

FINANCIAL REPORT

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

June 30, 2021

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

FINANCIAL REPORT

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Port Allen, Louisiana**

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Port Allen, Louisiana

June 30, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

West Baton Rouge Council on Aging, Inc.

The "Management's Discussion and Analysis" of the West Baton Rouge Council on Aging, Inc.'s (the "Council") financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2021. This report highlights the current year's activities, resulting changes, and relevant facts. Please read this report in conjunction with basic financial statements, which follow this section.

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

Here are the financial highlights:

The Council's assets exceeded its liabilities at the close of fiscal year 2021 by \$2,952,725 (net position) which represents a 23.5% increase from last fiscal year.

Cash was \$2,098,929 at June 30, 2021 compared to \$1,783,396 at June 30, 2020. This is an increase of \$315,533 or 17.7%.

The Council's revenue increased \$227,450 or 16.6% primarily due to an increase in property taxes of \$108,489, a CAAA increase of \$46,107, a DOTD vehicle grant of \$61,995 and an increase of \$41,586 of CARES ACT and a decrease of other income of (\$29,116).

The Council's expenditures increased \$837,365 or 84% primarily due to an increase in capital outlay of \$873,396, an increase in all other expenditures of \$12,116 with a decrease in operating services of (\$48,147).

As a result of subtracting total expenditures from total revenue, the Council's net position increased by \$561,508 this fiscal year. Last year the net assets increased \$324,804.

This has been a challenging year for the West Baton Rouge Council on Aging with the **COVID-19 pandemic**. The Senior Center was closed in late March 2020 and congregate meals and many activities were suspended per a Governor order. We continued to deliver frozen meals and increased meal delivery and telephoning services to seniors. At the time of this report, we are starting to get back to normal activities.

OVERVIEW OF THE FINANCIAL STATEMENTS – What’s Included

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

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

Government-wide Financial Statements

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

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current year inflows and outflows of cash, as well as on balances of spendable resources available at the end of the fiscal year. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to help with this comparison between governmental funds and governmental activities. (Exhibit D and E)

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

Notes to the Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position serve as a useful indicator of the Council's financial position. As of June 30, 2021 assets exceeded liabilities by \$2,952,725. A large portion of the Council's net assets (71%) reflects its cash position. The Council has a strong cash position.

Special Revenue Fund Budgetary Highlights

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

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

CAPITAL ASSETS

The Council's investment in capital assets for its governmental activities as of June 30, 2021, amounts to \$913,503 (net accumulated depreciation). This investment in capital assets includes office furniture, fixtures, vehicles, machinery and equipment (see table below).

	<u>2021</u>	<u>2020</u>
Office furniture, fixtures and equipment	\$ 91,503	\$ 91,503
Vehicles	286,503	215,388
Land and Building Improvements	<u>856,934</u>	<u>54,653</u>
Total Cost	1,234,940	361,544
Less accumulated depreciation	<u>(321,437)</u>	<u>(257,465)</u>
Totals	<u>\$ 913,503</u>	<u>\$ 104,079</u>

Additional information on the Council's capital assets can be found in the Note 1 (C) and 6, Exhibit F of this report. The Council completed a major building renovation and built a new parking lot and purchased another van with a DOTD grant.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Council receives most of its funding from local property taxes. Additional funding is from federal and state agencies. Because of this, the source of income for the Council is consistent. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, those revenues are not fixed. There have been no significant changes to the funding levels or terms of the grants and contracts. The Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2021-2022. There are no plans to add any significant programs for next fiscal year.

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

- Actual expenditures from previous fiscal year in relation to expected needs in the current year. Consideration of COVID-19 issues.
- Consideration of funding to be received from GOEA.
- The Ad Valorem Tax revenue budgeted represents the estimated amount of the October 2021 assessment, which the Council will receive, for the most part, in January 2022.
- Interest revenues have been budgeted as decreasing.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates in accordance with state travel regulations.
- Services the Council will provide along with estimated service costs.
- Estimate of operation supplies needed to perform necessary services.
- Detail plan of equipment needed to be purchased.
- Vehicle insurance based on quotes and contracts.

Condensed Statements of Net Assets

	June 30,		Dollar Change
	2021	2020	
Cash	\$ 2,098,929	\$ 1,783,396	\$ 315,533
Other current assets	15,586	710,656	(695,070)
Capital assets	913,503	104,079	809,424
Total assets	\$ 3,028,018	\$ 2,598,131	\$ 429,887
Accounts payable	5,921	139,784	(133,863)
Payroll liabilities	1,578	5,467	(3,889)
Accrued compensated absences	67,794	61,663	6,131
Total liabilities	75,293	206,914	\$ (131,621)
 Net Position:			
Invested in capital assets, net	913,503	104,079	809,424
Restricted	2,024,534	2,217,333	(192,799)
Unrestricted	14,688	69,805	(55,117)
Total net position	\$ 2,952,725	\$ 2,391,217	\$ 561,508

Governmental Activities

Governmental activities increased the Council net position by \$561,508 Key elements of this increase are as follows:

	Condensed Changes in Net Position		Dollar Change
	June 30,		
	<u>2021</u>	<u>2020</u>	
Revenues:			
Program revenues:			
Operating grants and contributions	\$ 124,330	\$ 61,478	\$ 62,852
General revenues:			
Property taxes	1,226,407	1,117,918	108,489
Grants and contributions not restricted	226,837	141,572	85,265.00
Unrestricted investment earnings	2,847	23,055	(20,208)
Miscellaneous	12,677	21,625	(8,948)
Total revenues	<u>1,593,098</u>	<u>1,365,648</u>	<u>227,450</u>
Expenses:			
Health and welfare	<u>1,031,590</u>	<u>1,040,844</u>	<u>(9,254)</u>
Total expenses			
Increase (decrease) in net position	561,508	324,804	236,704
Net position beginning of year	2,391,217	2,066,413	324,804
Net position end of year	<u>\$ 2,952,725</u>	<u>\$ 2,391,217</u>	<u>\$ 561,508</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on current year inflows, outflows, and balances of spendable cash and other resources. Such information is useful in assessing the Council's cash flow requirements. In particular, unrestricted fund balance at year end may serve as a useful measure of a government's net resources available for spending next fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$2,107,016 a decrease of (\$241,785) in comparison with the prior year. An unassigned fund balance of \$2,093,479 is available for spending at the Council's discretion. This includes the Millage Fund. The remainder of fund balance is reserved to indicate that it is not available for new general spending because it has already been committed. This is reflected in Exhibit C.

The General Fund is the unrestricted operating fund of the Council. At the end of the current fiscal year, unreserved fund balance of the general fund was \$82,482 while total fund balance

reached \$2,107,016 (Exhibit C). The fund balance of the Council's General Fund increased by \$12,677 during the current fiscal year. (Exhibit D)

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

REQUESTS FOR INFORMATION

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Council as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Non-major Governmental Funds and the Comparative Schedule of Capital Assets and Changes in Capital Assets are presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA). In addition, Louisiana Revised Statute 24:513 (A)(3), as amended, requires the Council to present a supplemental schedule of Compensation, Benefits and Other Payments Made to the Council's Executive Director for the fiscal year. These schedules are not a required part of the basic financial statements.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, I have also issued my report dated December 31, 2021 on my consideration of the Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Baton Rouge, Louisiana,
December 31, 2021


Michael R. Choate & Company, CPAs

GOVERNMENT WIDE STATEMENT OF NET POSITION**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA****June 30, 2021**

	Governmental Activities
Assets	
Cash	\$ 2,098,929
Grants and contracts receivable	3,909
Prepaid insurance	11,677
Capital assets, net of accumulated depreciation	913,503
Total Assets	\$ 3,028,018
Liabilities	
Accounts payable	\$ 630
Payroll liabilities	1,578
Pension liability	5,291
Accrued compensated absences	67,794
Total Liabilities	75,293
Net Position	
Invested in Capital Assets	913,503
Restricted for:	
Utility Assistance	8,905
Title III-B	25
Title III-E	1,607
MIPPA	3,000
Millage	2,010,997
Unrestricted	14,688
Total Net Position	\$ 2,952,725

The accompanying notes are an integral part of this statement.

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

For the year ended June 30, 2021

	Direct Expenses	Indirect Expenses	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Increases (Decreases) in Net Assets
Functions / Programs					Total Governmental Activities
Governmental Activities					
Health, Welfare & Social Services					
Supportive Services:	\$ 75,064	\$ 134,488	\$ 34,748	\$ -	\$ (174,804)
Personal Care	-	-	-	-	-
Other Services	-	-	-	-	-
Homemaker	-	-	-	-	-
Information and Assistance	-	-	-	-	-
Legal Assistance	-	-	-	-	-
Outreach	-	-	-	-	-
Transportation	-	-	-	61,995	61,995
Nutrition Services:					
Congregate Meals	-	-	-	-	-
Home Delivered Meals	215,048	95,118	26,742	-	(283,424)
National Family Caregiver Support	465	380	845	-	-
Multipurpose Senior Centers	7,812	-	40,072	-	32,260
Administration	-	503,215	-	-	(503,215)
Total governmental activities	\$ 298,389	\$ 733,201	\$ 102,407	\$ 61,995	\$ (867,188)
General Revenues:					
Ad Valorem Taxes					1,226,407
Grants and contributions not restricted to specific programs					186,765
Unrestricted Investment Income					2,847
Miscellaneous					12,677
Total general revenues					1,428,696
Increase (Decrease) in net position					561,508
Net position - beginning of the year					2,391,217
Net position - end of the year					\$ 2,952,725

The accompanying notes are an integral part of this statement.

Balance Sheet
Governmental Funds
West Baton Rouge Council on Aging, Inc.
June 30, 2021

	General Fund	Millage	Title III B	Title III C-1	Title III C-2	Total Non Major Funds	Total
Assets							
Cash	\$ 82,482	\$ 2,006,819	\$ (3,819)	\$ -	\$ -	\$ 13,447	\$ 2,098,929
Grants and Contracts Receivable	-	-	3,844	-	-	65	3,909
Prepaid insurance	-	11,677	-	-	-	-	11,677
Total Assets	\$ 82,482	\$ 2,018,496	\$ 25	\$ -	\$ -	\$ 13,512	\$ 2,114,515
Liabilities and Fund Balance							
Liabilities							
Accounts Payable	\$ -	\$ 630	\$ -	\$ -	-	\$ -	\$ 630
Pension liability	-	5,291	-	-	-	-	5,291
Payroll Taxes Payable	-	1,578	-	-	-	-	1,578
Total Liabilities	-	7,499	-	-	-	-	7,499
Fund Balances							
Unassigned:							
General Fund	82,482	-	-	-	-	-	82,482
Restricted:							
Special Revenue Funds	-	2,010,997	25	-	-	13,512	2,024,534
Total Fund Balances	82,482	2,010,997	25	-	-	13,512	2,107,016
Total Liabilities and Fund Balances	\$ 82,482	\$ 2,018,496	\$ 25	\$ -	\$ -	\$ 13,512	

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

Compensation absences are not paid for out of current financial resources and therefore are not reported funds	(67,794)
Capital assets used in governmental activities are not resources therefore are not reported in the funds	913,503
Net position of Governmental Activities	\$ 2,952,725

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
West Baton Rouge Council on Aging, Inc.
Baton Rouge, LA
For the Year Ended June 30, 2021

	General Fund	Millage	Title III B	Title III C-1	Title III C-2	Total Non Major Funds	Total Governmental Funds
REVENUES							
Advalorem Tax	\$ -	\$ 1,226,407	\$ -	\$ -	\$ -	\$ -	\$ 1,226,407
Intergovernmental							
Capital Area Agency on Aging District II, Inc.	45,179	-	34,144		20,054	845	100,222
Governor's Office of Elderly Affairs	100,000	-	-	-	-	40,072	140,072
CARES ACT	41,586						41,586
Department of Transportation & Development	-	61,995					61,995
Public Support							
Contributions-clients	-	-	604		6,688	-	7,292
Contributions-other	-	-	-	-	-	-	-
Investment Income	2,847	-	-	-	-	-	2,847
Miscellaneous	12,677	-	-	-	-	-	12,677
Inkind Contributions	-	-	-	-	-	-	-
Total Revenues	202,289	1,288,402	34,748	-	26,742	40,917	1,593,098
EXPENDITURES							
Health, Welfare, & Social Services							
Current:							
Personnel	-	248,451	108,699		116,291	555	473,996
Fringe	-	131,121	37,451		24,815	139	193,526
Meals	-	114,993			19,197		134,190
Operating Services	2,882	18,206	40,202		21,297	96	82,683
Operating Supplies	-		3,528		2,636	8	6,172
Other Costs	25,868	6,584	18,760		10,855	7,859	69,926
Travel	-		912		82		994
Utility Assistance	-						-
Capital Outlays	52,500	820,896					873,396
Inkind	-	-	-	-	-	-	-
Total Expenditures	81,250	1,340,251	209,552	-	195,173	8,657	1,834,883
Excess (deficiency) of Revenues over Expenditures	121,039	(51,849)	(174,804)	-	(168,431)	32,260	(241,785)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	174,804		168,431		343,235
Transfers Out	(108,362)	(202,613)	-	-	-	(32,260)	(343,235)
Total other Financing Sources and Uses	(108,362)	(202,613)	174,804	-	168,431	(32,260)	-
Net Increase (Decrease) in Fund Balances	12,677	(254,462)	-	-	-	-	(241,785)
FUND BALANCES							
Beginning of the Year	69,805	2,265,459	25	-	-	13,512	2,348,801
End of the Year	\$ 82,482	\$ 2,010,997	\$ 25	\$ -	\$ -	\$ 13,512	\$ 2,107,016

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

Year Ended June 30, 2021

Net Increase (Decrease) in fund balances – total governmental funds	\$ (241,785)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays \$873,396 differs from depreciation (\$63,972) in the current period.</p>	
	809,424
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</p>	
Compensated absences	<u>(6,131)</u>
Increase (Decrease) of net position of governmental activities	<u>\$ 561,508</u>

NOTES TO FINANCIAL STATEMENTS

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

June 30, 2021

Note 1 - Summary Of Significant Accounting Policies

A. Statement of Presentation:

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

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

B. Fund Accounting:

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

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

Governmental Fund types

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

Note 1 - Summary Of Significant Accounting Policies (continued)

Governmental Fund (continued):

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

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

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

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

Major Special Revenue Funds

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

Title III-B Supportive Services Fund

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

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

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

Title III C-1 Congregate Meals Fund

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

Title III C-2 Home Delivered Meals Fund

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

Millage Fund

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

Non Major Special Revenue Funds

Senior Center Fund

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

Title III-E Fund

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

Supplemental Senior Center Fund

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

C. Capital Assets:

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

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

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

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

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

D. Transfers:

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

E. Budget Policy:

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

F. Compensated Absences:

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

G. Management's Use of Estimates:

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

H. Revenue Recognition:

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

Note 2 - Board of Director's Compensation

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

Note 3 - In Kind Financial Assistance

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

Note 4 - Economic Dependency

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

Note 5 - Transfers

Transfers in and out are listed by fund type for the year ended June 30, 2021:

	Transfers Out					<u>Total Transfers In</u>
	<u>Senior Center</u>	<u>Sup Senior Center</u>	<u>Millage Fund</u>	<u>General Fund</u>	<u>III C-2</u>	
<u>Transfers In</u>						
<u>Special Revenue Fund:</u>						
Title III B	\$ 29,160	\$ 3,100	\$ 34,182	\$ 108,362	\$ -	\$ 174,804
Title III C-1		-		-	-	-
Title III C-2	-	-	168,431	-	-	168,431
Title III E				-	-	-
General Fund	-	-	-	-	-	-
 Total Transfers Out	<u>\$ 29,160</u>	<u>\$ 3,100</u>	<u>\$ 202,613</u>	<u>\$ 108,362</u>	<u>\$ -</u>	<u>\$ 343,235</u>

Note 6 - General Fixed Assets

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

	<u>Balance</u> <u>6/30/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2021</u>
Furniture and Equipment	\$ 91,503	\$ -	\$ -	\$ 91,503
Land and Building Improvements	54,653	802,281	-	856,934
Vehicles	<u>215,388</u>	<u>71,115</u>	<u>-</u>	<u>286,503</u>
	<u>\$ 361,544</u>	<u>\$ 873,396</u>	<u>\$ -</u>	<u>\$ 1,234,940</u>

Construction completed on major building renovation of \$802,281 which also includes a new parking lot. A new van was purchased with matching funds and a DOTD capital grant.

Note 7 – Deposits With Financial Institutions

At June 30, 2021, The Council had bank balances totaling \$2,098,929. Bank balances totaling \$250,000 are insured by federal deposit insurance while deposits of \$1,848,929 are collateralized by securities held by the depository bank in the Council’s name. This is considered as “Category 1” credit risk in accordance with GASB Statement 3.

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

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

Note 8 – Grants & Accounts Receivable

Accounts receivable at June 30, 2021 included the following funds:

<u>Special Revenue</u>	
Title III B	\$ 3,844
Title III E	65
Title III C-2	-
MIPPA	-
 Total	 <u>\$ 3,909</u>

Note 9 – Income Tax Status

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

Note 10 - Uncertainties – COVID-19 Pandemic

A world-wide pandemic has caused severe economic and health damage to the U.S beginning in mid March 2020. As of the date of this report, over 800,000 US deaths have been confirmed. The Center for Disease Control and the President have issued requirements for allowing businesses, schools and other entities to resume normal operations. The U.S. Congress provided a \$2 trillion relief package on March 27, 2020. Additional relief packages were also provided.

The reopening phase ins are managed by each state’s Governor. Certain mandates are in place regarding crowd sizes at certain events and venues. Because senior citizens are most vulnerable to the virus, their activities and events have been significantly restricted or cancelled. Hospitality, amusements, airlines, and cruise lines have been hardest hit.

In this environment, the Council on Aging has experienced event cancellations and meal site closures and decreased activity. At this date, no contract revenue has been significantly reduced. The overall financial impact of COVID-19 is unknown at June 30, 2021.

Note 11 – Subsequent Events

Management has evaluated subsequent events through December 31, 2021, which is the date the financial statements were available to be issued. COVID-19 restrictions are still an issue at the time of this report. (see footnote 10). There were no additional items that required disclosure.

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

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2021**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging District II, Inc.	-	-	45,179	(45,179)
State of Louisiana Governor's Office of Elderly Affairs CARES ACT	100,000	100,000 41,586	100,000 41,586	- -
Other:				
Miscellaneous	5,000	-	12,677	(12,677)
Contributions	-	-	-	-
Investment Income	25,000	25,000	2,847	22,153
Total Revenues	130,000	166,586	202,289	(35,703)
<u>EXPENDITURES</u>				
Current:				
Personnel	-	-	-	-
Fringe	-	-	-	-
Operating services	-	-	2,882	(2,882)
Operating supplies	-	-	-	-
Meals	-	-	-	-
Travel	-	-	-	-
Capital outlay	-	81,250	52,500	28,750
Other	-	-	25,868	(25,868)
Total Expenditures	-	81,250	81,250	-
Excess of Revenues over (under) Expenditures	130,000	85,336	121,039	(35,703)
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	(115,625)	(90,338)	(108,362)	(18,024)
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 14,375	\$ (5,002)	\$ 12,677	\$ (53,727)

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

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2021**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging District II, Inc.	34,143	34,144	34,144	-
State of Louisiana	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Contributions	1,500	1,500	604	(896)
Contributions in Kind	-	-	-	-
Total Revenues	35,643	35,644	34,748	(896)
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind				-
Personnel	210,209	113,200	108,699	4,501
Fringe	120,417	53,107	37,451	15,656
Travel	6,939	3,982	912	3,070
Operating services	48,376	38,392	40,202	(1,810)
Operating supplies	7,290	3,468	3,528	(60)
Meals	-	-	-	-
Capital outlay	26,800	-	-	-
Utility assistance	-	-	-	-
Other	29,840	19,568	18,760	808
Total Expenditures	449,871	231,717	209,552	22,165
Excess of Revenues over (under) Expenditures	(414,228)	(196,073)	(174,804)	21,269
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	414,228	196,073	174,804	(21,269)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-1 COVID 19 CLOSURE**

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2021**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging District II, Inc.	-	-	-	-
State of Louisiana	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
Total Revenues	-	-	-	-
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	-	-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Operating services	-	-	-	-
Operating supplies	-	-	-	-
Meals	-	-	-	-
Capital outlay	-	-	-	-
Other	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues over (under) Expenditures	-	-	-	-
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ -	\$ -

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

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2021**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging District II, Inc.	7,576	20,054	20,054	-
State of Louisiana	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Contributions	2,000	8,000	6,688	(1,312)
Contributions in Kind	-	-	-	-
Total Revenues	<u>9,576</u>	<u>28,054</u>	<u>26,742</u>	<u>(1,312)</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	75,697	121,184	116,291	4,893
Fringe	47,300	55,154	24,815	30,339
Operating services	15,527	33,613	21,297	12,316
Operating supplies	2,628	3,522	2,636	886
Meals	-	-	19,197	(19,197)
Travel	1,672	2,013	82	1,931
Capital outlay	25,600	49,398	-	49,398
Utility assistance	-	-	-	-
Other	9,674	19,876	10,855	9,021
Total Expenditures	<u>178,098</u>	<u>284,760</u>	<u>195,173</u>	<u>89,587</u>
Excess of Revenues over (under) Expenditures	(168,522)	(256,706)	(168,431)	88,275
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	168,522	256,706	168,431	(88,275)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**WEST BATON ROUGE COUNCIL ON AGING, INC.
PORT ALLEN, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2020**

REVENUES	BUDGETS		ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
	ORIGINAL	FINAL		
Ad valorem taxes	\$ 1,065,163	\$ 1,057,353	\$ 1,226,407	\$ 169,054
Intergovernmental:				
Capital Area Agency on Aging District II, Inc.	-	-	-	-
State of Louisiana - DOTD	-	-	61,995	61,995
Other:				
Miscellaneous	-	-	-	-
Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
Total Revenues	<u>1,065,163</u>	<u>1,057,353</u>	<u>1,288,402</u>	<u>231,049</u>
EXPENDITURES				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	163,088	248,451	248,451	-
Fringe	64,631	148,519	131,121	17,398
Operating services	122,000	42,000	18,206	23,794
Operating supplies	-	-	-	-
Meals	47,500	80,000	114,993	(34,993)
Travel	-	-	-	-
Capital outlay	741,553	806,001	820,896	(14,895)
Utility assistance	-	-	-	-
Other	25,000	10,000	6,584	3,416
Total Expenditures	<u>1,163,772</u>	<u>1,334,971</u>	<u>1,340,251</u>	<u>(5,280)</u>
Excess of Revenues over (under) Expenditures	(98,609)	(277,618)	(51,849)	225,769
OTHER FINANCING SOURCES USES				
Operating transfers in	-	-	-	-
Operating transfers out	<u>(478,464)</u>	<u>(378,652)</u>	<u>(202,613)</u>	<u>176,039</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(577,073)</u>	<u>(656,270)</u>	<u>(254,462)</u>	<u>\$ 401,808</u>

SUPPLEMENTARY FINANCIAL INFORMATION

Required by: Governor's Office of Elderly Affairs

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

For the Year Ended June 30, 2021

	Senior Center	Title III E	Utility Assistance	MIPPA	Supplemental Senior Center	Total Non Major Funds
REVENUES						
Advalorem Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental						
Capital Area Agency on Aging District II, Inc.	-	845	-	-	-	845
Governor's Office of Elderly Affairs	36,972	-	-	-	3,100	40,072
Public Support	-	-	-	-	-	-
Contributions-clients	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Inkind Contributions	-	-	-	-	-	-
Total Revenues	<u>36,972</u>	<u>845</u>	<u>-</u>	<u>-</u>	<u>3,100</u>	<u>40,917</u>
EXPENDITURES						
Health, Welfare, & Social Services						
Current:						
Personnel	-	555	-	-	-	555
Fringe	-	139	-	-	-	139
Meals	-	-	-	-	-	-
Operating Services	-	96	-	-	-	96
Operating Supplies	-	8	-	-	-	8
Other Costs	7,812	47	-	-	-	7,859
Travel	-	-	-	-	-	-
Utility Assistance	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Inkind	-	-	-	-	-	-
Total Expenditures	<u>7,812</u>	<u>845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,657</u>
Excess (deficiency) of Revenues over Expenditures	<u>29,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,100</u>	<u>32,260</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers Out	(29,160)	-	-	-	(3,100)	(32,260)
Total other Financing Sources and Uses	<u>(29,160)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,100)</u>	<u>(32,260)</u>
Net Increase (Decrease) in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Beginning of the Year	-	1,607	8,905	3,000	-	13,512
End of the Year	<u>\$ -</u>	<u>\$ 1,607</u>	<u>\$ 8,905</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 13,512</u>

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

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

For the year ended June 30, 2021

	Balance <u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2021</u>
General Fixed Assets:				
Vehicles	\$ 215,388	\$ 71,115	\$ -	\$ 286,503
Land and building improvements	54,653	802,281	-	856,934
Office Furniture and Equipment	91,503	-	-	91,503
Total Fixed Assets	\$ 361,544	\$ 873,396	\$ -	\$ 1,234,940
Investment in General Fixed Assets:				
Property acquired with funds from-				
PCOA	117,088	52,500	-	169,588
Local	2,800	-	-	2,800
Millage	237,117	758,901	-	996,018
DOTD	-	61,995	-	61,995
Senior Center	4,539	-	-	4,539
Title III B	-	-	-	-
Title III C-1	-	-	-	-
Total Investments in General Fixed Assets	\$ 361,544	\$ 873,396	\$ -	\$ 1,234,940

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

**West Baton Rouge Council on Aging, Inc.
Port Allen, Louisiana
For the year ended June 30, 2021**

Executive Director's (Agency Head) Name: Tommie Gordon

Purpose	Amount
Salary - Tommie	\$ 75,000
Benefits-insurance (health and life)	4,800
Benefits-retirement	
Benefits-Other (describe)	
Benefits-Other (describe)	
Benefits-Other (describe)	
Car allowance	
Vehicle provided by government (enter amount reported on W-2)	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Housing	
Unvouchered expenses (example: travel advances, etc.)	
Special meals	
Other - Petty Cash Reimbursements	

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

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Council on Aging, Port Allen, Louisiana, (the Council) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated December 31, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Baton Rouge, Louisiana,
December 31, 2021


Michael R. Choate & Company, CPAs

WEST BATON ROUGE COUNCIL ON AGING, Inc
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

A. SUMMARY OF THE AUDITOR'S RESULTS

- The Auditor's report expresses an unqualified opinion on the financial statements of West Baton Rouge Council on Aging, Inc (the "Council").
- Two instances of a significant deficiencies in internal control over financial reporting were reported in the *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*. **Internal Control significant deficiency 2021-01 and 2021-02.**
- One instance of noncompliance material to the financial statements of the Organization are reported in the *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*. **Compliance Finding 2021-01.**
- No management letter was issued for the year ended June 30, 2021.

Compliance requirement: Timely filing of annual audit

Type of Finding: Compliance finding 2021-01

Criteria: The sub-recipient of federal and state grant funds must submit an audit report within six months after the end of the fiscal year.

Condition: As part of the audit we noted that the Council was unable to timely close it's books for the year and prepare for the audit within the usual timeframe which delayed the auditor and submission of the audit report was delinquent by 24 days.

Cause: Council suffered key accounting staff illnesses and other delays related to COVID 19 and other disruption of operations by severe storms and Hurricane Ida which hit on September 1, 2021.

Effect: Delinquent audit reports could jeopardize collection of additional federal and state funds.

Questioned costs: not applicable.

Context/ Sampling: not applicable.

Repeat finding: not applicable. First offense.

Recommendation: Management should ensure that Council books are closed within 90 days of year end to allow auditors sufficient time to complete audit engagement with contingent time available and still timely submit audit report. Management should also consider hiring additional administrative personnel and cross train them to relieve the time pressure on the small accounting office. This is believed to be an isolated incident. The Council has not had a late audit submission in over 30 years.

Views of Responsible Officials: Management agrees with the finding.

Internal Control Requirement: Pension plan contributions timely submitted.

Type of finding: Internal Control Significant Deficiency 2021-01.

Criteria: The Council contributes monthly to the employees' retirement plan. These contributions should be timely submitted.

Condition: As part of audit tests, it was noted that two months of contributions were skipped and two more months were paid late after year end. Total pension liability at June 30, 2021 was \$5,291.

Cause: The Council bookkeeper missed significant time during the year for illness and the skipped payments occurred during this time. The other delay in payment was due to time pressures. Also, management oversight of this process was lacking.

Effect: Delayed contributions to employee retirement accounts.

Questioned costs: N/A

Context: sampling: N/A entire year of contributions were audited and verified.

Repeat finding: N/A

Recommendation: Management should confirm each month that pension contribution has been submitted by reviewing and initialing approval of submission confirmation.

Views of Responsible Officials: Management agrees with the finding and will follow recommendation.

Internal Control Requirement: Classification and reporting expenditures.

Type of finding: Internal Control Significant Deficiency 2021-02.

Criteria: Grant expenditures should be classified and reported by category.

Condition: PCOA grant of \$81,250 was not classified and reported by expenditure category on the Council's books and a DOTD capital grant of \$61,995 was not recorded. Management was not aware of the accounting issue. These issues were corrected by the Auditor.

Cause: The Council's bookkeeper was not familiar with the accounting requirements of these two grants.

Effect: Financial statements were not in compliance with generally accepted accounting principles and Governmental Accounting Standards and grant reporting requirements.

Questioned Costs :N/A

Context/ Sampling: N/A entire grant expenditure was examined during audit.

Repeat finding: N/A

Recommendation: Council Bookkeeper should seek accounting guidance from Grant oversight agencies (ie Capital Area on Aging and Governor's Office of Elderly Affairs) when necessary. Management should review interim financial statements to determine proper recording of grant expenditures.

Views of responsible officials: Management agrees with this finding.

WEST BATON ROUGE COUNCIL ON AGING, Inc.

Management's Response to Findings and Corrective Action Plan

For the Year Ended June 30, 2021

**Michael R Choate and Company CPAs
2915 S Sherwood Forest Blvd
Baton Rouge, LA 70816**

Dear Mr. Choate,

We have read the audit report for the year ended June 30, 2021 and the related findings and questioned costs.

We agree with the **Compliance finding #2021-01** that the audit report was submitted late (24 days after the due date). This was an isolated incident primarily caused by Council staff illness and delays related to COVID -19 issues and severe storms including Hurricane Ida that disrupted and slowed our normal operations.

We agree with the **Internal Control finding #2021-01** that pension contributions to employees' retirement accounts were missed and paid late by a total of \$5,291.

We agree with the **Internal Control finding #2021-02** that the PCOA and DOTD grants were not classified properly or recorded properly on the Council's books.

We will implement your recommendations regarding Compliance with audit filing deadlines and improved monitoring of the audit process. We will also implement your recommendation to monitor pension contribution payments more closely and hire additional administrative personnel to ease the time pressures in our accounting office.

Sincerely,

A handwritten signature in black ink, appearing to read "Tommie Gordon". The signature is fluid and cursive, written over a white background.

Tommie Gordon, Executive Director

CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS

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

June 30, 2021

There were no deficiencies found for the prior year June 30, 2020.