

LIVINGSTON COUNCIL ON AGING
ANNUAL FINANCIAL STATEMENTS
JUNE 30, 2023
DENHAM SPRINGS, LOUISIANA

LIVINGSTON COUNCIL ON AGING

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Independent Auditor's Report

The Board of Directors of the
Livingston Council on Aging, Inc.
Denham Springs, 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 Livingston Council on Aging, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Livingston Council on Aging, Inc.'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 Livingston Council on Aging, Inc., as of June 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Livingston Council on Aging, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Change in Accounting Principle

As described in Note S to the financial statements, in 2023, the Livingston Council on Aging, Inc. adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Livingston Council on 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 Livingston Council on 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 Livingston Council on 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 on pages 4 through 16 and budgetary comparison schedules on pages 48 through 51 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.

Livingston Council on Aging, Inc.
December 20, 2023

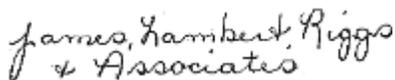
We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency 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 Livingston Council on Aging, Inc.'s basic financial statements. The accompanying Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds; the Comparative Schedule of Capital Assets and Changes in Capital Assets; the Schedule of Compensation, Benefits, and Other Payments to the Council's Executive Director; and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds; the Comparative Schedule of Capital Assets and Changes in Capital Assets; the Schedule of Compensation, Benefits, and Other Payments to the Council's Executive Director; and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic 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 December 20, 2023, on our consideration of the Livingston Council on Aging, Inc.'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 Livingston Council on Aging, Inc.'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 Livingston Council on Aging, Inc.'s internal control over financial reporting and compliance.



James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

December 20, 2023

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2023

The following discussion and analysis of the Livingston Council on Aging's (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2023. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the basic financial statements, which follow this section.

Financial Highlights

- The Council's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$4,606,451 which is a decrease of \$99,290 or about 2% from the last fiscal year.
- The Council's revenues increased by \$355,214 or about 13%.
- The Council's expenditures increased by \$801,610, or about 34%.
- The Council did not have any deficit fund balances.
- The unassigned fund balance of the General Fund decreased by \$205,370.
- Net capital assets increased by \$113,476 this year, not including leased assets.
- The Council did not have any long-term debt at year-end.
- Administrative expenses increased this year by \$171,196 or about 30% from last year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements consists of four parts:

- (1) Management's discussion and analysis (this section)
- (2) The basic financial statements (government-wide, fund, and footnotes)
- (3) Required Supplementary financial information
- (4) Other Supplementary Information

Government-wide financial statements are comprised of the Statement of Net Position (Statement A) and the Statement of Activities (Statement 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 (Statement C) and the Statement of Revenues, Expenditures, and Changes in Fund Balances (Statement E), tell how services were financed in the short-term, as well as what remains for future spending for governmental funds. Fund financial 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.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

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

The government-wide financial statements are prepared using the accrual basis of accounting and are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. When using these financial statements, the user should consider whether the Council's finances, as a whole, have improved or deteriorated since last year. The government-wide financial statements (Statements A and B) report the Council's net position and changes in them. However, to assess the overall financial position of the Council, the user 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 (Statement A) presents all assets and deferred outflows of resources and liabilities and deferred inflows of resources and the Council's financial position at year-end, whereas the Statement of Activities (Statement B) presents information showing how the Council's net position changed during this fiscal year as a result of the Council's activities. In this statement all changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will affect cash flows in future fiscal periods. The governmental activities of the Council include Health, Welfare, and Social Services, which are comprised of five primary programs that include supportive services, nutritional services, disease prevention and health promotion, family caregiver support, and transportation services for the non-elderly. There is also a line item for Other Senior Citizen Activities, which consists of a variety of services that are unrelated to one of the primary programs and individually do not represent very large expenses. Subprogram activities are also presented to help financial statement users 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 services are not required to pay for what they receive. If the Council charged fees to cover all or most of the cost of providing a service, that activity might be classified as a business-type activity. The Council does not have any business-type activities. However, there is one program (non-elderly transportation) where the Council charges a fee for its service, but management does not view this program as a business-type activity because the Council's intent is not to make a profit when providing the service. The Statement of Activities for this program clearly shows the deficit at which it operates despite the fees charged.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Council are governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements (Statements C and E) focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Accordingly, the governmental funds use the modified accrual basis of accounting. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The difference between net position of governmental activities and fund balances of the governmental funds has been reconciled on Statement D. In addition, the difference between the change in fund balance for the governmental funds and the change in net position for the governmental activities has been reconciled on Statement F. These two reconciliations will facilitate the comparison between governmental activities and fund activities.

The Council uses two types of governmental funds: (1) general fund, and (2) special revenue funds.

The general fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Council's general fund receives general revenue primarily from a property tax, some GOEA grants, and public donations. General funds are often transferred to special revenue funds to help pay for expenditures that could not be covered by their primary revenues.

All other funds are special revenue funds that are used to account for the proceeds of specific revenue sources which 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. Special revenue funds have no fund balance at year-end because all revenue received is expended in the same year.

The Council has presented the General Fund, Title III B Fund, Title III C-1 Fund, and Title III C-2 Fund as major governmental funds. All *nonmajor* governmental funds are presented in one column on the fund financial statements, titled *Nonmajor* Funds. A combining Schedule of Revenues, Expenditures, and Changes in Fund Balance of the nonmajor governmental funds can be found on page 53. Major funds are those 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 management subjectively believes is important to the Council's financial statement users.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Notes to the Financial Statements

The notes provide additional information that should be read to ensure a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 23 and should be read before making assumptions or drawing conclusions about the Council's financial condition.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain required supplementary information (RSI) that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual budget. The schedules compare the original and final budgets to actual results for the Council's fiscal year. Positive and negative variances between the final budget and actual amounts are also presented.

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

Other Supplementary Information

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present a combining schedule that provides details about nonmajor governmental funds and a schedule containing details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council. (See pages 54 and 55)

Act 706 of the 2014 Louisiana Legislative session amended Louisiana Revised Statute 24:513 A (3) to require a supplementary Schedule of Compensation, 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. (See page 56)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Council's financial position. As of June 30, 2023, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4,606,451 whereas at the end of last year assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4,705,741.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Condensed Statement of Net Position June 30, 2023 and 2022

	Governmental Activities		\$ Change
	2023	2022	
Assets:			
Current and Other Assets	\$ 3,238,335	\$ 3,329,089	\$ (90,754)
Capital Assets, Net of Depreciation	1,478,208	1,364,741	113,467
Lease Assets, Net of Amortization	52,683	60,047	(7,364)
Total Assets	<u>\$ 4,769,226</u>	<u>\$ 4,753,877</u>	<u>\$ 15,349</u>
Deferred Outflows of Resources	<u>\$ 42,995</u>	<u>\$ 47,777</u>	<u>\$ (4,782)</u>
Liabilities:			
Current Liabilities	\$ 165,592	\$ 91,436	\$ 74,156
Long-Term Liabilities	-	4,477	(4,477)
Total Liabilities	<u>\$ 165,592</u>	<u>\$ 95,913</u>	<u>\$ 69,679</u>
Deferred Inflows of Resources	<u>\$ 40,178</u>	<u>\$ -</u>	<u>\$ 40,178</u>
Net Position:			
Net Investment in Capital Assets	\$ 1,526,415	\$ 1,415,553	\$ 110,862
Restricted	4,041	4,041	-
Unrestricted	<u>3,075,995</u>	<u>3,286,147</u>	<u>(210,152)</u>
Total Net Position	<u>\$ 4,606,451</u>	<u>\$ 4,705,741</u>	<u>\$ (99,290)</u>

Unrestricted net position is about 67% and 70% of total net position as of June 30, 2023, and 2022, respectively. Unrestricted net position is important because it provides management the necessary resources to adapt to changes in the economy, emergencies, unexpected needs, and reduction in or termination of grant revenues by governmental agencies.

Restricted net position is about .09% of total net position as of June 30, 2023, and 2022. 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.

Net investment in capital assets is presented net of any related outstanding debt to acquire them. There is, however, no debt to be subtracted from the Council's capital assets. The Council's policy is to acquire capital assets by paying cash and avoiding debt. This policy helps ensure that a decrease in the Council's future revenues will not impact its ability to provide a certain level of service to clients and program participants. Net position invested in capital assets equals about 33% and 30% at fiscal year 2023 and 2022, respectively.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Total assets and deferred outflows of resources increased by \$10,567 this year. At June 30, 2023 about 66% of the Council's total assets and deferred outflows of resources are in the form of cash and investments. The Council's capital assets at June 30, 2023 were \$106,103 more than the corresponding amount at June 30, 2022. The increase in total assets and deferred outflows of resources in fiscal year 2023 was primarily related to decreases in current assets and a net increase in capital and lease assets .

Total liabilities and deferred inflows of resources are comprised of routine accounts payable, credit card charges, and a variety of customary payroll related expenses and withholdings at the end of both years.

The table presented below summarizes the revenues and expenses that caused the changes in net position of the Council's governmental activities for fiscal year 2023 and 2022, respectively.

Condensed Statement of Changes in Net Position For the Years Ended June 30, 2023 and 2022

	<u>Governmental Activities</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>2023</u>	<u>2022</u>		
Revenues:				
Program Revenues:				
Charges for Services	\$ 387	\$ 324	\$ 63	19%
Operating Grants and Contributions	1,196,148	1,265,467	(69,319)	(5%)
General Revenues:				
Property Taxes, Net of On-behalf Payments	1,243,189	1,170,833	72,356	6%
Unrestricted Grants and Contributions	475,585	238,984	236,601	99%
Other General Revenues	135,795	20,282	115,513	570%
Total Revenues	<u>3,051,104</u>	<u>2,695,890</u>	<u>355,214</u>	<u>13%</u>
Expenses:				
Supportive Services:				
Transportation for Elderly	625,116	461,817	163,299	35%
Other Supportive Services	336,222	219,450	116,772	53%
Transportation for Non-Elderly	11,385	15,029	(3,644)	(24%)
Nutrition Services:				
Congregate Meals	594,148	409,634	184,514	45%
Home Delivered Meals	664,459	583,993	80,466	14%
Family Caregiver Support	132,629	53,169	79,460	149%
Other Social Programs	37,701	28,154	9,547	34%
Direct Administrative Expenses	748,734	577,538	171,196	30%
Total Expenses	<u>3,150,394</u>	<u>2,348,784</u>	<u>801,610</u>	<u>34%</u>
Change in Net Position	(99,290)	347,106	(446,396)	(129%)
Net Position - Beginning of Year	4,705,741	4,358,635	347,106	8%
Net Position - End of Year	<u>\$ 4,606,451</u>	<u>\$ 4,705,741</u>	<u>\$ (99,290)</u>	<u>(2%)</u>

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Governmental activities decreased the Council's overall net position by \$99,290 this year and increased the Council's net position by \$347,106 last year. The decrease in net position this year was \$446,396 less than the increase in net position for last year mainly because of an increase in congregate meals expenses of \$184,514, an increase in direct administrative expenses of \$171,196 and an increase in transportation for the elderly expenses of \$163,199 from last year. Due to little to no restrictions caused by COVID-19 in prior years, meals could be served at the meal sites and transportation services could resume normal routes to transport the elderly more frequently. Also due to inflation, the price of most services and goods have continued to increase.

The largest source of revenue this year was from a local property tax. The actual gross proceeds of the property tax were \$1,293,584 for this year (\$1,220,049 for fiscal year 2022). However, the Livingston Parish Sheriff withheld \$50,395 (\$49,216 for fiscal year 2022) of the gross proceeds to pay for the Council's pro-rata share of various retirement plan expenses for other governmental agencies. In the Statement of Activities, the net proceeds of the property taxes have been presented as general revenues because this money can be used to benefit any of the Council's programs. In addition, when presenting this source of revenue on Statement B, management has elected to offset the gross property tax amount with the amounts kept by the Sheriff rather than include them as a functional or program expense because they are not true functional or program expenses of the Council.

The second largest source of revenue this year is from operating grants and contributions of \$1,196,148 (\$1,265,467 fiscal year 2022). The fiscal year 2023 total is comprised of operating grants from the GOEA of \$730,072 and the Louisiana Department of Transportation and Development (DOTD) of \$438,580. These revenues must be used for the purposes for which they were given or granted to the Council and have been *matched* to the function and program to which they relate on the government-wide Statement of Activities (Statement B).

The Council also received program revenues in the form of charges for services. Charges for services are derived from cash fares to transport non-elderly persons. Cash fares for fiscal year 2023 were \$387 compared to \$324 in fiscal year 2022.

General revenues include unrestricted operating grants and contributions of \$475,585 for fiscal year 2023 (\$238,894 for fiscal year 2022). The fiscal year 2023 amount consists of grants from GOEA of \$289,454 plus general public contributions of \$3,872 and flood recovery grants of \$182,259. The fiscal year 2022 amount consists of grants from GOEA of \$219,156 plus general public contributions of \$5,102.

Other general revenues consist of interest income of \$99,712 for fiscal year 2023 versus \$8,556 for fiscal year 2022.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

The expenses in the table on page 9 have been presented by primary programs, with details about significant subprograms. In presenting this information, only direct program expenses are shown. The administrative expenses include all administrative expenses of the Council before any allocations were made to the various programs. Total expenses increased \$801,610 over the prior year. Total personnel and fringe expenses increased approximately \$362,000. Total operating services expenses increased approximately \$119,000 related to an approximate increase in dues and subscriptions of \$2,400, in equipment maintenance of \$3,000, in utilities of \$12,000, in general insurance of \$7,600, miscellaneous and other services of \$27,000, in total uniforms of \$1,100, in total vehicle insurance of \$34,000, and in vehicle maintenance of \$33,000. Total operating supplies expenses increased approximately \$3,600. Total other cost expenses increased approximately \$34,000 related to increases of approximately \$4,500 in audit allotment fees, \$7,400 in material aid supplies, and offset by decreases of approximately \$7,600 in health fair costs, increases of \$22,000 in conferences/training and \$8,100 in special events costs. Total utility assistance expenses increased approximately \$1,200. Total full-service expenses increased approximately \$113,000 related to approximate decreases in legal expenses of \$2,400 offset by approximate increases in in-home respite of \$72,000, in chore of \$8,000, and in personal care of \$36,000. Total meals expenses increased approximately \$121,000 related to approximate increases in non-edibles expense of \$13,000, and raw food of \$108,000. The increase in meals expense is due increases in cost related to increased inflation. In the prior year, the Council started preparing the meals in-house versus contracting out meal preparation out to a third party. Also depreciation expense increased by approximately \$21,000.

When reviewing the government-wide Statement of Activities, there are relationships that are important to understanding the Council's operations. As you can see, the Council's primary activities in both years are transportation and nutrition services. The Council's main focus is to meet the needs of the elderly citizens of Livingston Parish and right now these two services are in the greatest demand. There is also a high demand for in-home type services and services geared to help individuals stay in their homes and remain in the community. These in-home services include chore, personal care, home assistance, and family caregiver type services.

Another area of interest on the Statement of Activities (Statement B) relates to the *Total Governmental Activities* column wherein the Council illustrates that all of the program and subprogram services have more expenses than revenues. In other words, the Council's programs and subprograms are not self-supporting. However, on occasion, one might *break even* or even make a slight *profit*. The Council's ability to support all programs and subprograms relies heavily on general revenues, particularly the local property tax. This financial relationship is expected, and budgets are prepared accordingly. Historically, general revenues are used to cover the excess of expenses over revenues in these programs. Without the property tax revenue and 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 future demands.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

An indication of how money is used efficiently or inefficiently can be gained by comparing the amount of administration expenses from year to year, as well as calculating the percentage of administration expenses in relation to total expenses. Administration expenses include indirect type costs, which are costs not specifically identified with a particular program but benefit all programs. Administrative expenses this year exceeded last year's by \$171,196 due to an increase in the amount of supportive services provided in the current year, which in turn required an increase in administrative expense. For this year, administrative expenses represented about 23.8% of total expenses whereas last year they were 24.6%. When compared to other councils on aging in Louisiana, both percentages compare favorably because they are much lower than the state-wide average.

Financial Analysis of the Council's Governmental Funds

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, an 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 \$3,077,702 a decrease of \$198,767 when compared to last year. The unassigned fund balance component of the General Fund was \$3,033,000 and is available for spending at the Council's discretion. The remainder of the General Fund balance is either nonspendable (\$40,661) or restricted for specific purposes (\$4,041). There were no special revenue funds with a fund balance at year-end, which is expected for this type of fund.

Revenues

The combined fund revenues increased \$361,467 this year, as shown in the table below.

		% of 2023		% of 2022	
	FY 2023	Total	FY 2022	Total	\$ Change
Intergovernmental	\$ 1,640,365	52.89%	\$ 1,478,289	53.95%	\$ 162,076
Property Taxes	1,293,584	41.71%	1,220,049	44.53%	73,535
Public Support	31,368	1.01%	26,162	0.95%	5,206
Program Service Fees	387	0.01%	324	0.01%	63
Interest Income	99,712	3.21%	8,556	0.31%	91,156
Miscellaneous	36,083	1.16%	6,652	0.25%	29,431
Total Revenues	<u>\$ 3,101,499</u>	<u>100.00%</u>	<u>\$ 2,740,032</u>	<u>100.00%</u>	<u>\$ 361,467</u>

The intergovernmental revenue in fiscal year 2023 increased \$162,706 primarily because the Council received \$182,259 from a flood recovery grant revenue and none in 2022,

LIVINGSTON COUNCIL ON AGING

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

The increase in property tax revenue this year is due to a slight increase in the overall value of the property tax base within Livingston Parish. As the values of the properties increase so do the related property taxes. There were no large donations in the current year. Interest income increased significantly due to the interest rates increasing during the year for all bank and LAMP accounts.

Expenditures

Total expenditures increased by \$815,625 this year, as shown in the table below.

	% of 2023		% of 2022		
	FY 2023	Total	FY 2022	Total	\$ Change
Personnel	\$ 1,323,748	40.11%	\$ 961,882	38.71%	\$ 361,866
Fringe	167,930	5.09%	137,656	5.54%	30,274
Operating Services	445,418	13.50%	325,943	13.12%	119,475
Operating Supplies	143,509	4.35%	139,910	5.63%	3,599
Other Costs	81,358	2.47%	47,134	1.90%	34,224
Utility Assistance	4,493	0.14%	3,260	0.13%	1,233
Full Service	284,432	8.62%	171,742	6.91%	112,690
Meals	569,447	17.25%	448,005	18.03%	121,442
Capital Outlay	224,628	6.81%	194,985	7.85%	29,643
Intergovernmental	50,395	1.51%	49,216	1.98%	1,179
Lease Principal	4,759	0.12%	4,659	0.19%	100
Lease Interest	149	0.00%	249	0.01%	(100)
	<u>\$ 3,300,266</u>	<u>100.01%</u>	<u>\$ 2,484,641</u>	<u>99.98%</u>	<u>\$ 815,625</u>

Total personnel and fringe expenses increased approximately \$362,000. Total operating services expenses increased approximately \$119,000 related to an approximate increase in dues and subscriptions of \$2,400, in equipment maintenance of \$3,000, in utilities of \$12,000, in general insurance of \$7,600, miscellaneous and other services of \$27,000, in total uniforms of \$1,100, in total vehicle insurance of \$34,000, and in vehicle maintenance of \$33,000. Total operating supplies expenses increased approximately \$3,600. Total other cost expenses increased approximately \$34,000 related to increases of approximately \$4,500 in audit allotment fees, \$7,400 in material aid supplies, and offset by decreases of approximately \$7,600 in health fair costs, increases of \$22,000 in conferences/training and \$8,100 in special events costs. Total utility assistance expenses increased approximately \$1,200. Total full-service expenses increased approximately \$113,000 related to approximate decreases in legal expenses of \$2,400 offset by approximate increases in in-home respite of \$72,000, in chore of \$8,000, and in personal care of \$36,000. Total meals expenses increased approximately \$121,000 related to approximate increases in non-edibles expense of \$13,000, and raw food of \$108,000. The increase in meals expense is due increases in cost related to increased inflation. In the prior year, the Council started preparing the meals in-house versus contracting out meal preparation out to a third party.. Capital outlay expenditures increased \$29,643 in the fiscal year 2023.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Capital outlay expenditures vary from year to year based on the needs of the Council and are not recurring like the other types of expenditures. So, one year's expenditures may be significant whereas the succeeding year's expenditures may not be. In the current year, inter-governmental expenditures increased \$1,179.

General Fund Budgetary Highlights

A schedule presenting the original and amended budgets and the actual results for the General Fund can be found in the Required Supplementary Information section of this report on page 49.

When comparing the amended budget to the actual results, the Council had an overall net favorable variance of \$174,669. Some of the noteworthy reasons behind this net favorable variance can be summed up as follows:

- The total actual expenditures were \$31,877 more than budgeted.
- The total actual revenues were \$100,696 more than anticipated.
- The total other financing uses were \$105,850 less than budgeted.

The Council had one budget amendment during fiscal year 2023. Overall, the original budget projected an operating deficit of \$141,050 whereas the amended budget projected an operating deficit of \$373,436.

Capital Assets and Debt Administration

The Council's investment in capital assets for its governmental activities as of June 30, 2023, was \$1,478,207, whereas the capital asset amount for June 30, 2022 was \$1,364,741. The details of the Council's investment in capital assets are as set forth in the table below.

Capital and Lease Assets, Net of Depreciation and Amortization

	FY 2023	FY 2022	Increase/ (Decrease)
Capital Assets:			
Land*	\$ 148,045	\$ 148,045	\$ -
Construction in Progress	-	125,795	(125,795)
Leasehold Improvements	995,901	806,002	189,899
Buildings	155,434	160,672	(5,238)
Furniture and Equipment	137,402	56,980	80,422
Vehicles	41,426	67,247	(25,821)
Total Capital Assets	1,478,208	1,364,741	113,467
Lease Assets:			
Buildings	48,317	50,917	(2,600)
Equipment	4,366	9,130	(4,764)
Total Lease Assets	52,683	60,047	(7,364)
Total Capital and Lease Assets	\$ 1,530,891	\$ 1,424,788	\$ 106,103

*Land is not subject to depreciation whereas the other capital assets are depreciated.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

The net increase in capital assets is a result of the Council acquiring \$224,628 of capital assets during the year, which were offset by annual depreciation of \$111,161. There were no dispositions during the current year. The capital asset additions this year were:

- New parking lot (\$149,031)
- New freezer (\$60,666)
- Awning for Denham Springs freezer (\$10,871)
- New fence (\$4,060)

At June 30, 2023 and 2022, the Council on Aging had 17 vehicles in its transportation fleet. The Livingston Parish Council (LPC) owns 10 of the 17 vehicles used by the Council on Aging. Only the 10 vehicles owned by the Council on Aging are included within the capital asset amounts on the Council on Aging's books. The vehicles owned by the LPC are recorded on the LPC's books. All 17 vehicles were operational at year-end.

Because capital asset acquisitions can require a large outlay of funds, the Council's management carefully considers the needs of the Council and the benefits of the purchase before a decision is made to buy high cost capital assets.

The Council did not have any long-term debt related to its capital assets and does not like to incur any debt as a matter of financial stewardship.

Economic Factors, Other Conditions, and Next Year's Budget

For next year, management has initially budgeted \$2,860,507 in revenues and \$3,369,483 in expenditures for the Council's programs. Accordingly, management has forecasted a deficit of revenues over expenditures of \$508,976 for next year. The Council has ample unassigned fund balance within its General Fund to absorb the deficit spending amount. The main reason for this forecasted deficit next year is because continued increase in cost due to inflation in the next year.

The Council receives most of its funding from property taxes and federal and state agencies. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of services provided by the Council, and therefore, revenues may vary from year-to-year. All of the Council's grants and contracts from the usual federal and state agencies have been awarded for fiscal year 2024 and management is unaware of any significant adverse changes to the funding levels or terms of these grants and contracts.

The Council's budget for fiscal year 2024 was approved by its board on June 22, 2023. In addition, the Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2024.

LIVINGSTON COUNCIL ON AGING

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

Contacting the Council's Management

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Melane Kay Granger, the Executive Director at the Council's main office located at 949 Government Drive, Denham Springs, LA 70726. The phone number for the Livingston Council on Aging is (225) 664-9343.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LIVINGSTON COUNCIL ON AGING

STATEMENT OF NET POSITION

JUNE 30, 2023

ASSETSGovernmental
Activities

Cash and Equivalents	\$ 367,257
Investments	2,800,868
Receivables:	
Governor's Office of Elderly Affairs	11,503
Livingston Parish Sheriff - Property Taxes	8,451
Livingston Parish Council (Section 5311 Grant)	46,215
Other Receivables	-
Capital Assets:	
Land and Construction in Progress	148,045
Other Capital Assets (Net of Accumulated Depreciation)	1,330,163
Lease Assets (Net of Accumulated Amortization)	52,683
Restricted Assets:	
Cash and Equivalents	4,041
Total Assets	<u>4,769,226</u>

DEFERRED OUTFLOWS OF RESOURCES

Prepaid Expenses	42,995
Total Deferred Outflows of Resources	<u>42,995</u>

LIABILITIES

Accounts Payable	119,941
Accrued Expenses and Payroll Liabilities	41,175
Lease Liability Short-Term	4,476
Lease Liability Long-Term	-
Total Liabilities	<u>165,592</u>

DEFERRED INFLOWS OF RESOURCES

Unearned Revenue	40,178
Total Deferred Inflows of Resources	<u>40,178</u>

NET POSITION

Net Investment in Capital Assets	1,526,415
Restricted for:	
Utility Assistance	4,041
Unrestricted	3,075,995
Total Net Position	<u><u>\$ 4,606,451</u></u>

The accompanying notes are an integral part of this statement.

LIVINGSTON COUNCIL OF AGING

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

	Program Revenues				Total Governmental Activities - Net (Expense) Revenues and Changes in Net Position	
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
FUNCTIONS/PROGRAMS						
Governmental Activities:						
Health, Welfare & Social Services						
Supportive Services						
Transportation of the Elderly	\$ 625,116	\$ 290,152	\$ -	\$ 560,645	\$ -	\$ (354,623)
Chore	21,240	-	-	3,789	-	(17,451)
Personal Care	136,132	26,426	-	21,622	-	(140,936)
Legal	6,404	-	-	4,753	-	(1,651)
Information and Assistance	41,006	8,939	-	7,314	-	(42,631)
Outreach	1,845	402	-	329	-	(1,918)
Recreation	69,314	44,240	-	-	-	(113,554)
Material Aid	15,295	3,334	-	2,728	-	(15,901)
Home Assistance	233	51	-	42	-	(242)
Wellness	40,105	12,934	-	-	-	(53,039)
Utility Assistance	4,648	-	-	-	-	(4,648)
Transportation Services - Non Elderly						
General Public	11,385	2,371	387	-	-	(13,369)
Nutrition Services:						
Congregate Meals	594,148	176,781	-	250,632	-	(520,297)
Home Delivered Meals	664,459	130,845	-	242,447	-	(552,857)
Disease Prevention and Health Promotion	2,993	1,127	-	3,986	-	(134)
Family Caregiver Support	132,629	4,229	-	55,473	-	(81,385)
Other Senior Citizen Activities	34,708	4,758	-	4,598	-	(34,868)
Administration	748,734	(706,589)	-	37,790	-	(4,355)
Total Governmental Activities	\$ 3,150,394	\$ -	\$ 387	\$ 1,196,148	\$ -	(1,953,859)
General Revenues						
Property Taxes, Net of \$50,395 for On-behalf Payments						1,243,189
Grants and Contributions not Restricted to Specific Purposes:						475,585
Interest Income						99,712
Miscellaneous						36,083
Total General Revenues						1,854,569
Change in Net Position						(99,290)
Net Position - Beginning of Year						4,705,741
Net Position - End of Year						\$ 4,606,451

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

LIVINGSTON COUNCIL ON AGING

BALANCE SHEET -
GOVERNMENTAL FUNDS

JUNE 30, 2023

<u>ASSETS</u>	General Fund	Special Revenue Funds			Nonmajor Governmental Funds	Total Governmental Funds
		Title III B Fund	Title III C-1 Fund	Title III C-2 Fund		
Cash and Equivalents	\$ 367,257	\$ -	\$ -	\$ -	\$ -	\$ 367,257
Investments	2,800,868	-	-	-	-	2,800,868
Receivables:						
Governor's Office of Elderly Affairs	11,503	-	-	-	-	11,503
Livingston Parish Sheriff - Property Taxes	8,451	-	-	-	-	8,451
Livingston Parish Council - Section 5311 Grant	-	46,215	-	-	-	46,215
Due from Other Funds	46,215	39,009	1,973	496	10,093	97,786
Restricted Assets:						
Cash and Equivalents	4,041	-	-	-	-	4,041
Total Assets	3,238,335	85,224	1,973	496	10,093	3,336,121
Deferred Outflows of Resources						
Prepaid Expenditures	40,661	-	-	-	-	40,661
Total Deferred Inflows of Resources	40,661	-	-	-	-	40,661
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts Payable	\$ 102,189	\$ 10,790	\$ 1,973	\$ 496	\$ 4,493	\$ 119,941
Accrued Expenses and Payroll Liabilities	41,175	-	-	-	-	41,175
Due to Other Funds	51,571	46,215	-	-	-	97,786
Total Liabilities	194,935	57,005	1,973	496	4,493	258,902
Deferred Inflows of Resources						
Unearned Revenue	6,359	28,219	-	-	5,600	40,178
Total Deferred Inflows of Resources	6,359	28,219	-	-	5,600	40,178
Fund Balances:						
Nonspendable:						
Prepaid Expenditures	40,661	-	-	-	-	40,661
Restricted For:						
Utility Assistance	4,041	-	-	-	-	4,041
Unassigned	3,033,000	-	-	-	-	3,033,000
Total Fund Balances	3,077,702	-	-	-	-	3,077,702
Total Liabilities and Fund Balances	\$ 3,278,996	\$ 85,224	\$ 1,973	\$ 496	\$ 10,093	\$ 3,376,782

The accompanying notes are an integral part of this statement.

LIVINGSTON COUNCIL ON AGING

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

JUNE 30, 2023

Total Fund Balances - Governmental Funds	\$ 3,077,702
Cost of Capital Assets	2,205,559
Less: Accumulated Depreciation	(727,351)
	1,478,208
Cost of Lease Assets	67,411
Less: Accumulated Amortization	(14,728)
	52,683
Lease Liability	(4,476)
Prepaid Items	2,334
Net Position	\$ 4,606,451

The accompanying notes are an integral part of this statement.

LIVINGSTON COUNCIL ON AGING

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

FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Funds			Nonmajor Governmental Funds	Total Governmental Funds
		Title III B Fund	Title III C-1 Fund	Title III C-2 Fund		
Revenues:						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ 327,244	\$ 161,628	\$ 233,880	\$ 237,315	\$ 59,459	\$ 1,019,526
Livingston Parish Council (Section 5311)	-	438,580	-	-	-	438,580
Flood Recovery Grants	182,259	-	-	-	-	182,259
Program Service Fees	387	-	-	-	-	387
Property Taxes	1,293,584	-	-	-	-	1,293,584
Public Support - Restricted	4,598	1,014	16,752	5,132	-	27,496
Public Support - Unrestricted	3,872	-	-	-	-	3,872
Interest Income	99,712	-	-	-	-	99,712
Miscellaneous	36,083	-	-	-	-	36,083
Total Revenues	<u>1,947,739</u>	<u>601,222</u>	<u>250,632</u>	<u>242,447</u>	<u>59,459</u>	<u>3,101,499</u>
Expenditures:						
Current:						
Personnel	143,474	549,349	376,734	243,619	10,572	1,323,748
Fringe	10,161	81,259	50,071	25,324	1,115	167,930
Operating Services	58,848	237,211	76,625	71,474	1,260	445,418
Operating Supplies	11,718	64,568	53,761	13,343	119	143,509
Other Costs	16,667	37,574	11,809	8,456	6,852	81,358
Utility Assistance	4,493	-	-	-	-	4,493
Full Service	14,915	149,094	-	-	120,423	284,432
Meals	-	-	172,260	397,187	-	569,447
Capital Outlay	224,628	-	-	-	-	224,628
Intergovernmental	50,395	-	-	-	-	50,395
Lease Principal	4,759	-	-	-	-	4,759
Lease Interest	149	-	-	-	-	149
Total Expenditures	<u>540,207</u>	<u>1,119,055</u>	<u>741,260</u>	<u>759,403</u>	<u>140,341</u>	<u>3,300,266</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,407,532	(517,833)	(490,628)	(516,956)	(80,882)	(198,767)
Other Financing Sources (Uses):						
Transfers In	-	517,833	490,628	516,956	80,882	1,606,299
Transfers Out	(1,606,299)	-	-	-	-	(1,606,299)
Total Other Financing Sources (Uses)	<u>(1,606,299)</u>	<u>517,833</u>	<u>490,628</u>	<u>516,956</u>	<u>80,882</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(198,767)	-	-	-	-	(198,767)
Fund Balance at Beginning of Year	<u>3,276,469</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,276,469</u>
Fund Balance at End of Year	<u>\$ 3,077,702</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,077,702</u>

The accompanying notes are an integral part of this statement.

LIVINGSTON COUNCIL ON AGING

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

FOR THE YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds	\$ (198,767)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:	
Capital Outlays Which Were Capitalized	224,628
Depreciation Expense	(111,161)
Amortization Expense	(7,364)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:	
Lease Principal Payments	4,759
Funds expended as local matching funds on capital assistance grants, which result in another government obtaining title to the capital assets acquired under the grant, are reported as intergovernmental expenditures in governmental funds. Because the Council gets to use the capital assets, the Council records the amounts paid in the Statement of Net Position as a prepaid expense, which will be amortized over the estimated useful lives of the capital assets:	
Amortization of Intergovernmental Payments set up as Prepaid Expense	(11,385)
Change in Net Position of Governmental Activities	\$ (99,290)

The accompanying notes are an integral part of this statement.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

Introduction:

The purpose of the Livingston Council On Aging (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 Livingston 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), 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 Livingston Parish.

The primary services provided by the Council to the elderly residents of Livingston Parish include transportation, chore, personal care, legal assistance, information and assistance, outreach, recreation, material aid, home assistance, wellness, utility assistance, congregate and home delivered meals, family caregiver support, and disease prevention and health promotion. The Council also provides transportation services to the general public (no age restrictions).

1. Summary of Significant Accounting Policies and Nature of Operations:

A. Financial 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. RS. 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. RS.) 46:1602. Each council on aging in Louisiana must comply with the state laws that apply to quasi-public agencies as well as the policies and regulations established by GOEA.

The Council received its charter from the Governor of the State of Louisiana on June 26, 1973, and subsequently incorporated on October 22, 1973, under the provisions of Title 12, Chapter 2 of the Louisiana Revised Statutes.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Governmental Accounting Standards Board (GASB) Statement No. 61 established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Council is not a component unit of another primary government, nor does it have any component units that are related to it. Since the Council has no component units, these financial statements include only information on the primary government.

B. Basis of Presentation

The financial statements of the Council have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards. These statements established standards for external financial reporting for all state and local governmental entities which includes a balance sheet, a statement of revenues, expenses and changes in net position and a statement of cash flows. The more significant of these accounting policies are described below, and where appropriate, subsequent pronouncements will be referenced.

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 (Statement A) and the Statement of Activities (Statement 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. Governmental activities are supported primarily by intergovernmental revenues and property taxes.

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.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

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 – net investment in capital assets; 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 include depreciation and amortization, 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. Charges for services represent program revenues obtained by the Council when it renders services that are provided by a specific function or program to people or other entities. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. Property taxes, contributions, 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.

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 2 CFR Part 200 - *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The Statement of Activities shows this allocation in a separate column labeled *indirect expenses*. GOEA provides administrative grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA administrative funds are allocated to the Council's other functions and programs.

Fund Financial Statements

The daily accounts and operations of the Council are organized using funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

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. 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.

Governmental Funds

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

General Fund - The General Fund is the general 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 are brief descriptions of the primary 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. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds are mostly unrestricted, which means they may be used at the Council's discretion. Property tax revenues represent the largest component of the Council's local funding. Expenditures to acquire fixed assets, and expenditures for costs not allowed by another program due to budget limitations or the nature of the expenditure, are recorded in the local program. Because most local funds are unrestricted, 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.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

PCOA Funding - Parish Council on Aging (PCOA) funds are appropriated for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council may use these funds at its discretion in any program provided the program is benefiting people who are at least 60 years old.

Area Agency Administration (AAA) Funding - Each fiscal year GOEA provides the Council with funds to help pay for the costs of administering the Council's special programs for the aging. The amount of funding is not enough to pay for all the indirect administrative costs. As a result, the Council will consume the GOEA grant funds first when paying for administrative costs and then allocate the excess administrative costs to other programs using a formula based on the percentage each program's direct costs bears to direct costs for all programs. In addition, due to program restrictions, administrative costs are not allocated to certain funds and programs.

Senior Center and Supplemental Senior Center Funding - Grant funds are appropriated annually for the Council and remitted to the Council by GOEA. These grant funds can be used at management's discretion to pay for congregate related social services of any program involving elderly persons who are at least 60 years old. Accordingly, these funds are initially received by the Council's General Fund. To obtain supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community, the elderly person will come to a senior center. The main senior center for Livingston Parish is located in Denham Springs. Other centers, which are primarily congregate meal sites, are located in Livingston, Springfield, and Maurepas.

Non-elderly Transportation Program Services - The Council provides various transportation services to the residents of Livingston Parish who are not 60 years old for a fee. The fee ranges from \$5.00 to \$8.00 per one-way trip and is based on whether the trip is in the parish or out of the parish. The Council is able to provide this service at low fees because the cost of each ride is subsidized partly by a federal rural transportation grant administered by DOTD and partly by other General Fund revenues. The revenues 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.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Utility Assistance - In past years, the Council participated in utility assistance programs that were sponsored by local utility companies. However, the Council does not receive funds from the utility companies any more. For this year, the Council had some unspent funds from these programs that had not been used to assist those who qualified for utility assistance. Accordingly, it decided to continue to provide utility assistance to use the remaining funds until they become exhausted.

No indirect or administration expenses are paid for with restricted donations intended for utility assistance. Only direct financial aid is permitted with these funds. During the year, the Council was able to provide 111 units of service to 94 different people with these funds. The Council's general policy is to provide utility assistance of \$100 every seventh month per eligible person per year. Emergencies or unusual circumstances may permit additional assistance.

Recreation and Wellness Services - Recreation services consist of bingo and special events (Fun Day, Veteran's Day, Christmas and Easter Party, Mother's and Father's Day, Valentine's Day, Annual Meeting, etc.). Wellness services consist of a health fair, exercise classes provided by the center employees to the seniors in attendance, blood pressure checks and occasionally speakers will come in to discuss current health related issues.

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

The Council has established several special revenue funds. The following are brief descriptions of the purpose of each special revenue fund and their classification as either a major or nonmajor governmental fund:

Major Governmental Funds

Title III B Fund - The Title III B Fund accounts for funds used to provide various units of supportive social services to the elderly. There are three main sources of revenues that form the basis of this fund: a grant from GOEA for special programs for the aging, *Title III, Part B - Grants for Supportive Services and Senior Centers*; a grant from the Louisiana Department of Transportation and Development (DOTD), commonly referred to as *Section 5311*, which is passed through the Livingston Parish Council (LPC) to the Council for rural transportation services and reimburses the Council 50% of the cost of providing rural transportation services; and restricted, voluntary public support from persons who actually received elderly transportation services.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Title III C-1 Fund - The Title III C-1 Fund accounts for funds that are used to provide nutritional, congregate meals to people age 60 or older in strategically located centers throughout Livingston Parish. The Council maintains congregate meal sites in Denham Springs, Maurepas, Livingston, and Springfield. There are three main sources of revenues that form the basis of this fund: a grant from GOEA for special programs for the aging, *Title III, Part C-1 - Nutrition Services; Nutrition Services Incentive Program* (NSIP) funds provided by GOEA to supplement the congregate meals program; and restricted, voluntary public support from those persons who received congregate meals services and other donors.

Title III C-2 Fund - The Title III C-2 Fund is used to account for funds that are used to provide nutritional meals and nutrition education to homebound people who are age 60 or older. There are three main sources of revenues received this year that form the basis of this fund: a grant from GOEA for special programs for the aging, *Title III, Part C-2 - Nutrition Services; Nutrition Services Incentive Program* (NSIP) funds provided by GOEA to supplement the home-delivered meals program; and restricted, voluntary public support from those persons who received home-delivered meals.

Nonmajor Governmental Funds

Title III D Fund - The Title III D Fund accounts for funds used for disease prevention and health promotion activities, which includes medication management services. The main source of the revenue forming the basis for this fund is a grant the Council received from GOEA, *Title III, Part D - Disease Prevention and Health Promotion Services*.

Title III E Fund - The Title III E Fund is used to account for funds relating to the National Family Caregiver Support program, which is designed to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers. The main source of the revenue forming the basis for this fund is a grant the Council received from GOEA, *Title III, Part E - National Family Caregivers Support Program*.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements:

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Fund Financial Statements:

Governmental fund 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 and amortization are costs that are not recognized in the governmental funds.

D. 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.

E. Cash

Cash includes not only currency on hand, but also demand deposits with banks or other financial institutions. Cash is reported at its carrying value, which approximates its fair value.

F. Receivables

The financial statements contain an allowance for uncollectible property (ad valorem) tax because management estimates that all of the tax owed the Council will not be collected. This year's allowance amount has already been applied to reduce the property tax receivable amount presented on the Statement of Net Position (Statement A) and the Balance Sheet (Statement C).

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Management estimates that other receivables presented will be collected in full. However, if management becomes aware of information that would change its assessment about the collectability of these other receivables, management would write off the receivables as bad debts at that time.

G. Investments

Investments are reported in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The Louisiana Asset Management Pool (LAMP) investment, which is an external investment pool administered by a non-profit corporation organized under State of Louisiana law, is reported at net asset value.

H. Prepaid Expenses/Expenditures

In the government-wide financial statements prepaid expenses include amounts paid in advance for goods and services. These are shown as deferred outflows of resources on the government-wide Statement of Net Position, depending on when management expects to realize their benefits.

In the fund financial statements, the Council 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 the Council's 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 deferred outflows of resources on the Balance Sheet of the fund financial statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been classified as nonspendable to reflect the amount of fund balance not currently available for expenditure.

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 government are capitalized and amortized in the Statement of Net Position as prepaid expenses 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.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

I. Capital Assets

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 acquisition value. 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:

Equipment - other than computers	6 to 10 years
Furniture	10 years
Vehicles	5 years
Computer equipment	5 years
Leasehold improvements & storage building	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.

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.

J. Non-Current (Long-Term) Liabilities

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

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

K. Unpaid Compensated Absences

The Council's annual and sick leave policy requires employees to consume any annual or sick 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 30th of every year. As a result, the Council has not accrued a liability for any unused leave in these 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.

L. Deferred Revenue Other Than Property Taxes

The Council reports deferred revenues on both the Statement of Net Position (government-wide) and the Balance Sheet (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 deferred inflows of resources are removed from the Statement of Net Position and the fund Balance Sheet, whichever the case might be, and the revenue is recognized.

M. 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.

N. 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:

1. Net investment in capital assets - This component of net position consists of capital assets, 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 position 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.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

2. 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.
3. 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.

O. 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: Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

Committed: Amounts that can only be used for specific purposes determined by a formal action by Council ordinance or resolution. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

Assigned: Amounts the Council intends to use for a specific purpose; intent can be expressed by the Council or by an official or body to which the Council delegates the authority.

Unassigned: Amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

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

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

P. Management's Use of Estimates

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

Q. 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. GOEA provides funds to partially subsidize the Council's 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. There are some programs that cannot absorb any indirect expense allocation according to their grant or contract restrictions.

R. 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.

S. Adopted Accounting Pronouncements

The GASB issued Statement No. 96, Subscriptions-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The City adopted the provisions of GASB Statement No. 96, Subscriptions-Based Information Technology Arrangements, during 2023. The implementation of this standard had no impact on the Council's financial statements as of June 30, 2023.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

2. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the Council may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Council may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The Council maintains a consolidated bank account at Whitney Bank to deposit money received and to pay bills. The consolidated bank account is available for use by all funds. The purpose of the consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to temporarily cover any negative cash balances in other funds.

The following is a summary of cash and cash equivalents at June 30, 2023:

	Book Balance	Bank Balance
Petty Cash	\$ 1,115	\$ -
Deposits in Bank Accounts	370,183	413,343
	<u>\$ 371,298</u>	<u>\$ 413,343</u>

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Council’s deposits may not be returned to it. To mitigate this risk, state law requires for these deposits (or the resulting bank balances) to be secured by federal deposit insurance or the pledge of securities by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Even though the pledged securities may be considered uncollateralized (Category 3) under provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

At June 30, 2023, the Council has \$413,343 in demand deposits (collected bank balances) for cash and cash equivalents, in one bank. \$250,000 of the demand deposits are secured from risk by \$250,000 of federal deposit insurance and the remaining \$163,343 of demand deposits are secured by pledged securities. The \$163,343 is exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

3. Investments -

Investments at June 30, 2023, consists of \$2,800,868 in the Louisiana Asset Management Pool (LAMP), a local government external investment pool.

During the year the Council might accumulate cash in excess of its immediate operating needs and to maximize its revenues, the Council's management will invest the excess cash. In addition, to protect the cash, the Council's management has adopted an investment policy that is intended to follow Louisiana Revised Statute 33:2955, which sets forth a list of the types of investments in which a political subdivision may invest its temporarily idle funds. Accordingly, the Council's management invested its excess cash in the LAMP. This type of investment complies with state law and the Council's investment policy.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest, rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- **Credit risk:** LAMP is rated AAAM by Standards and Poor's.
- **Custodial credit risk:** In the case of LAMP participants, investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- **Concentration of credit risk:** Pooled investments are excluded from the five percent disclosure requirement.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

- **Interest rate risk:** LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 56 days as of June 30, 2023. The Council does not have a formal investment policy that limits investments' maturities as a means of managing its exposure to fair value arising from increasing interest rates.
- **Foreign currency risk:** Not applicable.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by writing to LAMP, Inc., 650 Poydras Street, Suite 2220, New Orleans, Louisiana 70130, or by calling (800) 249-5267.

4. **Ad Valorem Taxes**

The Council receives funds from a ten-year property tax that was renewed by the voters of Livingston Parish on December 10, 2022, to specifically provide money to finance the Council's operations. The tax is based upon the assessed (appraised) value, less homestead exemptions, on all real and business personal property located within the Parish. The 1st day of January is used as the date to value the property subject to tax and make the annual assessment. The tax will be assessed through calendar year 2033 unless the voters renew it again.

Property taxes become due 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 Livingston Parish Sheriff (the Sheriff) acts as the collection agent for the Parish's property taxes.

For the year ended June 30, 2023 taxes of 2.0 mills were levied on property with assessed valuations totaling \$655,560,691 and were dedicated to general purposes. Two mills is the maximum amount the Council may legally elect to assess property owners each year, and the Council's board of directors elected to have the Parish assess 2.0 mills for tax year 2023.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Property tax revenues (\$1,293,584) on the fund financial Statement of Revenues, Expenditures, and Changes in Fund Balances (Statement E) have not been reduced by \$50,395 withheld by the Sheriff for *on-behalf payments for fringe benefits*, which represent the Council's pro rata share of retirement plan contributions for other government agencies. Instead, the \$50,395 has been presented as intergovernmental expenditures on Statement E. In contrast, on the government-wide Statement of Activities (Statement B), property tax revenues of \$1,243,189 have been reduced by the on-behalf payments and presented as general revenues.

5. Prepaid Expenditures and Expenses -

At June 30, 2023, prepaid expenditures in the fund Balance Sheet (Statement C) consisted of the following:

Prepaid Insurance	\$ 40,661
Total Prepaid Expenditures	<u>\$ 40,661</u>

At June 30, 2023, prepaid expenses in the Statement of Net Position (Statement A) consisted of the following:

Prepaid Insurance	\$ 40,661
Van Usage	<u>2,334</u>
Total Prepaid Expenditures	<u>\$ 42,995</u>

The difference between prepaid expenditures and prepaid expenses arises from transactions wherein the Livingston Council on Aging paid the required *matching funds* under capital assistance grants the Livingston Parish Council (the Parish) entered into with the Louisiana Department of Transportation and Development (DOTD) to acquire vehicles. The vehicles are titled in the name of the Parish but the Livingston Council on Aging uses the vehicles for its transportation programs and must pay for all the operating costs. The funds the Livingston Council on Aging expends as *matching funds* are first recorded as a deposit in its fund Balance Sheet when the funds are remitted to DOTD. Upon delivery of the vehicles to the Livingston Council on Aging, the deposits are reversed as intergovernmental expenditures in the Council's fund financial statements. However, in the government-wide 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 Parish and the Livingston Council on Aging that sets forth the terms of the agreement to use the Parish's vehicles. However, the Parish and the Council have used this type of cooperative agreement to provide public transportation to the residents of Livingston Parish for many years.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

6. Changes in Capital Assets -

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

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets not being Depreciated:				
Construction in Progress	\$ 125,795	\$ -	\$ (125,795)	\$ -
Land	148,045	-	-	148,045
Total Capital Assets not being Depreciated	273,840	-	(125,795)	148,045
Capital Assets being Depreciated:				
Leasehold Improvements	1,025,862	249,769	-	1,275,631
Buildings	187,197	-	-	187,197
Furniture and Equipment	121,502	100,654	-	222,156
Vehicles	372,530	-	-	372,530
Total Capital Assets being Depreciated	1,707,091	350,423	-	2,057,514
Less: Accumulated Depreciation for:				
Leasehold Improvements	219,860	59,870	-	279,730
Buildings	26,525	5,238	-	31,763
Furniture and Equipment	64,522	20,232	-	84,754
Vehicles	305,283	25,821	-	331,104
Total Accumulated Depreciation	616,190	111,161	-	727,351
Total Capital Assets being Depreciated, Net	1,090,901	239,262	-	1,330,163
Lease Assets:				
Building	53,517	-	-	53,517
Equipment	13,894	-	-	13,894
Total Lease Assets, being Amortized	67,411	-	-	67,411
Less: Accumulated Amortization for:				
Building	2,600	2,600	-	5,200
Equipment	4,764	4,764	-	9,528
Total Accumulated Amortization	7,364	7,364	-	14,728
Total Lease Assets, being Amortized, Net	60,047	(7,364)	-	52,683
Total Governmental Activities Capital Assets, Net	<u>\$ 1,424,788</u>	<u>\$ 231,898</u>	<u>\$ (125,795)</u>	<u>\$ 1,530,891</u>

None of the above amounts include any donated assets. The Council's management has reviewed the capital assets and does not believe any capital assets are impaired or totally unusable as of the year end.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Depreciation and amortization were charged to governmental activities as follows:

Administration	\$ 84,010
Supportive Services:	
Transportation of the Elderly	5,520
Nutrition Services:	
Congregate meals	8,650
Home-delivered meals	<u>20,345</u>
Total Depreciation/Amortization Expense	
Governmental Activities	<u>\$ 118,525</u>

The \$84,010 of depreciation and amortization associated with the administration function relates to capital assets and leased assets that essentially serve all functions. Accordingly, it is included as a direct expense of the Administration function on the Statement of Activities and then allocated to other functions in accordance with the Council's method of allocating indirect expenses. The other depreciation amounts are charged as direct expenses to their related programs on the Statement of Activities.

7. Fund Balances - Fund Financial Statements -

At June 30, 2023, none of the special revenue funds have a fund balance. The fund balances of the special revenue funds are zeroed out at year-end to comply with the administration and accounting policies of the grantor agencies that have awarded the Council certain grants.

The General Fund has \$4,041 of restricted funds to be used specifically for Utility Assistance.

8. 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 acquisition value of a donated capital asset be recorded in the Statement of Activities. 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 Council received in-kind contributions relating to the use of facilities in Maurepas, Springfield, and Denham Springs. The donors have valued their donations and furnished the information to the Council's management. A summary of the in-kind contributions and their estimated values are as follows:

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Facility Rentals	\$ 59,871
Utilities for Facilities	16,148
Telephone	6,084
Garbage Pickup	3,370
Insurance	22,945
Janitorial Supplies	868
Maintenance and Repairs	52,873
	<u>\$ 162,159</u>

If these in-kind contributions had been recorded in the Statement of Activities their allocation would have been \$35,260 for Administration and \$126,899 for Nutrition Services-Congregate Meals.

The Livingston Council on Aging (COA) also received in-kind support for its transportation programs from the Livingston Parish Council (LPC.) because the LPC made fifteen vehicles available for the COA to use at no charge. The vehicles owned by the LPC were all acquired by the LPC under capital assistance grants for the elderly and disabled persons wherein the federal government paid 85% or 100% of the vehicle's cost. The LPC allowed the COA to use the vehicles at no charge as long as the COA paid for all the insurance, fuel and maintenance costs. Therefore, the COA received an in-kind contribution from the LPC for the use of the vehicles owned by the LPC. Management has estimated the in-kind use of the LPC's vehicles to be \$52,986 for the fiscal year. The estimate was derived by first determining the amount the federal government paid for each vehicle. Then, the amount of federal payment for each vehicle was amortized from the date at which the COA began using each vehicle using 100,000 miles (approximately 60-month) estimated useful life. The amount of amortization for the period July 1, 2022 through June 30, 2023 was deemed to be the value of the LPC's in-kind contribution for vehicle usage. If the in-kind contribution for the vehicles had been recorded in the Statement of Activities, the allocation amongst the COA's transportation programs would have been \$55,967 for Elderly Transportation and \$1,019 for Nonelderly Transportation.

9. Retirement Plan -

The Council does not participate in or offer any type of retirement plan to its employees.

10. 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 reimbursements for out-of-pocket expenses in accordance with the Council's travel reimbursement policy when traveling on behalf of the Council.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

11. Judgments, Claims, and Contingent Liabilities -

The Council's management believes that any litigation, lawsuits, or claims that are unknown and that might arise subsequent to the issuance of these financial statements would be adequately covered by the Council's insurance or resolved without any material adverse impact upon the Council's financial statements.

12. 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, funds received during the year 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.

13. Economic Dependency -

The Council receives the majority of its revenue from a property tax assessment and through grants administered by the Louisiana Governor's Office of Elderly Affairs (GOEA) and the Louisiana Department of Transportation and Development (DOTD). The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds the Council receives could be reduced significantly and have an adverse impact on its operations. Also, if the property in Livingston Parish were to be assessed at lower values due to natural disaster or another unpredictable event, the amount the Council receives annually from the property tax could be affected adversely. Management is not aware of any actions or events that might significantly affect the amount of funds the Council should receive next year relating to its property tax or grant revenues.

14. 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; medical benefits to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. Also, all eligible employees who did not elect out of coverage are covered by commercial health insurance that is provided by the Council. 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.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

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 or earthquakes.

15. Lease Liability -

The Council records leases in accordance with GASB statement No. 87, *Leases*. Leases greater than 12 months are recorded as a right-of-use asset and a lease liability. See Note 6 for a recap of the lease assets. The following is a summary of the changes in lease liabilities for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Amounts Due Due Within One Year
<u>Governmental Activities:</u>					
Lease Liabilities	\$ 9,235	\$ -	\$ (4,759)	\$ 4,476	\$ 4,476

On February 1, 1992, the Council entered into an operating lease with the City of Denham Springs, Louisiana, to lease the building that the Council currently occupies at 949 Government Street, Denham Springs, Louisiana. Also included in this lease is the use of an addition (the Senior Center) that is adjacent to that building. Terms of the lease required the Council to prepay the rent in a lump sum of \$130,000 for the entire lease term of 600 months (February 1, 1992 to January 31, 2042). Other significant terms of the lease require the Council to (1) maintain at least \$500,000 of liability insurance, (2) pay all the contents insurance of the buildings and utilities, and (3) be responsible for the costs of interior maintenance. The City of Denham Springs is responsible for all costs relating to building fire and flood insurance and major repairs to the external structure, heating and cooling system, and plumbing.

The Council also leases a copy machine under an agreement that began on May 24, 2019. The initial terms of the lease require the Council to pay \$409 per month for 60 months at a discount rate of 2.12% plus applicable fees and taxes.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Future minimum lease payments by fiscal year and in the aggregate, are as follows:

<u>Year Ending June 30</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2024	\$ 56	\$ 4,476	\$ 4,532
Total Minimum Lease Payments	<u>\$ 56</u>	<u>\$ 4,476</u>	<u>\$ 4,532</u>

16. Interfund Receivables and Payables -

Because the Council receives its grant revenues primarily on a cost reimbursement basis, it has to pay for costs using its General Fund money and then request reimbursement under the various grant programs. As a result, the manner in which cash is spent and received creates short-term interfund loans. A summary of these interfund loans at year end is as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Balances</u>
Governmental Funds			
General Fund:			
Major Funds:			
Title IIIB Fund	\$ 46,215	\$ 39,009	\$ 7,206
Title III C-1 Fund	-	1,973	(1,973)
Title III C-2 Fund	-	496	(496)
Nonmajor Funds:			
Title IIID Fund	-	5,600	(5,600)
Title IIIE Fund	-	4,493	(4,493)
Total General Fund	<u>46,215</u>	<u>51,571</u>	<u>(5,356)</u>
Special Revenue Funds:			
Major Funds:			
Title IIIB Fund:			
General Fund	39,009	46,215	(7,206)
Title III C-1 Fund:			
General Fund	1,973	-	1,973
Title III C-2 Fund:			
General Fund	496	-	496
Nonmajor Funds:			
Title IIID Fund:			
General Fund	5,600	-	5,600
Title IIIE Fund:			
General Fund	4,493	-	4,493
Total Special Revenue Funds	<u>51,571</u>	<u>46,215</u>	<u>5,356</u>
Total	<u>\$ 97,786</u>	<u>\$ 97,786</u>	<u>\$ -</u>

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

17. Interfund Transfers -

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

	Operating Transfers	
	In	Out
Governmental Funds:		
General Fund:		
Title III B Fund	\$ -	\$ 517,833
Title III C-1 Fund	-	490,628
Title III C-2 Fund	-	516,956
Title III E Fund	-	80,882
Total General Fund	-	1,606,299
Special Revenue Funds:		
Major Funds:		
Title III B Fund:		
General Fund	517,833	-
Title III C-1 Fund:		
General Fund	490,628	-
Title III C-2 Fund:		
General Fund	516,956	-
Total Special Revenue Major Funds:	1,525,417	-
Nonmajor Funds:		
Title III E Fund		
General Fund	80,882	-
Total Special Revenue Nonmajor Funds	80,882	-
Total Special Revenue Funds	1,606,299	-
Total	\$ 1,606,299	\$ 1,606,299

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (b) shift unrestricted revenues collected in the General Fund to finance various programs accounted for by special revenue funds to eliminate program deficits.

These transfers were eliminated as a part of the consolidation process in preparing the government-wide financial statements.

LIVINGSTON COUNCIL ON AGING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

18. Subsequent Events -

Management has evaluated subsequent events through December 20, 2023, which is the date the financial statements were available to be issued. There were no events that required disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

LIVINGSTON COUNCIL ON AGING

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Budget
Revenues:				
Intergovernmental:				
Governor's Office of Elderly Affairs:				
AAA Grant	\$ 45,349	\$ 45,349	\$ 37,790	\$ (7,559)
MIPPA Grant	1,000	1,000	1,322	322
PCOA Grant	100,000	100,000	100,000	-
Senior Center Grant	115,766	171,119	171,119	-
Supplemental Senior Center Grant	2,990	10,803	10,803	-
ARP Grant	15,083	15,083	6,210	(8,873)
Flood Recovery Grants	-	142,039	182,259	40,220
Program Service Fees	350	350	387	37
Property Taxes	1,292,204	1,271,000	1,293,584	22,584
Public Support - Restricted	4,700	3,000	4,598	1,598
Public Support - Unrestricted	-	4,500	3,872	(628)
Interest Income	3,100	82,800	99,712	16,912
Miscellaneous	-	-	36,083	36,083
Total Revenues	<u>1,580,542</u>	<u>1,847,043</u>	<u>1,947,739</u>	<u>100,696</u>
Expenditures:				
Current:				
Personnel	88,277	141,416	143,474	(2,058)
Fringe	12,640	19,267	10,161	9,106
Operating Services	30,547	38,085	58,848	(20,763)
Operating Supplies	16,855	14,227	11,718	2,509
Other Costs	15,636	21,375	16,667	4,708
Utility Assistance	3,300	5,200	4,493	707
Full Service	-	-	14,915	(14,915)
Capital Outlay	130,000	218,360	224,628	(6,268)
Intergovernmental	50,000	50,400	50,395	5
Lease Principal	-	-	4,759	(4,759)
Lease Interest	-	-	149	(149)
Total Expenditures	<u>347,255</u>	<u>508,330</u>	<u>540,207</u>	<u>(31,877)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,233,287	1,338,713	1,407,532	68,819
Other Financing Sources (Uses):				
Transfers In (Out)	<u>(1,374,337)</u>	<u>(1,712,149)</u>	<u>(1,606,299)</u>	<u>105,850</u>
Total Other Financing Sources (Uses)	<u>(1,374,337)</u>	<u>(1,712,149)</u>	<u>(1,606,299)</u>	<u>105,850</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(141,050)	(373,436)	(198,767)	174,669
Fund Balance at Beginning of Year	<u>3,276,469</u>	<u>3,276,469</u>	<u>3,276,469</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,135,419</u>	<u>\$ 2,903,033</u>	<u>\$ 3,077,702</u>	<u>\$ 174,669</u>

The notes to the required supplementary schedule are an integral part of this schedule.

LIVINGSTON COUNCIL ON AGING

SPECIAL REVENUE FUND - TITLE III B FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues:				
Intergovernmental:				
Governor's Office of Elderly Affairs				
Primary Grant	\$ 105,887	\$ 105,887	\$ 105,887	\$ -
STPH Grant	-	31,969	3,750	(28,219)
ARP Grant	47,992	47,992	51,991	3,999
Livingston Parish Council (Section 5311)	292,320	433,000	438,580	5,580
Public Support:				
Client Contributions	-	-	1,014	1,014
Miscellaneous	-	-	-	-
Total Revenues	<u>446,199</u>	<u>618,848</u>	<u>601,222</u>	<u>(17,626)</u>
Expenditures:				
Current:				
Personnel	459,575	538,461	549,349	(10,888)
Fringe	65,803	73,373	81,259	(7,886)
Operating Services	193,484	279,565	237,211	42,354
Operating Supplies	53,486	66,282	64,568	1,714
Other Costs	21,944	30,081	37,574	(7,493)
Full Service	160,240	199,328	149,094	50,234
Total Expenditures	<u>954,532</u>	<u>1,187,090</u>	<u>1,119,055</u>	<u>68,035</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(508,333)	(568,242)	(517,833)	50,409
Other Financing Sources (Uses):				
Transfers In	508,333	600,211	517,833	(82,378)
Total Other Financing Sources (Uses)	<u>508,333</u>	<u>600,211</u>	<u>517,833</u>	<u>(82,378)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	31,969	-	(31,969)
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 31,969</u></u>	<u><u>-</u></u>	<u><u>(31,969)</u></u>

The notes to the required supplementary schedule are an integral part of this schedule.

LIVINGSTON COUNCIL ON AGING

SPECIAL REVENUE FUND - TITLE III C-1 FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues:				
Intergovernmental:				
Governor's Office of Elderly Affairs:				
Primary Grant	\$ 138,115	\$ 138,115	\$ 145,674	\$ 7,559
NSIP Grant	65,360	65,964	65,964	-
ARP Grant	17,050	17,050	22,242	5,192
Public Support:				
Client Contributions	<u>13,000</u>	<u>17,000</u>	<u>16,752</u>	<u>(248)</u>
Total Revenues	<u>233,525</u>	<u>238,129</u>	<u>250,632</u>	<u>12,503</u>
Expenditures:				
Current:				
Personnel	322,656	363,505	376,734	(13,229)
Fringe	46,200	49,533	50,071	(538)
Operating Services	53,458	62,405	76,625	(14,220)
Operating Supplies	20,544	49,683	53,761	(4,078)
Other Costs	5,874	6,732	11,809	(5,077)
Full Service	625	625	-	625
Meals	<u>135,000</u>	<u>177,187</u>	<u>172,260</u>	<u>4,927</u>
Total Expenditures	<u>584,357</u>	<u>709,670</u>	<u>741,260</u>	<u>(31,590)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(350,832)	(471,541)	(490,628)	(19,087)
Other Financing Sources (Uses):				
Transfers In (Out)	<u>350,832</u>	<u>471,541</u>	<u>490,628</u>	<u>19,087</u>
Total Other Financing Sources (Uses)	<u>350,832</u>	<u>471,541</u>	<u>490,628</u>	<u>19,087</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The notes to the required supplementary schedule are an integral part of this schedule.

LIVINGSTON COUNCIL ON AGING

SPECIAL REVENUE FUND - TITLE III C-2 FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues:				
Intergovernmental:				
Governor's Office of Elderly Affairs:				
Primary Grant	\$ 120,508	\$ 120,508	\$ 120,508	\$ -
NSIP Grant	65,360	65,964	65,963	(1)
ARP Grant	46,933	46,933	50,844	3,911
Public Support:				
Client Contributions	4,000	5,000	5,132	132
Total Revenues	<u>236,801</u>	<u>238,405</u>	<u>242,447</u>	<u>4,042</u>
Expenditures:				
Current:				
Personnel	272,717	249,698	243,619	6,079
Fringe	39,049	34,025	25,324	8,701
Operating Services	77,068	88,342	71,474	16,868
Operating Supplies	44,804	24,099	13,343	10,756
Other Costs	5,824	5,165	8,456	(3,291)
Full Service	1,375	1,375	-	1,375
Meals	297,000	389,813	397,187	(7,374)
Total Expenditures	<u>737,837</u>	<u>792,517</u>	<u>759,403</u>	<u>33,114</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(501,036)	(554,112)	(516,956)	37,156
Other Financing Sources (Uses):				
Transfers In (Out)	501,036	554,112	516,956	(37,156)
Total Other Financing Sources (Uses)	<u>501,036</u>	<u>554,112</u>	<u>516,956</u>	<u>(37,156)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the required supplementary schedule are an integral part of this schedule.

LIVINGSTON COUNCIL ON AGING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2023

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 Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for its programs.
- Management projects property tax revenues based on past trends and data available at the Parish Assessor's office to form expectations of future revenues.
- The Livingston Parish Council (LPC) also provides funds to the Council via the Section 5311 program administered by the Louisiana Department of Transportation and Development (DOTD). Accordingly, the Council submits an application and budget to DOTD to request funding under the Section 5311 program. DOTD, in turn, notifies the Council of the maximum amount the Council can get reimbursed under this program in the upcoming year.
- The revenue information supplied by GOEA and DOTD are considered by management along with revenue projections of grants from other agencies, program service fees, public support (including client contributions), interest income, and other miscellaneous sources.
- Expenditure projections are developed using historical information and changes to the upcoming year that management is aware of at the time of budget preparation.
- Once information regarding projected revenues and expenditures has been obtained, the Council's management prepares a proposed budget based on the projections. The proposed budget is reviewed and approved by the Council's Finance Committee before it 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, usually held before May 31 of the current fiscal year. The original FY 2023 budget was approved at a board meeting on July 21, 2022.
- The adopted budget is forwarded to GOEA for final compliance approval.

See independent auditor's report.

LIVINGSTON COUNCIL ON AGING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2023

- 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, the Council will automatically re-budget funds in the next fiscal year to complete the grant or contract. An example where this type of situation arises is when vehicles are acquired under federal matching programs. The match might be made in one year and the vehicle delivered in another.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. Budget amendments are sent to GOEA and approved by that agency. The Council amended its fiscal year 2023 budget and it was approved at a board meeting on May 25, 2023. Prior to approval of the amended budget by the GOEA, the GOEA requested some changes in the amended budget. The final amended budget for fiscal year 2023 was approved at a board meeting on September 21, 2023.
- 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 in its budget as often as required but must obtain compliance approval from the Governor's Office of Elderly Affairs (GOEA) for funds received under grants from this agency. As part of its grant compliance, GOEA requires the Council to amend its budget in cases where actual costs for a particular line item exceed their budgeted amounts by more than 10%, unless unrestricted funds are available to *cover* the overrun.
- Budgeted expenditures cannot exceed budgeted revenues, including transfers, 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.

OTHER SUPPLEMENTARY SCHEDULES

LIVINGSTON COUNCIL ON AGING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Title IIID</u>	<u>Title IIIE</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:			
Intergovernmental:			
Governor's Office of Elderly Affairs			
Primary Grant	\$ 3,986	\$ 47,215	\$ 51,201
ARP Grant	-	8,258	8,258
Total Revenues	<u>3,986</u>	<u>55,473</u>	<u>59,459</u>
Expenditures:			
Health, Welfare, & Social Services:			
Personnel	3,277	7,295	10,572
Fringe	350	765	1,115
Operating Services	293	967	1,260
Operating Supplies	-	119	119
Other Costs	66	6,786	6,852
Full Service	-	120,423	120,423
Total Expenditures	<u>3,986</u>	<u>136,355</u>	<u>140,341</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(80,882)	(80,882)
Other Financing Sources (Uses):			
Transfers In (Out)	-	80,882	80,882
Total Other Financing Sources (Uses)	<u>-</u>	<u>80,882</u>	<u>80,882</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	-	-
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See independent auditor's report.

LIVINGSTON COUNCIL ON AGING

COMPARATIVE SCHEDULE OF CAPITAL ASSETS
AND CHANGES IN CAPITAL ASSETS

FOR THE YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
<u>Capital Assets</u>				
Construction in Progress	\$ 125,795	\$ -	\$ (125,795)	\$ -
Land	148,045	-	-	148,045
Leasehold Improvements	1,025,862	249,769	-	1,275,631
Buildings	187,197	-	-	187,197
Furniture and Equipment	121,502	100,654	-	222,156
Vehicles	372,530	-	-	372,530
Total Capital Assets	<u>\$ 1,980,931</u>	<u>\$ 350,423</u>	<u>\$ (125,795)</u>	<u>\$ 2,205,559</u>
<u>Investment in Capital Assets</u>				
Property Acquired with Funds from:				
General Funds and Local Donations	\$ 1,911,089	\$ 224,628	\$ -	\$ 2,135,717
Federal Grants	69,842	-	-	69,842
Total Investment in Capital Assets	<u>\$ 1,980,931</u>	<u>\$ 224,628</u>	<u>\$ -</u>	<u>\$ 2,205,559</u>

See independent auditor's report.

LIVINGSTON COUNCIL ON AGING

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO COUNCIL'S EXECUTIVE DIRECTOR**

FOR THE YEAR ENDED JUNE 30, 2023

Agency Head: Melane Kay Granger

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 94,034
Benefits - Insurance (Health and Life)	8,515
Benefits - Other (FICA, LUTA, & Worker's Comp)	7,392
Training	1,000
	<u>\$ 110,941</u>

See independent auditor's report.

LIVINGSTON COUNCIL ON AGING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass - Through Grantor/Program Name	Assistance Listing Number	Agency or Pass- Through Number	Passed- Through to Subrecipients	Federal Expenditures
<u>United States Department of Health and Human Services</u>				
Passed Through Louisiana Governor's Office of Elderly Affairs:				
Special Programs for the Aging:				
Title III, Part B - Supportive Services and Senior Centers	93.044	N/A	\$ -	\$ 87,280
COVID-19 - Title III, Part B - American Rescue Plan - STPH	93.044	N/A	-	3,750
COVID-19 - Title III, Part B - American Rescue Plan	93.044	N/A	-	44,192
Total Title III, Part B			-	135,222
Title III, Part C - Area Agency Administration	93.045	N/A	-	28,343
COVID-19 - Title III, Part C - Area Agency Administration American Rescue Plan	93.045	N/A	-	4,658
Title III, Part C-1 - Nutrition Services Congregate Meals	93.045	N/A	-	103,852
COVID-19 - Title III, Part C-1 - Nutrition Services Congregate Meals - American Rescue Plan	93.045	N/A	-	18,906
Title III, Part C-2 - Nutrition Services Home Delivered Meals	93.045	N/A	-	68,120
COVID-19 - Title III, Part C-2 - Nutrition Services Home Delivered Meals - American Rescue Plan	93.045	N/A	-	43,217
Total Title III, Part C			-	267,096
Nutrition Services Incentive Program	93.053	N/A	-	131,927
Total Aging Cluster			-	534,245
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	N/A	-	3,986
Total Disease Prevention and Health Promotion Services			-	3,986
Title III, Part E - National Family Caregiver Program	93.052	N/A	-	35,411
COVID-19 - Title III, Part E - National Family Caregiver Program - American Rescue Plan	93.052	N/A	-	6,194
Total National Family Caregiver Program			-	41,605
Medicare Enrollment Assistance Program (MIPPA)	93.071	N/A	-	1,322
Total United States Department of Health and Human Services			-	581,158
<u>United States Department of Homeland Security</u>				
Passed Through Louisiana Governor's Office of Homeland Security & Emergency Preparedness:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		-	182,259
Total United States Department of Homeland Security			-	182,259
<u>United States Department of Transportation</u>				
Passed Through Louisiana Department of Transportation and Development - Passed through the Livingston Parish Council:				
Public Transportation Operating Assistance Program for the Non-Urbanized Areas	20.509	N/A	-	438,580
Total United States Department of Transportation			-	438,580
Total Expenditures of Federal Awards			\$ -	\$ 1,201,997

See accompanying notes to the Schedule of Expenditures of Federal Awards.

LIVINGSTON COUNCIL ON AGING

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2023

Note A - Significant Accounting Policies -

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of the Livingston Council on Aging and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note B - Indirect Cost Rate Election -

The Council did not elect to use the 10% de minimis indirect cost rate during the year ended June 30, 2023.

Note C - Sub-Recipients -

The Council did not pass-through any of its federal awards to a sub-recipients during the year ended June 30, 2023.

Note D - Non-Cash Assistance -

No federal non-cash assistance was received or expended during the year ended June 30, 2023.

Note E - Relationship to Financial Statements -

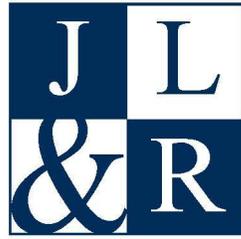
The schedule of expenditures of federal awards was prepared from the same accounting records as were used to prepare the financial statements. Differences between amounts reported in the SEFA and the financial statements may exist due to different accounting basis used for financial reporting. These revenues are included within the intergovernmental revenues reported in the Statement of Revenues Expenditures, and Changes in Fund Balances (Statement E) as follows:

<u>Fund</u>	<u>Governor's Office of Elderly Affairs</u>	<u>Livingston Parish Council (Section 5311)</u>	<u>Flood Recovery Grants</u>	<u>Total</u>
Statement E - Revenues -				
Intergovernmental:				
General Fund	\$ 327,244	\$ -	\$ 182,259	\$ 509,503
Title III B	161,628	438,580	-	600,208
Title III C-1	233,880	-	-	233,880
Title III C-2	237,315	-	-	237,315
Non-Major	59,459	-	-	59,459
Total Statement E - Revenues -				
Intergovernmental	1,019,526	438,580	182,259	1,640,365
Less: State Grants	(438,368)	-	-	(438,368)
Total Expenditures of Federal Awards	<u>\$ 581,158</u>	<u>\$ 438,580</u>	<u>\$ 182,259</u>	<u>\$ 1,201,997</u>

See independent auditor's report.

**OTHER INDEPENDENT AUDITOR'S REPORTS AND
FINDINGS AND RECOMMENDATIONS**

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan E. Lynch, CPA
B. Jacob Steib, CPA



**JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.**
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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*

The Board of Directors of the
Livingston Council on Aging, Inc.
Denham Springs, 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 Livingston Council on Aging, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Livingston Council on Aging, Inc.'s basic financial statements, and have issued our report thereon dated December 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Livingston Council on Aging, Inc.'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 Livingston Council on Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Livingston Council on Aging, Inc.'s internal control.

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

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

Report on Compliance and Other Matters

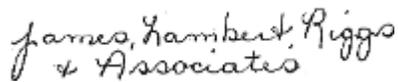
As part of obtaining reasonable assurance about whether the Livingston Council on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

Livingston Council on Aging, Inc.
December 20, 2023

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Livingston Council on Aging, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

December 20, 2023

Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance

The Board of Directors of the
Livingston Council on Aging, Inc.
Denham Springs, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Livingston Council on Aging, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Livingston Council on Aging, Inc.'s major federal programs for the year ended June 30, 2023. The Livingston Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Livingston Council on Aging, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Livingston Council on Aging, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Livingston Council on Aging, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Livingston Council on Aging, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Livingston Council on Aging, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Livingston Council on Aging, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Livingston Council on Aging, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Livingston Council on Aging, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Livingston Council on Aging, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

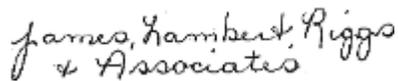
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Livingston Council on Aging, Inc.
December 20, 2023

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs and Associates, Inc.
Hammond, Louisiana

December 20, 2023

Livingston Council on Aging, Inc.
 Schedule of Audit Findings and Responses
 For the Year Ended June 30, 2023

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Livingston Council on Aging, Inc. as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Livingston Council on Aging, Inc.'s basic financial statements, and have issued our report thereon dated December 20, 2023. Our audit of the basic financial statements resulted in an unmodified opinion.

Section I – Summary of Auditor’s Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Type of Opinion Issued	<u> X </u>	Unmodified	___	Modified
	___	Disclaimer	___	Adverse
Internal Control:				
Material Weakness	___	Yes	<u> X </u>	No
Significant Deficiencies	___	Yes	<u> X </u>	No
Compliance:				
Compliance Material to the Financial Statements	___	Yes	<u> X </u>	No

2. Management Letter

Was a management letter issued?	___	Yes	<u> X </u>	No
---------------------------------	-----	-----	--------------	----

3. Federal Awards

Type of Opinion on Compliance for Major Programs	<u> X </u>	Unmodified	___	Modified
	___	Disclaimer	___	Adverse
Internal Control:				
Material Weakness	___	Yes	<u> X </u>	No
Significant Deficiencies	___	Yes	<u> X </u>	No
Are there findings required to be reported in accordance with the Uniform Guidance?				
	___	Yes	<u> X </u>	No

4. Identification of Major Programs

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

Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

Is the auditee a “low-risk” auditee, as defined by the Uniform Guidance?

_____ Yes X No

Livingston Council on Aging, Inc.
Schedule of Audit Findings and Responses
For the Year Ended June 30, 2023

Section II – Financial Statement Findings

Internal Control over Financial Reporting

None

Compliance and Other Matters

None

Section III Federal Award Findings and Questioned Costs

None

Livingston Council on Aging, Inc.
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2023

Internal Control over Financial Reporting

None

Compliance and Other Matters

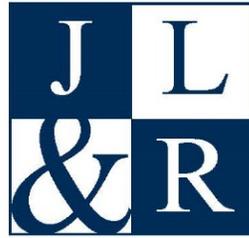
None

LIVINGSTON COUNCIL ON AGING, INC.

STATEWIDE AGREED UPON PROCEDURES ENGAGEMENT

FOR THE YEAR ENDED JUNE 30, 2023

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan E. Lynch, CPA
B. Jacob Steib, CPA



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LAMBERT RIGGS
& ASSOCIATES, INC.**
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Independent Accountants' Report on Applying Agreed-Upon Procedures

Mrs. Melane 'Kay' Granger, Executive Director
Livingston Council on Aging, Inc. and Board of Directors
Denham Springs, LA

Louisiana Legislative Auditor
Baton Rouge, Louisiana

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, 2022 through June 30, 2023. The Livingston Council on Aging, Inc. ("Council") management is responsible for those C/C areas identified in the SAUPs.

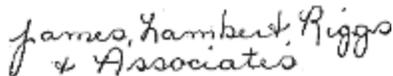
The Council agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed 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.

Our procedures and findings are detailed in Schedule "A."

We were engaged by The Council 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 The Council 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.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

December 20, 2023

1) Written Policies and Procedures

- A. 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:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. ***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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iv. ***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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - v. ***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 rates of pay or approval and maintenance of pay rate schedules.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- viii. **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).
- **Results:** The Council does have a written policy on Credit Cards, however, it does not contain the required items (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).
- ix. **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.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure / EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- **Results:** The Council does have a policy on Debt Service, however, it does not contain the required items (2) continuing disclosure/EMMA reporting requirements and (4) debt service requirements.
- xi. **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.
- **Results:** The Council does have a written policy on Information Technology Disaster Recovery / Business Continuity, however, it does not contain the required items (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.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
- **Results:** The Council does have a written policy on Prevention of Sexual Harassment, however, it does not contain the required items (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee

- A. 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:
- i. 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.
- **Results:** No exceptions were noted as a result of the above listed procedures.

- ii. 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 not-for-profit 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.*
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- iii. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

3) Bank Reconciliations

- A. 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:
 - i. 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);
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. Bank reconciliations include written evidence that a member of management or a 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
 - **Results:** One of the accounts selected did not have evidence that a member of management or a board member had reviewed the bank reconciliation.
 - iii. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

4) Collections (excluding electronic funds transfers)

- A. 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).
- B. 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 there are no written policies or procedures, then 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:
- i. Employees responsible for cash collections do not share cash drawers / registers.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iii. Each employee responsible for collecting cash is not also 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iv. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for "Bank Reconciliations" procedure #3A (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:
- i. Observe that receipts are sequentially pre-numbered.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- iv. 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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- v. Trace the actual deposit per the bank statement to the general ledger.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. 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).
- B. 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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. At least two employees are involved in processing and approving payments to vendors.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iii. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iv. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

- v. Only employees / officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

- **Results:** No exceptions were noted as a result of the above listed procedures.

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

- C. 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:

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

- **Results:** No exceptions were noted as a result of the above listed procedures.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial / date, electronic logging) of segregation of duties tested under #9, as applicable.

- **Results:** No exceptions were noted as a result of the above listed procedures.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

- **Results:** Three of the five sampled disbursements did not have dual approval as stated in the Council's policy.

6) Credit Cards / Debit Cards / Fuel Cards / P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

- **Results:** No exceptions were noted as a result of the above listed procedures.

- B. 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:

- i. 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 (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- C. 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 observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.
- **Results:** No exceptions were noted as a result of the above listed procedures.

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

- A. 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 and 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:
- i. 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).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iii. 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 Policies and Procedures procedure #1h.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

8) Contracts

- A. 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:
- i. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. Observe whether the contract was approved by the governing body / board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iii. If the contract was amended (e.g., change order), observe that 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, the documented approval).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - iv. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.

9) Payroll and Personnel

- A. 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.
 - **Results:** No exceptions were noted as a result of the above listed procedures.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #17 above, obtain attendance records and leave documentation for the pay period, and:
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - **Results:** No exceptions were noted as a result of the above listed procedures.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

- **Results:** The supervisor did not approve the attendance and leave for all five of the selected employees, but the Executive Director did.
- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- iv. Observe the rate paid to the employees or officials agree to the authorized salary / pay rate found within the personnel file.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- C. 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 and 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's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- **Results:** For both employees selected, their supervisor's did not approve their final documented attendance, but the Executive Director did.
- D. 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.
- **Results:** No exceptions were noted as a result of the above listed procedures.

10) Ethics

- A. Using the 5 randomly selected employees / officials from "Payroll and Personnel" procedure #17 obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates that each employee / official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- ii. 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.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- B. Inquire and / or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
- **Results:** No exceptions were noted as a result of the above listed procedures.

11) Debt Service

- A. 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- B. 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).
- **Results:** No exceptions were noted as a result of the above listed procedures.

12) Fraud Notice

- A. 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 as required by R.S. 24:523.
- **Results:** No exceptions were noted as a result of the above listed procedures.
- B. 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.
- **Results:** No exceptions were noted as a result of the above listed procedures.

13) Information Technology Disaster Recovery / Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- **Results:** We performed the procedure and discussed the results with management.
- ii. Obtain and inspect the entity's most recent documentation that it has tested / verified that its backups can be restored (if no written documentation, then inquire of personnel responsible for testing / verifying backup restoration) and observe evidence that the test / verification was successfully performed within the past 3 months.
- **Results:** We performed the procedure and discussed the results with management.

- iii. 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.

- **Results:** We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #17. Observe evidence that the selected terminated employees have been removed or disabled from the network.

- **Results:** No exceptions were noted as a result of the above listed procedure.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees / officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee / official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

- **Results:** No exceptions were noted as a result of the above listed procedure.

- B. Observe that 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).

- **Results:** The Council does not have its sexual harassment policy and complaint procedure posted on its website.

- C. 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 that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;

- **Results:** No exceptions were noted as a result of the above listed procedures.

- ii. Number of sexual harassment complaints received by the agency;

- **Results:** No exceptions were noted as a result of the above listed procedures.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

- **Results:** No exceptions were noted as a result of the above listed procedures.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

- **Results:** No exceptions were noted as a result of the above listed procedures.

- v. Amount of time it took to resolve each complaint.

- **Results:** No exceptions were noted as a result of the above listed procedures.

Livingston Council on Aging

An Area Agency on Aging

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December 27, 2023

To whom this may concern,

I Kay Granger have went over and corrected all findings in the Procedures Engagement. If you have any questions feel free to contact me at the number's above

A handwritten signature in cursive script that reads "Kay Granger". The signature is written in black ink and is positioned above the printed name and title.

Kay Granger
Executive Director

Leave a legacy. Use your will to support Livingston Council on Aging.