund was \$23,000 less than anticipated.
- Property tax revenue was \$10,317 more than budgeted.
- Personnel expenditures were \$14,906 under budget.
- The Council received forgiveness of the PPP loan which was not included in the budget (\$48,360 favorable variance).
- Actual transfers out to other programs were over budget by \$120,337.

The remaining variances within the General Fund are within the expectations of management, or are insignificant, and require no further explanation.

### AN ANALYSIS OF CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the year, the Council had \$395,292 in total capital assets, net of accumulated depreciation. This amount is a net increase from last year of \$105,429.

#### Capital Assets, Net of Depreciation

	June 30, 2022	June 30, 2021	Increase (Decrease)
Equipment	11,100	12,487	(1,387)
Building	248,376	248,376	0
Construction in Progress	106,816	0	106,816
Land	29,000	29,000	0
	<u>✓\$ 395,292</u>	<u>✓\$ 289,863</u>	<u>\$ 105,429</u>

The Council did not acquire any vehicles this year, nor did it dispose of any vehicles. At year-end the Council had three vans titled in its name, which are included in capital assets. Two of these vans is used to deliver meals to homebound persons. One of the vehicles is used to provide transportation. All of the vans were operational at year-end. St. Helena Parish Police Jury (PJ) also allows the Council to have full access to eight of its vans to provide public transportation to the residents of the parish.

During FY21 the Council bought a building that it plans to renovate and use as its primary headquarters and a center at which the elderly can visit to receive program services. The building was not put into use this year but management plans to use it in

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **(Continued)**

the next fiscal year.

The increase/decrease column in the chart above considers the cost of the capital asset purchases, minus dispositions of capital assets and related depreciation of the capital assets. Depreciation of vehicles was \$0 and \$1,387 for office equipment.

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

For FY 2023, the management has initially budgeted \$659,206 of revenues and \$676,883 of expenditures creating a budgeted deficit of \$17,677. In setting its budget for FY 2023, it was important to management that at least the same level of service be delivered to clients and the public as were provided in FY 2022.

The Council receives most of its funding from property taxes and federal and state grants. These main revenue sources provide steady income that the Council can rely on from year-to-year. For FY 2023 the Council expects its property tax revenue to approximate \$196,877, which is slightly more than FY 2022's revenue. Nothing has come to management's attention to indicate an adverse decline in property tax revenue for next year. In addition, all the Council's grants and contracts from the usual federal and state agencies have been approved for FY 2023.

The budget that was submitted to Capital Area Agency on Aging (CAAA) for the programs that CAAA will fund for FY 2023 has been approved by CAAA.

### **CONTACTING THE COUNCIL'S MANAGEMENT**

Our financial report is designed to provide governmental 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 Shelia Creighton, Executive Director at 53 South Main Street, Greensburg, Louisiana 70441 or by phone at (985) 514-4860. Once the Council moves into the new building the contact address will be 183 South Main Street, Greensburg, LA 70441.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS



## EXHIBIT A

STATEMENT OF NET POSITION  
 St. Helena Council on the Aging, Inc.  
 Greensburg, Louisiana  
 June 30, 2022

	Governmental Activities
<b>ASSETS</b>	
Current Assets:	
Cash	\$ 55,811
Property taxes receivable	39,108
Government grants and contracts receivable	27,567
Other receivables	2,227
Prepaid vehicle lease	3,952
Total current assets	128,665
Other Assets:	
Other Asset - prepaid expense for long-term vehicle use	9,703
Total other assets	9,703
Capital Assets:	
Land	29,000
Construction in Progress	355,192
Other capital assets, net of accumulated depreciation	11,100
Total capital assets	395,292
Total Assets	533,660
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	36,904
Accrued payables	156
Accrued and withheld payroll taxes	2,436
Current maturities of long-term debt to First Guaranty Bank	3,684
Total current liabilities	43,180
Long-Term Debt:	
Mortgage note payable to First Guaranty Bank, net of current portion	64,602
Total Liabilities	107,782
<b>NET POSITION</b>	
Net investment in capital assets	327,006
Restricted for utility assistance	2,540
Restricted for material aid	3,959
Unrestricted	92,373
Total Net Position	\$ 425,878

The accompanying notes to the basic financial statements are an integral part of this statement.

# STATEMENT OF ACTIVITIES

EXHIBIT B

St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022

Net (Expense)  
Revenue and  
Increase  
(Decrease) in  
Net Position

Functions/Programs	Program Revenues					Total Governmental Activities
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>						
Health, Welfare & Social Services:						
Supportive Services:						
Transportation of the Elderly	\$ 216,620	\$ 146,761	\$ 0	\$ 230,846	\$ 0	\$ (132,535)
Information and Assistance	25,914	17,898	0	7,420	0	(36,392)
Material Aid	4,694	3,242	0	2,000	0	(5,936)
Outreach	25	17	0	383	0	341
Telephoning	13,809	9,537	0	2,395	0	(20,951)
Homemaker	0	0	0	4,543	0	4,543
Medic Alert Devices	4,668	0	0	3,635	0	(1,033)
Transportation Services - nonelderly:						
General Public	11,401	7,725	3,444	13,216	0	(2,466)
Nutrition Services:						
Congregate Meals	48,377	18,640	0	12,030	0	(54,987)
Home Delivered Meals	73,785	18,175	0	26,133	0	(65,827)
Family Caregiver Support	0	0	0	1,300	0	1,300
Other Activities	850	0	0	0	0	(850)
Interest & Penalties	7,755	0	0	0	0	(7,755)
Administration	221,994	(221,994)	0	0	0	0
Total governmental activities	\$ 629,892	\$ 0	\$ 3,444	\$ 303,901	\$ 0	\$ (322,547)
General Revenues:						
Property taxes, net of \$6,047 withheld by the sheriff for pensions					180,270	
Grants and contributions not restricted to specific programs					141,913	
Interest income					193	
Proceeds from insurance					14,349	
Miscellaneous income					2,059	
PPP Loan Forgiveness					48,360	
Total General Revenues						387,144
Increase (Decrease) in net position						64,597
Net Position - beginning of the year						361,281
Net Position - end of the year						\$ 425,878

The accompanying notes to the basic financial statements are an integral part of this statement.



## **FUND FINANCIAL STATEMENTS**

**FUND BALANCE SHEET  
GOVERNMENTAL FUNDS**

St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
June 30, 2022

	General Fund	Title III B Fund	Title III C-1 Fund	Title III C-2 Fund	Non-Major Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 21,066	\$ 0	\$ 0	\$ 34,745	\$ 0	\$ 55,811
Property tax receivable	39,108	0	0	0	0	39,108
Government Grants and Contracts Receivable:						
St. Helena Parish Police Jury - (Section 5311)	497	9,450	0	0	0	9,947
Capital Area Agency on Aging (CAAA)	0	7,402	9,048	0	1,170	17,620
Other receivables	0	0	0	2,227	0	2,227
Due from other governmental funds	26,807	0	0	0	0	26,807
Total Assets	<u>\$ 87,478</u>	<u>\$ 16,852</u>	<u>\$ 9,048</u>	<u>\$ 36,972</u>	<u>\$ 1,170</u>	<u>\$ 151,520</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Current Liabilities</b>						
Accounts payable	0	0	0	36,904	0	36,904
Accrued payables	156	0	0	0	0	156
Accrued and withheld payroll taxes	2,105	263	0	68	0	2,436
Due to other governmental funds	0	16,589	9,048	0	1,170	26,807
Total Liabilities	<u>2,261</u>	<u>16,852</u>	<u>9,048</u>	<u>36,972</u>	<u>1,170</u>	<u>66,303</u>
<b>Fund Balances</b>						
Restricted for utility assistance	2,540	0	0	0	0	2,540
Restricted for material aid	3,959	0	0	0	0	3,959
Unassigned	78,718	0	0	0	0	78,718
Total Fund Balances	<u>85,217</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,217</u>
Total Liabilities and Fund Balances	<u>\$ 87,478</u>	<u>\$ 16,852</u>	<u>\$ 9,048</u>	<u>\$ 36,972</u>	<u>\$ 1,170</u>	
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>						
- Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds						395,292
- Prepaid expenses relating to vehicle usage are not financial resources and therefore are not reported as assets in the governmental funds						13,655
- Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds as liabilities						(68,286)
<b>Net Position of Governmental Activities</b>						<u>\$ 425,878</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

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

St. Helena Council on the Aging, Inc.

Greensburg, Louisiana

For the year ending June 30, 2022

	General	Title III B	Title III C-1	Title III C-2	Nonmajor	Total
	Fund	Fund	Fund	Fund	Funds	Governmental
						Funds
<b>REVENUES</b>						
Intergovernmental	\$ 149,129	\$ 251,222	\$ 9,679	\$ 24,378	\$ 1,300	\$ 435,708
Property tax	186,317	0	0	0	0	186,317
Program service fees	3,444	0	0	0	0	3,444
Public Support	6,000	0	2,351	1,755	0	10,106
Interest Income	193	0	0	0	0	193
Miscellaneous	2,059	0	0	0	0	2,059
Total revenues	347,142	251,222	12,030	26,133	1,300	637,827
<b>EXPENDITURES</b>						
<b>Health, Welfare, &amp; Social Services:</b>						
Current:						
Personnel	10,603	255,991	32,249	23,384	0	322,227
Fringe	992	23,808	3,004	2,259	0	30,063
Travel	70	1,570	117	114	0	1,871
Operating Services	4,342	90,729	6,849	12,666	0	114,586
Operating Supplies	2,321	49,483	2,324	5,010	0	59,138
Other Costs	2,799	12,015	1,002	977	0	16,793
Meals	0	0	21,388	47,468	0	68,856
Full Service	0	4,668	0	0	0	4,668
Capital Outlay	106,816	0	0	0	0	106,816
Intergovernmental	6,047	0	0	0	0	6,047
Debt Service - principal & interest	12,192	0	0	0	0	12,192
Total expenditures	146,182	438,264	66,933	91,878	0	743,257
Excess of revenues over (under) expenditures	200,960	(187,042)	(54,903)	(65,745)	1,300	(105,430)
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from insurance	14,349	0	0	0	0	14,349
PPP Loan Forgiveness	48,360	0	0	0	0	48,360
Operating transfers in	1,300	187,042	54,903	65,745	0	308,990
Operating transfers out	(307,690)	0	0	0	(1,300)	(308,990)
Total other financing sources (uses)	(243,681)	187,042	54,903	65,745	(1,300)	62,709
Net increase (decrease) in fund balances	(42,721)	0	0	0	0	(42,721)
<b>FUND BALANCE (DEFICIT)</b>						
Beginning of year	127,938	0	0	0	0	127,938
End of year	\$ 85,217	\$ 0	\$ 0	\$ 0	\$ 0	\$ 85,217

The accompanying notes to the basic financial statements are an integral part of this statement.

**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental  
Funds to the Statement of Activities**

**St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022**

Net Increase (Decrease) in Fund Balances - Total Governmental Funds	\$ (42,721)
Governmental funds report the amounts the Council expends as local "matching" funds on capital assistance grants, which results in another government obtaining title to the capital assets acquired under the grants, as intergovernmental expenditures. However, because the Council gets to use the capital assets in lieu of having paid the required local match, the Council records the amounts it paid in the Statement of Net Assets as a prepaid expense, which will be amortized over the estimated useful lives of the capital assets. This reconciling amount represents the amount by which amortization expense (\$3,951) exceeded intergovernmental expenditures for van match (\$0) this year.	(3,951)
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	5,840
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expenditures (\$106,816) exceeds depreciation expense (\$1,387) in this year.	105,429
Increase (Decrease) of Net Position of Governmental Activities	<u>\$ 64,597</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

**NOTES TO THE FINANCIAL STATEMENTS**

**St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
June 30, 2022**

**Note 1 - Purpose of the Council on Aging and Summary of Significant Accounting Policies**

The accounting and reporting policies of St. Helena Council on the 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. 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 St. Helena 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 the 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 with other local agencies serving the aging people of the parish; to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA), Capital Area Agency on Aging (CAAA), 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.

The primary services provided by the Council to the elderly residents of St. Helena Parish include congregate and home-delivered meals, transportation, supportive services information and assistance, material aid, outreach, homemaker, medic alert devices, telephoning, and family caregiver support information and assistance.



## **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 GOEA pursuant to Louisiana Revised Statute (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.

St. Helena Council on the Aging, Inc. (the Council) is a legally separate, non-profit, quasi-public corporation. The Council received its charter from the Governor of the State of Louisiana on March 19, 1973 and began operations on October 29, 1973, the date in which it filed its articles of incorporation with the Secretary of State's office.

A board of directors, consisting of 11 voluntary members, who serve three-year terms, governs the Council. Each board member can serve no more than two consecutive terms. 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. Reasonable efforts are made to maintain a board of directors whose composition will be representative of the population of St. Helena Parish. Board members are elected by the general membership of the Council. Membership in the Council is open at all times, without restriction, to all residents of St. Helena 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 section 2100, *The Financial Reporting Entity*, of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Council is not a component unit of another primary government, nor does it have any component units that are related to it. Accordingly, the Council has presented its financial statements as a special-purpose, stand-alone government by applying the provisions of section 2100 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, which report individual major

governmental funds and combined nonmajor governmental funds.

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

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

The government-wide financial statements include the Statement of Net Position (Exhibit A) and the Statement of Activities (Exhibit B) 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 and property tax 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 is 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. The Statement of Activities begins by presenting gross direct and indirect expenses that includes depreciation, and then reduces the expenses by related program revenues, such as charges for services, operating and capital grants, and restricted 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.

Direct expenses reported in the Statement of Activities are those that are clearly identifiable with a specific function or program, whereas, the Council allocates its



indirect expenses among various functions and programs in accordance with *Title 2 U.S. Code of Federal Regulations Part 200, - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Statement of Activities shows this allocation in a separate column labeled *indirect expenses*.

In 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. The Council did not charge for any of the services it rendered during the year, except for when it provided nonelderly public transportation. Property taxes, 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. If a function or program has a net cost, then it was supported in some manner by the Council's general revenues. 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 special items this year.

### **Fund Financial Statements**

The fund financial statements (Exhibits C and D) 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 and account groups. 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. In addition, management may also choose to report any other governmental fund as a major fund if it believes the fund is particularly important to financial statement users. For this year, no additional funds were deemed to be major funds by management. The nonmajor funds are summarized (aggregated) 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.

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

**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 and 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 such as proceeds from a property tax assessment by St. Helena Parish, interest income earned on unassigned fund balances, and unrestricted donations from the general public. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds are generally unrestricted, which means they may be used at the Council'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.

#### **PCOA Funding**

Parish Council on Aging (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 old). In FY 2022, the Council received \$100,000 of PCOA grant money into its General Fund and management transferred \$31,532 to the Title III B fund, \$34,941 to the Title III C-1 fund and \$33,527 to the Title III C-2 fund to subsidize the cost of providing those services.

### **Senior Center and Supplemental Senior Center Funding**

Senior Center and Supplemental Senior Center grant 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 operating community service centers where elderly people are receiving supportive social services and participating in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council maintained one senior center (Dennis Mills) during FY22 but it was closed until October 2021. During the year, the Council received a primary *Senior Center* award of \$25,000 which was received into its General Fund and then the Council transferred \$21,306 to the Title III C-2 Fund to subsidize the cost of providing home-delivered meals to those clients who were receiving congregate meals before the pandemic, \$1,459 to the Title III C-1 Fund to help support the cost of providing meals served at the senior center and \$2,235 to the Title III B Fund to help support the cost of providing supportive services. In addition, two *Supplemental Senior Center* awards were made to the Council. One of the awards was for \$3,100 and the second award was for \$7,812.50. Both amounts were received into the General Fund and then transferred to the Title III C-2 Fund to help subsidize the cost of providing home-delivered meals.

### **Transportation Program Services - Nonelderly**

The Council provides transportation services to the residents of St. Helena Parish who are under 60 years old for a fee. These program service fees 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. This year the Council generated \$3,444 of fees from the *Nonelderly Transportation* program. About 5% of all trips this year involved people who were under 60 years old.

### **Medicare Improvement for Patients and Providers Act (MIPPA) Program**

The MIPPA program funds are usually accounted for within the Council's General Fund. The purpose of this program is to provide education and enrollment assistance with regards to the Medicare Improvements for Patients and Provider's Act of 2008 to persons eligible to receive Medicare benefits. The Council did not provide this



service in FY22 so they did not receive any of these funds. In order to have received these funds, the Council would have had to provide services which consist of hosting outreach, enrollment, and education events in accordance with the specifications, procedures, and requirements outlined in the MIPPA Grant Taxonomy. No MIPPA services were provided this year.

### Utility Assistance

This program provides utility assistance to elderly, disabled, and handicapped people that qualify for assistance. In past years, the Council used to participate with utility companies to provide this assistance but now the Council has to rely on occasional contributions from the general public to provide utility assistance. This year the Council did not provide any utility assistance to senior citizens. The money available for utility assistance represents unspent funds carried over from past years.

Any contributions received for this program are considered restricted public support and can only be used to pay for direct services. No indirect or administration expenses can be paid for with the donated money.

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure 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:

### Major Special Revenue Funds:

#### Title III B Fund

The Title III B Fund is used to account for funds used to provide various units of supportive social services to the elderly. The main sources of the revenue forming the basis for this fund are as follows:

- A grant from GOEA via CAAA for *Special Programs for the Aging \_ Title III, Part B\_ Grants for Supportive Services and Senior Centers* (\$30,722).
- CAAA also provided \$2,000 in American Rescue Plan (ARP) grant funds to supplement the primary grant. ARP grant funds are new this year.
- A grant from the Louisiana Department of Transportation and Development



(DOTD) which is passed through the St. Helena Parish Police Jury (PJ) to the Council for rural transportation services. This grant is commonly referred to as *Section 5311* and generally reimburses the Council 50% of the cost of providing rural transportation services although in FY22 the reimbursement was 100%. The portion (\$218,500) of this grant that was used to pay for the rural transportation costs for elderly riders has been recorded as revenue in this fund. This year about 95% of the trips provided this year involved elderly people.

GOEA has established the criteria for a qualifying unit of service for each Title III program. Specific supportive services, along with the number of units the Council reported to CAAA that it provided during the fiscal year, are as follows:

<u>Type of Service Provided</u>	<u>Units</u>
Information and Assistance	412
Medic Alert Devices	120
Material Aid	40
Telephoning	3,282
Transportation for people age 60 or older	3,649

#### Title III C-1 Fund

The Title III C-1 Fund accounts for funds used to provide meals and nutrition education in a group setting to people age 60 or older at strategically located senior centers throughout St. Helena Parish. The Council's senior center is located at Dennis Mills but was not in service until October of this fiscal year because of the COVID-19 pandemic. Instead, those people that normally visited the meal site to eat had the option to receive a home-delivered meal until services at the meal site resumed in October 2021.

The usual sources of revenues received that form the basis of this fund are (1) *Special Programs for the Aging \_ Title III, Part C-1 \_ Nutrition Services* grant funds from GOEA via CAAA (\$9,679) and (2) restricted, voluntary public support from those persons who received congregate meals (\$2,351).

#### Title III C-2 Fund

The Title III C-2 Fund accounts for funds that are used to provide nutritional meals to homebound people who are age 60 or older. During the year, the Council reported to CAAA that it provided 26,774 home-delivered meals and 70 units of nutrition education to eligible participants.

The sources of revenue received this year that form the basis of this fund are as follows:

- A grant from CAAA for *Special Programs for the Aging – Title III, Part C-2 – Nutrition Services* (\$24,378), and
- Restricted, voluntary public support (\$1,755) from those persons who received home-delivered meals.

**Nonmajor Special Revenue Funds:**

**Title III E Fund**

The Title III E Fund is used to account for funds that are used to provide support services for family caregivers and for grandparents or older individuals who are relative caregivers. During the year, the Council reported to CAAA that it provided 6 units of information and assistance to eligible participants. The main source of the revenue forming the basis for this fund is a grant (\$1,300) the Council received from GOEA via CAAA for the *Title III, Part E – National Family Caregivers Support Program*.

**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* transactions are recorded regardless of the measurement focus applied.

• **Government-wide Financial Statements – Accrual Basis**

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.

• **Fund Financial Statements – Modified Accrual Basis**

Governmental fund level financial statements are reported using a 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 revenues to be *available* if they are collected within sixty days of the current fiscal year-end.

Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred, if measurable, except for the following: (1) unmatured principal and interest on long-term debt, if any are recorded when due, and (2) claims, judgments, and compensated absences are recorded as expenditures when paid with expendable available financial resources. Depreciation is a cost that is 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. 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. Cash is reported at its carrying value, which approximates its fair value.

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 \$6,499 and an unrestricted cash of \$49,312. 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.

**g. Receivables**

This year management estimates that all receivables presented will be collected and has not provide an allowance for uncollectable amounts. However, if management becomes aware of information at a later date that would change its assessment about the collectability of any receivable, management would write-off the receivable as a bad debt at that time.

**h. 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 certificates of deposit with redemption 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. The Council did not own any investments of this type at year-end.

Investments, which include securities traded on a national or international exchange, are valued based on their last reported sales price. Investments that do not have an established market are reported at estimated fair value. The Council did not own any investments of this type at year-end.

**i. Prepaid Expenses/Expenditures**

In the government-wide financial statements prepaid expenses include amounts paid in advance for goods and services. Prepaid expenses are shown as either current or other assets on the government-wide Statement of Net Position, depending on when management expects to realize their benefits. The Council did not have any prepaid expenses at the end of the fiscal year.

In the fund financial statements, management has elected not to include amounts paid for future goods and services as expenditures until those services are consumed. This method of accounting for prepaid expenditures helps assure management that costs incurred will be reported in accordance with the Council's cost reimbursement grants. These types of grants do not permit the Council to obtain reimbursement for qualified expenditures until the goods and services relating to them are consumed. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the fund financial statements until they are consumed and a corresponding amount of the fund balance of the General Fund is classified as nonspendable to reflect the amount of fund balance not currently available for expenditure. The Council did not have any funds classified as nonspendable for FY22.



For purposes of presenting prepaid expenses in the government-wide statements, the Council will follow the same policy it uses to record prepaid expenditures in the fund financial statements with one exception. Disbursements made as *matching* payments to acquire vehicles that are titled to another governmental entity are recorded as a prepaid expense and amortized in the Statement of Net Position to better present the substance of this type of transaction and to keep from distorting the Council's transportation expenses in the Statement of Activities. In contrast, 100% of the *matching* payments are reported in the fund financial statements as intergovernmental expenditures when the vehicles are received. The Council did not acquire any new vehicles during FY22.

**j. Capital Assets**

The accounting and reporting treatment used for property, vehicles, and equipment (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 purchased or acquired with an original cost of at least \$1,000 and 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 expensed 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 Council follows a guideline issued by the State of Louisiana's Office of Statewide Reporting and Accounting to establish the useful lives of the various types of capital assets that are depreciated and the method used to calculate annual depreciation.

Using this guideline, the estimated useful lives of the various classes of depreciable capital assets are as follows:

Vehicles	5 years
Computer equipment	5 years
Office Furniture & Fixtures	7-10 years
Nutrition equipment	10 years
Leasehold improvements	20 years

When calculating depreciation, the State's guideline assumes that capital assets will not have any salvage value and that a full year's worth of depreciation will be taken in the year the capital assets are placed in service or disposed.

### Fund Financial Statements

In the fund financial statements, 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.

#### **k. 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 government-wide statements. In the *fund* financial statements, non-current liabilities for governmental funds are not reported as liabilities or presented anywhere else in these statements.

The Council had one long-term liability at year-end, which was a note payable to First Guaranty Bank. This note arose when the Council purchased a building during fiscal year 2021 and financed \$75,000 of the total purchase price. The unpaid principal balance of the loan will be presented in the government-wide Statement of Net Position, but not in the fund Balance Sheet. See Note 9 for more details.

#### **l. Unpaid Compensated Absences**

The Council's annual leave policy requires employees to consume any annual leave they might earn within the Council's fiscal year. In other words, an employee must *use or lose* any earned leave on or before June 30<sup>th</sup> of every year. In contrast, the

Council's sick leave policy allows an employee to carryover up to thirty days of sick leave. However, upon termination the employee is not paid for any unused sick leave. As a result, the Council has not accrued a liability for any unused annual or sick leave in the financial statements. The Council's management has this policy to minimize the Council's exposure to a liability for which the Council may not have the funds to pay.

**m. Advances from Funding Agencies**

Advances from funding agencies represent unexpended balances of grants awarded to the Council that are required to be returned to the funding agencies at the end of the grant period. Grant funds due back to a funding agency are recorded as a liability when the amount due becomes known, normally when a final accounting is submitted to the funding agency. At year-end, the Council did not have any advances from GOEA, CAAA, or any other funding agency.

**n. Deferred Revenue Other Than Property Taxes**

The Council reports deferred revenues on both the Statement of Net Position (government-wide) and the Balance Sheet of the fund financial statements. Deferred revenues arise when the Council receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the Statement of Net Position and the fund Balance Sheet, whichever the case might be, and the revenue is recognized. The Council did not have any deferred revenues at the end of this fiscal year.

**o. Deferred Property Tax Revenue**

Deferred property tax revenue represents taxes expected to be collected but not within 60 days after the end of the Council's fiscal year for which the taxes were levied. Deferred property tax revenues are reported on the Balance Sheet of the fund financial statements, but not on the Statement of Net Position, because the related revenues are recognized in the Statement of Activities using the full accrual basis of accounting. In subsequent periods when the deferred property tax revenues are collected, the deferral is removed from the Balance Sheet of the fund financial statements and revenues are recognized. The Council did not present any amounts this year as deferred property tax revenue because management believes little, if any, additional property tax revenue will be collected after August 31, 2022 for the 2021 property tax assessment.



**p. Deferred Outflows and Inflows of Resources**

Deferred outflows represent the consumption of the Council's net position that is applicable to a future reporting period. Deferred inflows represent the acquisition of net position that is applicable to a future reporting period. The Council did not have any deferred outflows or inflows of resources to report in the financial statements this year.

**q. Net Position in the Government-wide Financial Statements**

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources.

The Council reports three categories of net position, as follows:

- *Net investment in capital assets* – This component of net position consists of capital, net of accumulated depreciation and reduced by the outstanding debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component of net position. Rather, that portion of the debt is included in the same component of net position as the unspent proceeds. At year-end, the Council's net investment in capital assets has been reduced by \$68,286 of related debt used to acquire a building.
- *Restricted net position* – This component reports the amount of net position with externally imposed constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- *Unrestricted net position* – This component is the balance (deficit) of all other elements in the statement of net position remaining after net investment in capital assets and restricted net position.

**r. Fund Equity – Fund Financial Statements**

Governmental fund equity is classified as *fund balance*, which is classified based on the relative strength of the spending constraints placed on how the fund balance resources can be used, as follows:

- *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. Generally, management classifies prepaid expenditures as being nonspendable as this item is not expected to be converted to cash. The Council did not have any nonspendable fund balance at year-end.

- *Restricted:* This classification includes amounts for which constraints have been placed on the use of resources and are either:
  - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.
- *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 at 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. The intent of an assigned fund balance should be expressed by the Council's (1) board of directors, (2) its finance committee, or (3) an official, such as the executive director, to which the board of directors has delegated the authority to assign amounts to be used for a specific purpose. The Council did not have any assigned fund balance at year-end.
- *Unassigned:* This classification is the residual fund balance or deficit for the General Fund and represents the amount 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 will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the Council's management reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

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

The preparation of financial statements in conformity with U.S. 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.

**t. 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. Indirect expenses are recorded as direct costs of the Administration function. The unsubsidized net cost of the Administration function is allocated using a formula based primarily on the relationship the direct cost a program bears to the direct cost of all programs. On occasion, there are some programs that cannot absorb any indirect expense allocation according to their grant or contract restrictions, or the program activities are so small that allocating indirect costs is not practical.

**u. 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.

**v. Special Items**

Special items are significant transactions or events that are either unusual in nature or infrequent in occurrence and that are within the control of the Council's management. Within the control of management does not necessarily mean that management did control the transaction. It simply means that management could control it. Special items, if applicable, will be reported separately in both the government-wide statement of activities and the governmental fund statements of revenues,

expenditures, and changes in fund balances. This year the Council had no special items to report.

**Note 2 - Revenue Recognition**

Revenues are recorded in the government-wide financial statements when they are earned using 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 must be both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

**Note 3 - Revenue Recognition - Property Tax**

The Council receives funds from a property tax that was adopted by the voters of St. Helena Parish on October 4, 2008 to specifically provide money to finance the Council's operations. The St. Helena Parish Assessor began assessing the ten-year property tax in 2009 and continued to do so through 2018. On November 8, 2016 the voters of St. Helena Parish renewed this tax for another ten years (through 2028). The tax is based upon the assessed (appraised) value, less homestead exemptions, on all real and business personal property located within the Parish. The 1<sup>st</sup> day of January preceding the annual levy date (November 15<sup>th</sup>) is used as the date to value the property subject to tax and make the annual assessment.

The gross assessed value as of January 1, 2021, of the certified roll was \$71,306,950. After applying homestead exemptions and other reductions of \$18,505,853, the net assessed value upon which the Council's property tax was computed was \$52,801,097.

The Council's management elected to have the Parish assess the millage of 3.53 mills for tax year 2021. Accordingly, management initially accrued property tax revenue of \$186,388. Subsequently, \$493 of adjustments were made by the sheriff for supplements, reductions, adjudicated/exempt taxes and refunds. Accordingly, the Council's gross property tax revenue was adjusted to \$185,895. In addition, the Council also collected \$422 of previously unpaid property taxes this year. As a result, the adjusted property tax revenue presented in this year's financial statements is \$186,317.

Property taxes are levied in November and are considered delinquent if not paid by

December 31 (the lien date). Most of the property taxes are collected during the months of December, January, and February. The St. Helena Parish Sheriff acts as the collection agent for the Parish's property taxes. The Sheriff will have a *tax sale* each year to collect as much of the taxes due as possible. The tax sale date for St. Helena Parish for the 2021 tax assessment was May 18, 2022 and the tax liens were recorded on June 30, 2022.

For the fund financial statements, property taxes are recorded as receivables and deferred revenues at the time the tax levy is billed. As the taxes are collected and remitted to the Council, they are recorded as revenues in accordance with the modified accrual basis of accounting. The Council also has a policy of accruing as current year revenues any property taxes it receives within 60 days of year-end because it considers those amounts to be measurable and available. In addition, the Council did not present any amounts this year as deferred property tax revenue because management estimates little, if any, property taxes will be collected after August 31, 2022 for the 2021 property tax assessment.

For purposes of accruing property tax revenues in the government-wide financial statements, the Council follows the full accrual basis of accounting. This requires the Council to recognize property tax revenue based on the net assessed value provided by the Parish's assessor less any allowance for uncollectible amounts. Deferred property tax revenue is not recognized in the government-wide statements in contrast to the fund financial statements. If the fund financial statements do not present any amounts for deferred property tax revenues, then the amount of property tax revenues presented in the government-wide statements and the fund financial statements will be the same, which is the case this year.

Property tax revenues of \$186,317 on the fund financial Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit D) have not been reduced by \$6,047 withheld by the Sheriff for *on-behalf payments for fringe benefits*, which represent the Council's pro rata share of pension plan contributions for the following governmental agencies:

Assessor's retirement fund	\$ 716
Clerks' of Court Retirement & Relief Fund	531
District Attorney's Retirement System	424
Municipal Employee's Retirement System	530
Parochial Employees' Retirement System	530
Registrar of Voters Employees' Retirement System	133
Sheriffs' Pension & Relief Fund	1,061
Teachers' Retirement System	2,122
Total	<u>\$ 6,047</u>



Instead, the \$6,047 has been presented as intergovernmental expenditures on Exhibit D. In contrast, for purposes of the government-wide Statement of Activities (Exhibit B), property tax revenues of \$186,317 were reduced by the \$6,047 of on-behalf payments to present a net amount of \$180,270 for general revenues. See Note 11 to these financial statements for more information.

**Note 4 - Cash Management and Deposits**

The Council maintains a consolidated operating bank account at First Guaranty Bank, which is available for use by all funds to deposit revenues and pay expenses. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash resources to temporarily cover any negative cash balances in other funds.

The Council maintains a \$200 petty cash fund to pay for small, unexpected expenses that might arise during daily operations.

The Council's policy is to follow state law in an effort to minimize risks associated with bank deposits that exceed those currently covered by FDIC insurance. Currently, only the first \$250,000 of deposits at each bank are covered by FDIC insurance. At year-end, all of the bank balances were insured 100% by federal depository insurance thereby making them a Category 1 type credit risk.

Cash	Cost	Fair Value	Interest Rate	Maturity	Credit Risk Category
Cash:					
First Guaranty Bank	\$ 55,611	\$ 55,611	None	Demand	Category 1
Petty Cash	200	200	None	N/A	None
Total Cash	<u>\$ 55,811</u>	<u>\$ 55,811</u>			
Unrestricted Purpose	\$ 49,312				
Restricted Purpose:					
Material Aid	3,959				
Utility Assistance	2,540				
Total Cash	<u>\$ 55,811</u>				

The Council had no asset that would be classified as an investment at year-end.

**Note 5 - Government Grants and Contracts Receivable**

Government grants and contracts receivable represent amounts owed to the Council under a grant award or contract with a provider of federal, state, or local funds.

At year end, the Council had \$27,567 of government grants and contracts receivable as follows:

- \$9,947 from the St. Helena Parish Police Jury relating to amounts reimbursable under the Section 5311 rural transportation grant (which originates with DOTD).
- \$17,620 from Capital Area Agency on Aging related to Title IIIB supportive services (\$7,402), Title III C-1 Congregate Meals (\$9,048), and Title III E Family Caregiver Support (\$1,170).

**Note 6 - Prepaid Expenditures and Expenses**

At year-end, the Council had no prepaid expenditures to report on the Fund Balance Sheet.

In contrast, prepaid expenses in the Statement of Net Position consisted of the following:

	Current Portion	Noncurrent Portion
Unamortized vehicle usage	3,952	9,703
Total prepaid expenses	\$ 3,952	\$ 9,703

The current portion of prepaid expenses represents the amount that management expects the Council to consume and economically benefit from in the next fiscal year. The noncurrent portion represents the amount that will be amortized in future years.

The difference, if any, between prepaid expenditures and prepaid expenses arises from transactions wherein the Council has put up (in previous years) *matching funds* under capital assistance grants the St. Helena Parish Police Jury (PJ) entered into with the Louisiana Department of Transportation and Development (DOTD) to acquire vehicles. The vehicles are titled in the name of the PJ, but the Council uses the vehicles for its transportation programs and must pay for all the operating costs. The funds the Council expends as *matching funds* are first recorded as van deposits in its fund Balance Sheet when the funds are remitted to DOTD. Upon delivery of the vehicles to the COA, the deposits are reversed as intergovernmental expenditures in the Council's fund financial statements. However, in the government-wide financial statements, the *matching funds* are classified as prepaid expenses and amortized over the estimated useful lives of the vehicles (100,000 miles - approximately 60 months). The Council's management believes presenting the matching transactions in this manner in the government-wide financial statements best presents the economics of the transactions. No written lease exists between the PJ and the Council that sets forth the terms of the agreement to use the PJ's vehicles. However, this type of cooperative endeavor agreement to provide similar general public transportation in other parishes in Louisiana has been used for many years.

#### Note 7 - Changes in Capital Assets and Accumulated Depreciation

A summary of changes in capital assets that are being depreciated and their related accumulated depreciation is as follows:

Capital Assets Being Depreciated	Balance June 30, 2021	Additions	Decreases	Balance June 30, 2022
Vehicles	\$ 59,406	\$ 0	\$ 0	\$ 59,406
Office furniture and equipment	24,099	0	0	24,099
Total Capital Assets	83,505	0	0	83,505
Less Accumulated Depreciation:				
Vehicles	59,406	0	0	59,406
Office furniture and equipment	11,612	1,387	0	12,999
Total Accumulated Depreciation	71,018	1,387	0	72,405
Capital Assets Net of Depreciation	\$ 12,487	\$ (1,387)	\$ 0	\$ 11,100

All the Council's vehicles are operational at year-end. The Council's management has also reviewed the other capital assets and believes none are impaired as of year-end.

The Council also acquired a new building during FY21 which the Council made updates and repairs to during FY22 but, as of year end, the updates and repairs were not complete. The building was not placed in service as of year-end and therefore, was not depreciated, but is a component of capital assets.

Depreciation was charged to governmental activities in Exhibit B as follows:

Administration	\$ 1,000
Supportive Services - elderly transportation	368
Transportation of the nonelderly	19
Total depreciation expense for governmental activities	<u>\$ 1,387</u>

The \$1,000 of depreciation associated with the administration function relates to capital assets that essentially serve all functions. The depreciation amounts (\$387) are charged as direct expenses to their related functions on the Statement of Activities.

#### **Note 8 - SBA Paycheck Protection Program (PPP) Loan**

On April 21, 2020, the St. Helena Council on Aging received loan proceeds of \$47,750 under the Paycheck Protection Program (PPP) sponsored by the Small Business Administration (SBA). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the business. The loan and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, employee benefits, rent and utilities, and maintains its workforce levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four-week period. During FY21, the Council used the proceeds of the PPP loan for qualified expenses and applied for loan forgiveness. On August 21, 2021 the PPP loan, along with accrued interest of \$609.63, was forgiven in full.

#### **Note 9 - Long-term Debt**

On March 4, 2021 the Council purchased a building with a total cost of \$277,376 of which \$200,000 was donated to the Council by the seller, \$75,000 was financed with proceeds from a loan from First Guaranty Bank, and the remaining \$2,376 was paid in cash by the Council. The terms of the loan require the Council to pay \$616.93 monthly for 59 months beginning April 12, 2021 with a balloon payment of \$57,246 due March 12, 2026. The loan bears interest at an annual rate of 5.5% and the building is the security for the loan. The



interest paid this year on the note was \$3,963.

The loan activity of the fiscal year is as follows:

The loan activity of the fiscal year is as follows:

Beginning balance	\$ 74,126
Principal payments	<u>(5,840)</u>
Ending Balance	<u>\$ 68,286</u>

Future maturities of the principal balance on this note payable at year-end are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 2023	3,684.00	3,720.00	7,404.00
FY 2024	3,889.00	3,515.00	7,404.00
FY 2025	4,122.00	3,282.00	7,404.00
FY 2026	<u>56,591.00</u>	<u>1,046.00</u>	<u>57,637.00</u>
Total	<u>68,286.00</u>	<u>11,563.00</u>	<u>79,849.00</u>

#### **Note 10 - Fund Balances - Fund Financial Statements**

At year-end, none of the special revenue funds had any remaining fund balance. The fund balances of the special revenue funds are cleared out at year-end to comply with the administration and accounting policies of the grantor agencies that have awarded the Council certain grants.

The Council's General Fund had a fund balance at year-end of \$85,217. The composition of the fund balance is presented on the face of Exhibit C - Fund Balance Sheet.

#### **Note 11- On-Behalf Payments for Fringe Benefits**

Because the Council is one of several governmental agencies receiving proceeds from a property tax assessment, state law (Revised Statute 11:82) requires the Council to bear a pro-rata share of the pension expense relating to various statewide public retirement systems (see Note 3 for a detailed list). The Council's pro-rata share of the required contribution was \$6,047 that was withheld by the St. Helena Parish Sheriff from property tax collections to satisfy the Council's obligation. The Sheriff withholds the entire amount of this obligation in December each year even though some of the property tax assessments may be decreased later or never be collected. None of the Council's employees participate in or benefit from any pension plan relating to this expenditure.

**Note 12- In-Kind Contributions**

The Council received a variety of in-kind contributions during the year, but does not record the fair value of them in its government-wide and fund financial statements, except for the donation of capital assets. In the case of a donation of a capital asset, accounting principles for governmental entities require the fair value of a donated capital asset be recorded in the Statement of Activities at the time of acquisition. However, these same principles do not permit the recording of the fair value of capital assets (or other in-kind contributions) in the fund financial statements because of the measurement focus of such statements.

The in-kind contributions that the Council received during the year consisted primarily of free rent and utilities relating to the use of the main administration office in Greensburg and senior center at Dennis Mills.

Starting March 1, 2020, the Council moved into a new administrative building located at 53 South Main St. in Greensburg. The rent for this building is \$1,500 per month of which the Parish pays half (\$750) on-behalf of the Council.

**Note 13 -Board of Directors' Compensation**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members can request reimbursement for out-of-pocket expenses in accordance with the Council's travel policy when traveling on behalf of the Council.

**Note 14 -Income Tax Status**

The Council, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. The Council is also exempt from Louisiana income tax.

The Council does not file a Form 990 because the Internal Revenue Service has determined the Council to be an *affiliate of a governmental unit* within the meaning of Section 4 of Revenue Procedure 95-48, 1995-2 C.B. 418.

**Note 15 -Lease and Rental Commitments**

On March 22, 2022 the Council entered into a month to month lease agreement with Robert J. Carter to lease a building to be used as the administrative office. The terms of the lease require the Council to pay \$750 per month.

**Note 16 -Judgments, Claims, and Similar Contingencies**

At year-end, the Council has no knowledge of any pending litigation, lawsuits, or claims against the Council. Furthermore, the Council believes that any unexpected lawsuits or claims that might be filed against the Council would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

**Note 17 -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 respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at year end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Council.

**Note 18 -Economic Dependency**

The Council receives the majority of its revenue from other governments in the form of intergovernmental revenues. Intergovernmental type revenues are appropriated each year by the federal, state, and local governments. If significant budget cuts are made at the federal, state and/or local 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 next year relating to its usual sources of intergovernmental revenues.

The Council also receives a significant amount of revenue from its property tax. If the property in St. Helena Parish were to be assessed at lower values due to natural disaster

or another unpredictable event, the amount of property tax revenue that the Council receives could be adversely affected. Management is not aware of any actions or events that will adversely affect next year's property tax revenue

**Note 19 -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 (workman's compensation insurance); 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 God, like floods and earthquakes, or virus pandemics.

The Council does not provide any type of personal health insurance coverage to its employees.

**Note 20 -COVID-19 Pandemic**

On March 11, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a global pandemic. Despite the efforts to contain the virus and the safeguards taken to protect everyone, the virus has significantly affected all economies throughout the world. Specifically, the Council has had to alter its normal operations in response to the virus to protect its clients and employees while still trying to provide services to the elderly. As of the date of the issuance of these financial statements, the impact to the Council's financial position has been minimal, however, program services and operations have not returned to pre-Pandemic levels.

**Note 21 -Interfund Receivables and Payables - Fund Financial Statements**

Because the Council operates 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. A summary of these interfund loans, at year-end, is as follows:



Exhibit F - Continued

	Receivable From	Payable To
General Fund:		
Major Funds:		
Title III B	\$ 16,589	\$ 0
Title III C-1	9,048	0
Nonmajor Funds in the aggregate	1,170	0
Totals for the General Fund	<u>\$ 26,807</u>	<u>\$ 0</u>
Special Revenue Funds:		
Major Funds:		
Title III B:		
General Fund	\$ 0	\$ 16,589
Title III C-1:		
General Fund	0	9,048
Nonmajor Funds in the aggregate:		
General Fund	0	1,170
Totals for All Funds	<u>\$ 26,807</u>	<u>\$ 26,807</u>

**Note 22 - Interfund Transfers**

Operating transfers to and from the various funds are as follows for the fiscal year:

	Operating Transfers	
	In From	Out To
General Fund:		
Title III B Fund	\$ 0	\$ 187,042
Title III C-1 Fund	0	54,903
Title III C-2 Fund	0	65,745
Nonmajor Funds in the Aggregate	1,300	0
Total General Fund	1,300	307,690
Title III B - Fund:		
General Fund - local funds	\$ 153,275	\$ 0
General Fund - PCOA regular grant	31,532	0
General Fund - Senior Center grant	2,235	0
Total Title III B Fund	187,042	0
Title III C-1 Fund:		
General Fund - Senior Center grant	\$ 1,459	\$ 0
General Fund - PCOA regular grant	34,942	0
General Fund - local funds	18,502	0
Total Title III C-1 Fund	54,903	0
Title III C-2 - Fund:		
General Fund - Senior Center grant	21,306	0
General Fund - Sup. Senior Center grant 1	3,100	0
General Fund - Sup. Senior Center grant 2	7,813	0
General Fund - PCOA regular grant	33,526	0
Total Title III C-2 Fund	65,745	0
Nonmajor Funds in the Aggregate:		
General Fund	\$ 0	\$ 1,300
Total for Nonmajor Funds	0	1,300

Transfers are used (a) to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (b) to shift unrestricted revenues collected in the General Fund and certain Special Revenue Funds to finance various programs accounted for in other funds and to eliminate program deficits. Transfers are eliminated as part of the consolidation process in preparing the government-wide financial statements.

**Note 23 - Note Payable – Line of Credit**

The Council has a \$75,000 line of credit with First Guaranty Bank. The line of credit is to be used in case funds are not received on time to pay bills. Below is a chart that illustrates the activity on the line of credit for the fiscal year.

Balance at beginning of year	\$ -
Current year borrowings	70,000
Current year repayments	<u>(70,000)</u>
Balance at year end	<u>\$ -</u>

**Note 24 - Related Party Transactions**

There were no related party transactions during the fiscal year.

**Note 25 - Property Tax Abatement**

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program, which offers an attractive tax incentive for manufacturers who make a commitment to jobs and payroll in the state. With approval by the Board of Commerce and local governmental entities, the program provides an 80% property tax abatement for an initial term of five years and the option to renew for five additional years at 80% property tax abatement on a manufacturer's qualifying capital investment related to the manufacturing process in the state. For the 2022 calendar year, approximately \$182 of the District's ad valorem tax revenues were abated by the state of Louisiana through this program.

**Note 26 - Subsequent Events**

Management has evaluated subsequent events through August 18, 2023 which is the date the financial statements were available to be issued. There were no events that required disclosure.

**SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GASB 34**



**Budgetary Comparison Schedule - General Fund**  
**St. Helena Council on the Aging, Inc.**  
**Greensburg, Louisiana**  
**For the year ending June 30, 2022**

	Budgeted Amounts	Actual Amounts	Variance with Final Budget
	Original (Unamended)	Modified Accrual Basis	Favorable (Unfavorable)
<b><u>REVENUES</u></b>			
Intergovernmental:			
Governor's Office of Elderly Affairs:			
PCOA	\$ 100,000	\$ 100,000	\$ 0
Senior Center	25,000	25,000	0
Supplemental Senior Center 1	3,100	3,100	0
Supplemental Senior Center 2	7,813	7,813	0
St. Helena Parish Police Jury - Section 5311 funds	34,500	11,500	(23,000)
St. Helena Parish Police Jury - RTAP funds	0	1,716	1,716
Property Tax	176,000	186,317	10,317
Program Service Fees - transportation	7,000	3,444	(3,556)
Public Support	0	6,000	6,000
Interest Income	200	193	(7)
Miscellaneous	500	2,059	1,559
Total revenues	354,113	347,142	(6,971)
<b><u>EXPENDITURES</u></b>			
Current:			
Personnel	25,509	10,603	14,906
Fringe	2,040	992	1,048
Travel	33	70	(37)
Operating Services	8,503	4,342	4,161
Operating Supplies	2,884	2,321	563
Other Costs	1,281	2,799	(1,518)
Capital Outlay	0	106,816	(106,816)
Intergovernmental	5,873	6,047	(174)
Debt Service - principal & interest	3,900	12,192	(8,292)
Total expenditures	50,023	146,182	(96,159)
Excess of revenues over expenditures	304,090	200,960	(103,130)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Proceeds from insurance	0	14,349	14,349
PPP Loan Forgiveness	0	48,360	48,360
Transfers in	0	1,300	1,300
Transfers out	(187,353)	(307,690)	(120,337)
Total other financing sources (uses)	(187,353)	(243,681)	(56,328)
Net increase (decrease) in fund balance	\$ 116,737	(42,721)	\$ (159,458)
<b><u>FUND BALANCE</u></b>			
Beginning of year		127,938	
End of year		\$ 85,217	

See notes to required supplementary information.

**Budgetary Comparison Schedule - Title III B Fund**

**St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022**

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original (Unamended)</u>	<u>Modified Accrual Basis</u>	<u>Favorable (Unfavorable)</u>
<b><u>REVENUES</u></b>			
Intergovernmental:			
Capital Area Agency on Aging	\$ 30,722	\$ 32,722	\$ 2,000
St. Helena Parish Police Jury - (Section 5311)	195,500	218,500	23,000
Total revenues	226,222	251,222	25,000
<b><u>EXPENDITURES</u></b>			
Current:			
Personnel	166,131	255,991	(89,860)
Fringe	13,286	23,808	(10,522)
Travel	213	1,570	(1,357)
Operating Services	62,467	90,729	(28,262)
Operating Supplies	10,531	49,483	(38,952)
Other Costs	8,306	12,015	(3,709)
Full Service	8,454	4,668	3,786
Capital Outlay	0	0	0
Total expenditures	269,388	438,264	(168,876)
Excess of expenditures over revenues	(43,166)	(187,042)	(143,876)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	43,166	187,042	143,876
Transfers out	0	0	0
Total other financing sources (uses)	43,166	187,042	143,876
Net increase (decrease) in fund balance	\$ 0	0	\$ 0
<b><u>FUND BALANCE</u></b>			
Beginning of year		0	
End of year		\$ 0	

See notes to required supplementary information.

# Budgetary Comparison Schedule - Title III C-1 Fund

St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022

	Budgeted Amounts	Actual Amounts	Variance with Final Budget
	Original (Unamended)	Modified Accrual Basis	Favorable (Unfavorable)
<b>REVENUES</b>			
Intergovernmental:			
Capital Area Agency on Aging	\$ 9,679	\$ 9,679	\$ 0
Restricted Public Support - client contributions	0	2,351	2,351
Total revenues	9,679	12,030	2,351
<b>EXPENDITURES</b>			
Current:			
Personnel	13,605	32,249	(18,644)
Fringe	1,088	3,004	(1,916)
Travel	24	117	(93)
Operating Services	12,931	6,849	6,082
Operating Supplies	815	2,324	(1,509)
Other Costs	936	1,002	(66)
Meals	6,055	21,388	(15,333)
Capital Outlay	0	0	0
Total expenditures	35,454	66,933	(31,479)
Excess of expenditures over revenues	(25,775)	(54,903)	(29,128)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	25,775	54,903	29,128
Transfers out	0	0	0
Total other financing sources (uses)	25,775	54,903	29,128
Net increase (decrease) in fund balance	\$ 0	0	\$ 0
<b>FUND BALANCE</b>			
Beginning of year		0	
End of year		\$ 0	

See notes to required supplementary information.

# Budgetary Comparison Schedule - Title III C-2 Fund

St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022

	Budgeted Amounts	Actual Amounts	Variance with Final Budget
	Original (Unamended)	Modified Accrual Basis	Favorable (Unfavorable)
<b><u>REVENUES</u></b>			
Intergovernmental:			
Capital Area Agency on Aging - Primary	\$ 24,378	\$ 24,378	\$ 0
Restricted Public Support - client contributions	1,200	1,755	555
Total revenues	25,578	26,133	555
<b><u>EXPENDITURES</u></b>			
Current:			
Personnel	46,913	23,384	23,529
Fringe	3,752	2,259	1,493
Travel	79	114	(35)
Operating Services	14,674	12,666	2,008
Operating Supplies	28,748	5,010	23,738
Other Costs	3,096	977	2,119
Meals	46,600	47,468	(868)
Capital Outlay	0	0	0
Total expenditures	143,862	91,878	51,984
Excess of expenditures over revenues	(118,284)	(65,745)	52,539
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	118,284	65,745	(52,539)
Transfers out	0	0	0
Total other financing sources (uses)	118,284	65,745	(52,539)
Net increase (decrease) in fund balance	\$ 0	0	\$ 0
<b><u>FUND BALANCE</u></b>			
Beginning of year		0	
End of year		\$ 0	

See notes to required supplementary information.



## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

St. Helena Council of Aging, Inc.  
Greensburg, Louisiana  
For the Year Ended June 30, 2022

### 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 Capital Area Agency on Aging - District II Inc., (CAAA) 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.
- Management makes projections of property tax revenues based on past trends and data available at the Parish Assessor's office to form expectations of future revenues.
- 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 and bookkeeper prepare a proposed budget based on the projections. The proposed budget is submitted to the Board of Directors for final approval.
- The Board of Directors reviews and adopts the budget for the next fiscal year at a regularly scheduled board meeting before May 31 of the current fiscal year.
- The adopted budget is forwarded to CAAA for compliance approval for the funds it will pass through to the Council from GOEA.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**(Continued)**

- Unused budget amounts lapse at the end of each fiscal year (June 30). However, if a grant or contract is not completed by June 30, management will automatically budget funds in the next fiscal year to complete the grant or contract. An example where this might occur is when vehicles are acquired under a federal matching program. The *match* might be made in one year and the vehicle delivered in another year.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting for governmental funds, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying required supplementary information include the original adopted budget amounts and all subsequent amendments. During the fiscal year management did not amend the budget.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
- The Council may transfer funds between line items as often as required but must obtain compliance approval from the CAAA and the Governor's Office of Elderly Affairs for funds received under grants and contracts from these agencies. As a part of their compliance, CAAA and GOEA require 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.
- Budgeted expenditures cannot exceed budgeted revenues on an individual fund level, unless a large enough fund balance exists to absorb the budgeted operating deficit.
- The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some activities may not be budgeted, particularly if they are deemed to be immaterial by management.

**Note 2 - General Fund's Budgeted Operating Surplus (Deficit)**

Management budgeted an operating surplus in the Council's General Fund this year of \$116,737.

**SUPPLEMENTARY FINANCIAL INFORMATION FOR GOEA ANALYSIS**

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

St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
<b><u>Capital Assets</u></b>				
Vehicles	\$ 59,406	\$ 0	\$ 0	\$ 59,406
Office furniture and equipment	24,099	0	0	24,099
Building	248,376	0	0	248,376
Construction in Progress - Building	0	106,816	0	106,816
Land	29,000	0	0	29,000
Total capital assets	<u>\$ 360,881</u>	<u>\$ 106,816</u>	<u>\$ 0</u>	<u>\$ 467,697</u>
<b><u>Investment in Capital Assets</u></b>				
Property acquired with funds from -				
PCOA	\$ 59,482	\$ 0	\$ 0	\$ 59,482
Local	101,399	106,816	0	208,215
Noncash donation by seller of building	200,000	0	0	200,000
Total investment in capital assets	<u>\$ 360,881</u>	<u>\$ 106,816</u>	<u>\$ 0</u>	<u>\$ 467,697</u>

See independent auditor's report.



COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS

St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana  
For the year ending June 30, 2022

	Title III E Fund	Totals
<b><u>REVENUES</u></b>		
Intergovernmental:		
Capital Area Agency on Aging (CAAA)	\$ 1,300	\$ 1,300
Total revenues	<u>1,300</u>	<u>1,300</u>
<b><u>EXPENDITURES</u></b>		
Current:		
Personnel	0	0
Fringe	0	0
Travel	0	0
Operating Services	0	0
Operating Supplies	0	0
Other Costs	0	0
Total expenditures	<u>0</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>1,300</u>	<u>1,300</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>		
Operating transfers in	0	0
Operating transfers out	<u>(1,300)</u>	<u>(1,300)</u>
Total other financing sources (uses)	<u>(1,300)</u>	<u>(1,300)</u>
Net increase (decrease) in fund balances	0	0
<b><u>FUND BALANCE (DEFICIT)</u></b>		
Beginning of year	<u>0</u>	<u>0</u>
End of year	<u>\$ 0</u>	<u>\$ 0</u>

See independent auditor's report.

**SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY LOUISIANA LAW**

**Schedule of Compensation, Benefits and Other Payments to the Council's  
Executive Director**

**St. Helena Council on Aging, Inc.  
Greensburg, Louisiana  
For the year ended June 30, 2022**

**Executive Director's Name: James Robb**

<b>Purpose</b>	<b>Amount</b>
Salary	\$46,460.17
Benefits-insurance (health and life)	-
Benefits-retirement	-
Benefits-other (FICA & LUTA)	3,625.82
Reimbursements - various office supplies and services	221.04
Travel - parking mileage reimbursements for using personal car on Council business	1,350.64
<b>Total</b>	<b>51,657.67</b>

See independent auditor's report.

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A PROFESSIONAL ACCOUNTING CORPORATION

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

To the Board of Directors  
St. Helena Council on the Aging, Inc.  
Greensburg, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Helena Council on the Aging, Greensburg, Louisiana, (the Council) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated August 18, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Current Year Audit Findings, Recommendations and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.



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. We consider the deficiencies described in the accompanying Schedule of Current Year Audit Findings, Recommendations and Responses as items 2022-02 through 2022-03 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Current Year Audit Findings, Recommendations and Responses as item 2022-01 to be a significant deficiency.

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

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements; noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Current Year Audit Findings, Recommendations and Responses as items 2022-04 through 2022-06.

### **St. Helena Council on the Aging's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Council's response to the findings identified in our audit and described in the accompanying Schedule of Current Year Audit Findings, Recommendations and Responses. The Council's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Chris Johnson*

Hebert Johnson & Associates, Inc.

A Professional Accounting Corporation

Albany, Louisiana

August 18, 2023

**St. Helena Council on the Aging, Inc.**  
**Greensburg, Louisiana**  
**Schedule of Current Year Audit Findings, Recommendations and Responses**  
**For the Year Ended June 30, 2022**

**SUMMARY OF AUDITOR'S REPORTS**

- A. Type of auditor's report issued on the financial statements: Unmodified
- B. 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*:
- Internal control over financial reporting:
- Material weaknesses identified? Yes
  - Significant deficiencies identified? Yes
- Noncompliance material to the financial statements identified? Yes
- C. Federal Awards:
- Auditor's reports on compliance for each major federal award program and on internal control over federal awards are not applicable because federal award expenditures were less than \$750,000 and a single audit was not required this year.
- D. Was a management letter issued for this year's audit? No

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**INTERNAL CONTROL**

**2022-01 Segregation of Duties**

**Criteria:**

Proper segregation of incompatible duties requires that there be different individuals responsible for authorizing transactions, recording transactions, preparing reconciliations and maintaining custody of related assets.

**Condition:**

Due to the small number of employees involved in the daily operations of the financial process there are not sufficient segregation of duties. We noted the following:

**St. Helena Council on the Aging, Inc.**  
**Greensburg, Louisiana**  
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- The accountant and another individual count cash contributions. Once counted the amount is totaled, the accountant delivers the deposit to the bank and receives a deposit receipt. No other individual is reviewing the deposit receipt.

**Cause:**

The company's staff is not sufficient size to allow for proper and appropriate segregation of duties.

**Effect:**

Failure to maintain an adequate segregation of duties, particularly in the Finance Department, creates an environment in which errors or other irregularities could occur and not be detected in a timely manner by employees performing their assigned functions.

**Recommendation:**

We recommend management continue to perform the following:

- The executive director should review the monthly bank statement and related bank reconciliations (including all cancelled checks) and document the review and approval of the items clearing the bank statement by initialing and dating the face of the bank statement.

We recommend management perform the following:

- The Council should have someone other than the accountant deliver deposits to the bank. The deposit receipt should be returned to the accountant to match the amount on the deposit receipt to the copy of the deposit slip.

**Management's Response:**

In March 2023, the Council hired a new bookkeeper. The bookkeeper will reconcile the bank statement and the executive director will review the reconciliation and the bank statement. The board also receives the entire bank statement on a monthly basis.

An individual, other than the accountant, will deliver deposits to the bank. Deposit tickets are brought back to the accountant and matched to the deposit slip. This was corrected in 2023. Responsible party is Shelia Creighton, Executive Director, 225-222-6070.



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**2022-02 Possible Misappropriations of Fuel Charges**

**Criteria:**

Internal controls should be implemented and monitored over fuel to ensure that purchases and usage is reasonable, authorized, and that only vehicles owned by the Council are receiving fuel. Controls should also be in place to monitor any agreements to ensure the Council is complying with the terms of the agreements.

**Condition:**

In June 2023, the Council's Board President discovered unauthorized fuel charges on one of its fuel cards. Total amount of unauthorized charges total \$2,310.08. This card was cancelled after the Board President noticed these charges on the fuel statement. The Council has filed a police report with the St. Helena Parish Sheriff's office on July 13, 2023.

The Council informed the cardholders about these unauthorized charges. The cardholder stated these charges would not be refunded since the cardholder agreement states "that in any event that if at any time you have been issued ten or more cards at your request, then you waive any and all limitations of liability for unauthorized use of such cards."

**Cause:**

Unknown

**Effect:**

The Council has approximately \$2,310.08 in unauthorized charges. There is an ongoing investigation to determine the exact amount.

**Recommendation:**

We recommend the Council on Aging determine the amount of unauthorized charges, and inform the Louisiana Legislative Auditor and turn the matter over to the local law enforcement and file a police report.

We also recommend reducing the amount of fuel cards so that if any unauthorized use happens in the future, the unauthorized charges would be refunded.

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Fuel cards should be assigned to a vehicle, all employees should use only the card assigned to the vehicle, and employees should be required to input the correct mileage readings at the pump so that the information on the monthly billing statements is accurate. A monthly summary report by vehicle/employee should be prepared by an employee without access to a fuel card to include (1) total gallons of fuel purchased; (2) total miles traveled based on odometer readings; and (3) calculated average number of miles driven per gallon. If any vehicles are fueled more than once per day, the business necessity of the refueling should be documented and retained with the monthly fuel statement. All itemized receipts should be submitted with card statements to the required approver.

**Management's Response:**

The Council has filed a police report with the Sheriff's office and has informed the District attorney and Legislative Auditor regarding this matter. The Council has also reduced the amount of fuel cards below ten. The Council will assign an employee without access to fuel cards to prepare a monthly report to monitor the fuel usage. Responsible party is Shelia Creighton, Executive Director, 225-222-6070.

**2022-03 Incomplete Client Files**

**Criteria:**

The Council on Aging should have controls in place to ensure that client files are being maintained appropriately, and service units are being accurately reported as required by Capital Area Agency on Aging, Inc.

**Condition:**

According to the Capital Area Agency on Aging, Inc., staff personnel are having the following repeated issues:

- Staff personnel are not updating client files accurately and/or timely
- Backup documentation is not being kept for units serviced in the nutrition education and telephoning program
- Service units are not being accurately reported in the program software
- Staff are continuing to assess people who do not have any services, and are not assessing clients who are currently receiving services

**Cause:**

The Council on Aging does not have adequate procedures in place to ensure that client files are appropriately maintained and service units are accurately reported.

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**Effect:**

Many of the Council on Aging's client files are either incomplete and/or overdue. Service units are also being inaccurately reported.

**Recommendation:**

We recommend management properly train staff in their respective jobs and review the work of the staff to ascertain that they are applying their training properly and minimizing errors. We also recommend the executive director or a supervisor perform spot checks on a regular basis to verify the staff have retained their instructions. The client files selected should be documented along with the date and individual performing the monitoring.

**Management's Response:**

Management agrees with the recommendations and has contacted Capital Area Agency on Aging, Inc. to have additional training with employees and is waiting on a response. A new executive director was hired in March 2023 and will be working to resolve these issues. Responsible party is Shelia Creighton, Executive Director (225) 229-6990.

**Compliance**

**2022-04 Capital Area Agency on Aging Fiscal and Programmatic Assessment Report**

**Criteria:**

The Council on Aging is required to follow certain guidelines by the Capital Area Agency on Aging and policies within the Governor's Office of Elderly Affairs Policy Manual.

**Condition:**

The Capital Area Agency on Aging issued a report to the Council for a review performed from records in March 2022 . The following findings were listed:

- Out of the twenty-nine client files pulled during the CAAA Audit, 17 files were incomplete or corrective action was needed.
- Staff are continuing to assess people who do not have any services, and are not assessing clients who are currently receiving services.
- Some Information and Assistance services being report to Capital Area are not meeting the taxonomy definition of the service.
- Supporting documentation of some services are missing.
- Reported amounts of contributions are not reconciling to the bank statement.
- Units serviced were being reported for clients that were not living alone and have no family support.

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**Greensburg, Louisiana**  
**Schedule of Current Year Audit Findings, Recommendations and Responses**  
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- Units serviced for transportation were not accurately submitted to Capital Area Agency on Aging. The Council's client logs did not match what was being submitted to Capital Area Agency on Aging.
- Signed board minutes were not given to Capital Area Agency on Aging, Inc. as required by GOEA Policy Manual.
- \$1,307.50 of reported participant contributions were not reported to Capital Area Agency on Aging.

**Cause:**

Staff members have been trained and advised by Capital Area Agency on Aging however, staff don't seem to retain the information per Capital Area Agency on Aging.

**Effect:**

The Council is not in compliance with Capital Area Agency on Aging and the Governor's Office of Elderly Affairs guidelines.

**Recommendation:**

We recommend the following:

- All client files must be updated yearly.
- Staff tasked with data entry must be trained in proper documentation required to claim units of service.
- Staff tasked in reporting units must be trained to count the correct number units and to enter the correct number of units.
- We also recommend the executive director or a supervisor perform spot checks on a regular basis to verify the staff have retained their instructions. The client files selected should be documented along with the date and individual performing the monitoring.

**Management's Response:**

Management agrees with the recommendations and has contacted Capital Area Agency on Aging, Inc. to have additional training with employees and is waiting on a response. A new executive director was hired in March 2023 and will be working to resolve these issues. Responsible party is Shelia Creighton, Executive Director (225) 229-6990.

**2022-05 Late Filing of Annual Financial Report**

**Criteria:**

R.S. 24:513 – Such audits shall be completed within six months of the close of the entity's fiscal year.



**St. Helena Council on the Aging, Inc.**  
**Greensburg, Louisiana**  
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**Condition:**

The audit engagement was not completed within six months of the close of the Council's fiscal year.

**Cause:**

The Council hired a new outside accountant in 2023. The financial statements were not available to audited until July 2023.

**Effect:**

The audit report was submitted to the Legislative Auditor's Office after December 31, 2022.

**Recommendation:**

Management should discuss with the outside accounting firm the necessity to prepare the financial statements in a timely manner to allow the audit to be completed by December 31.

**Management's Response:**

The Council's Executive Director will discuss this matter with the Council's outside accounting firm to ensure that the financial statements are prepared in a timely manner. The Council has hired a new executive director in March 2023 and is working to resolve this matter. Responsible party is Shelia Creighton, Executive Director, 225-222-6070.

**2022-06 Ethics and Sexual Harassment Training**

**Criteria:**

LRS 42:1170 requires public servants to receive a minimum of one hour of education and training on the Code of Governmental Ethics during each year of his public employment or term of office.

LRS 42:343 requires public servants to receive a minimum of one hour of education and training preventing sexual harassment during each full calendar year of the public servant's term of office.

**Condition:**

The Council on Aging did not have documentation of the required ethics and sexual harassment training for board members or employees for the year ending June 30, 2022.

**Cause:**

This was an oversight by management.

**Effect:**

Noncompliance with the revised statute listed in the criteria.

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**Recommendation:**

The Council on Aging should ensure all employees and board members complete the required training during each year. The Council on Aging should set a completion deadline for all board members and employees to complete the required training.

**Management's Response:**

The Council on Aging's employees have completed the require ethics and sexual harassment training for 2023. Responsible party is Shelia Creighton, Executive Director, 225-222-6070.

## SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

St. Helena Council on the Aging, Inc.

Greensburg, Louisiana

For the year ended June 30, 2022

### Financial Statement Findings

#### 2021-01 Segregation of Duties

##### **Condition:**

Due to the small number of employees involved in the daily operations of the financial process there are not sufficient segregation of duties. We noted the following:

- The accountant reconciles the bank statement on a monthly basis. The outside accountant reviews the reconciliation a few times out of the year, but there is no proof management is reviewing the reconciliation nor reviewing the cancelled checks on the bank statement. The accountant also has access to change vendors in the accounting system.
- The accountant and another individual will count cash contributions. Once counted the amount is totaled, the accountant delivers the deposit to the bank and receives a deposit receipt. No other individual is reviewing the deposit receipt.

##### **Recommendation:**

We recommend management perform the following:

- The executive director should review the monthly bank statement and related bank reconciliations (including all cancelled checks) and document the review and approval of the items clearing the bank statement by initialing and dating the face of the bank statement.
- The Council should have someone other than the accountant deliver deposits to the bank. The deposit receipt should be returned to the accountant to match the amount on the deposit receipt to the copy of the deposit slip.

##### **Resolved:**

Partially, See Finding 2022-01

#### 2021-02 Incomplete Client Files

##### **Condition:**

According to the Capital Area Agency on Aging, Inc., staff personnel are having the following repeated issues:

- Staff personnel are not updating client files accurately and/or timely
- Backup documentation is not being kept for units serviced in the nutrition education and telephoning program

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**St. Helena Council on the Aging, Inc.**  
**Greensburg, Louisiana**  
**For the year ended June 30, 2022**

- Service units are not being accurately reported in the program software

**Recommendation:**

We recommend management properly train staff in their respective jobs and review the work of the staff to ascertain that they are applying their training properly and minimizing errors. We also recommend the executive director or a supervisor perform spot checks on a regular basis to verify the staff have retained their instructions. The client files selected should be documented along with the date and individual performing the monitoring.

**Resolved:**

Unresolved, See Finding 2022-02

**2021-03 Coding of Payroll Transactions**

**Condition:**

During our testing of payroll transactions, we noted instances of classifying portions of employees' wages to incorrect funds. We also noted that an employee's vacation hours are being coded to indirect costs. A portion of the employee's wages could be recorded to a program the employee does not participate in when coding to indirect cost.

**Recommendation:**

We recommend the accountant and executive director review the general ledger by fund, on a monthly basis, to catch any errors with the classification of employees. We also recommend the accountant to have a more thorough review of time sheets before printing the employees' paychecks. If the time sheet appears incorrect, the accountant should inform the executive director. The executive director should then discuss the matter with the employee's supervisor.

**Resolved:**

Fully Resolved

**2021-04 Capital Area Agency on Aging Fiscal and Programmatic Assessment Report**

**Condition:**

The Capital Area Agency on Aging issued a report to the Council for a review performed from records in January 2021. The following findings were listed:

- Thirty -eight files were either incomplete, overdue, not corrected after repeated findings over the past 3-4 years or were not provided during the CAAA Audit.



## SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

St. Helena Council on the Aging, Inc.

Greensburg, Louisiana

For the year ended June 30, 2022

- Units serviced were claimed for the Nutrition Education Program but there was not backup documentation of what was sent to the client.
- Units serviced were logged by the staff for the Telephoning Program but not recorded in the software used by Capital Area Agency on Aging.
- Units serviced were being reported for clients that were not living alone and have no family support.
- Units serviced for transportation were not accurately submitted to Capital Area Agency on Aging. The Council's client logs did not match what was being submitted to Capital Area Agency on Aging.
- Board minutes were not signed by the board secretary as required by GOEA Policy Manual.
- \$1,307.50 of reported participant contributions were not reported to Capital Area Agency on Aging.

### **Recommendation:**

We recommend the following:

- All client files must be updated yearly.
- Staff tasked with data entry must be trained in proper documentation required to claim units of service.
- Staff tasked in reporting transportation units must be trained to count the correct number of rides and to enter the correct number of units.
- All approved board minutes must be signed by the Board Secretary.
- All participant contributions must be reported each month to Capital Area Agency on Aging.
- We also recommend the executive director or a supervisor perform spot checks on a regular basis to verify the staff have retained their instructions. The client files selected should be documented along with the date and individual performing the monitoring.

### **Resolved:**

Unresolved, See Finding 2022-03

### **Major Federal Award Program Findings and Questioned Costs**

No matters were reported last year because last year's audit was not a Single Audit; therefore, there was no requirement for the auditors to report any findings with respect to major federal award programs.

### **Management Letter**

None was issued last year.

**ST. HELENA COUNCIL ON THE AGING, INC.  
GREENSBURG, LOUISIANA**

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**STATEWIDE AGREED-UPON PROCEDURES REPORT**

Fiscal Period July 1, 2021 through June 30, 2022



**Hebert Johnson  
& Associates, Inc.**  
Certified Public Accountants

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*A Professional Accounting Corporation*

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CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

ADAM C. HEBERT, CPA

MEMBER

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A PROFESSIONAL ACCOUNTING CORPORATION

### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of St. Helena Council on the Aging, Inc.  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. St. Helena Council on the Aging, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

St. Helena Council on the Aging, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

#### **Written Policies and Procedures**

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving.



- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

*Exception: The Council had written policies and procedures for pay approval, travel and expense reimbursement, and a sexual harassment policy. The remaining categories did not have written policies and procedures.*

*Management's Response: The Council is currently working on a policy and procedure manual.*



### ***Board or Finance Committee***

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2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

*Exception: The Council's bylaws state the Council must meet every other month. The Council met a total of four times during the fiscal year.*

*Management's Response: The Council is now meeting on a monthly basis.*

### ***Bank Reconciliations***

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3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*Exception: The bank reconciliation selected was prepared four months after the closing date.*

*Management's Response: The Council hired a new bookkeeper in March 2023 and bank statements are reconciled on a monthly basis.*

#### ***Collections (excluding electronic funds transfers)***

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4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

*Exception: The person responsible for collecting cash was preparing the deposit slip. The person responsible for collecting cash would also enter the transaction into the general ledger.*

*Deposits selected were not made within one business day.*

*Management's Response:*

*The Council hired a new bookkeeper in March 2023 and no longer allows the person responsible for collecting cash to post in the general ledger. Management has already made it a requirement to make deposits daily.*

***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

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- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

*No exceptions were found as a result of these procedures.*

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*Exception: Finance charges were assessed on the fuel card statement.*

*Management's Response: The Council hired a new bookkeeper in March 2023 Management will ensure that bills will be paid timely.*



### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
  - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*No exceptions were found as a result of these procedures.*

### ***Contracts***

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(The procedures are not applicable to the Council on the Aging)

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

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16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

*No exceptions were found as a result of these procedures.*

### ***Ethics***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

*Exception: None of the employees selected completed the ethics training course.*

*Management's Response: Employees have started taking the one hour ethics training course.*

#### ***Debt Service***

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(The procedures are not applicable to the Council on the Aging)

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

#### ***Fraud Notice***

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*No exceptions were found as a result of these procedures.*

#### ***Information Technology Disaster Recovery/Business Continuity***

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25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
  - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If

backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**We performed the procedure and discussed the results with management.**

### ***Sexual Harassment***

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- 26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
- 27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- 28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
  - a) Number and percentage of public servants in the agency who have completed the training requirements;
  - b) Number of sexual harassment complaints received by the agency;
  - c) Number of complaints which resulted in a finding that sexual harassment occurred;
  - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - e) Amount of time it took to resolve each complaint.

*Exception: None of the employees selected have taken the one hour of sexual harassment training. The Council did not have the harassment policy posted. The annual sexual harassment report was not completed.*



*Management's Response: Management has posted the sexual harassment policy. Employees have started taking the one hour sexual harassment course and will complete the annual report timely.*

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

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

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

*Chris Johnson*

Hebert Johnson & Associates, Inc.  
A Professional Accounting Corporation  
Albany, Louisiana  
August 18, 2023