

REPORT  
ST. BERNARD COUNCIL ON AGING, INC.  
JUNE 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/2/05

ST. BERNARD COUNCIL ON AGING, INC.

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## INDEPENDENT AUDITOR'S REPORT

September 8, 2004

St. Bernard Council on Aging, Inc.  
Chalmette, Louisiana

We have audited the accompanying financial statements of St. Bernard Council on Aging, Inc., as of and for the year ended June 30, 2004, as listed in the index to report. These financial statements are the responsibility of St. Bernard Council on Aging, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Bernard Council on Aging, Inc., as of June 30, 2004 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, St. Bernard Council on Aging, Inc. adopted the provisions of the Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as of July 1, 2003.

Management's discussion and analysis on pages 3 through 5 and the other required supplementary information on pages 25 through 28 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

We have audited the financial statements of St. Bernard Council on Aging for the year ending June 30, 2004 and issued an unqualified opinion on such financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information on pages 29 and 30 is presented for purposes of additional analysis and is not a required part of the financial statements of St. Bernard Council on Aging, Inc.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 8, 2004 on our consideration of St. Bernard Council on Aging, Inc.'s internal control over financial reporting and on its compliance with laws and regulations. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

**ST. BERNARD COUNCIL ON AGING, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

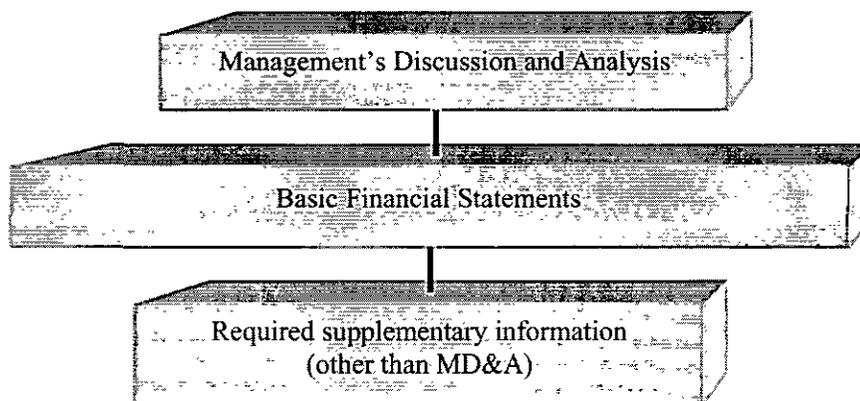
The Management's Discussion and Analysis of St. Bernard Council on Aging, Inc.'s financial performance presents a narrative overview and analysis of St. Bernard Council on Aging, Inc.'s financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in St. Bernard Council on Aging, Inc.'s financial statements, which begin on page 6.

**FINANCIAL HIGHLIGHTS**

- \* St. Bernard Council on Aging, Inc. received \$292,642 of contract income from St. Bernard Parish Government. Total amount received during June 30, 2003 was \$179,203.
- \* St. Bernard Council on Aging, Inc. received \$460,241 for funding from the Governor's Office of Elderly Affairs during the fiscal year ended June 30, 2004. Total amount received during the year ended June 30, 2003 was \$425,309.
- \* Charges for services decreased during the current year by \$2,405 or 6%.
- \* Total expenditures increased by \$35,508 or 5%. Total expenditures for the years ended June 30, 2004 and 2003 was \$690,168 and \$654,660, respectively.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

ST. BERNARD COUNCIL ON AGING, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

### Basic Financial Statements

The basic financial statements present information for St. Bernard Council on Aging, Inc. as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the government-wide financial statements and fund financial statements.

Government-wide Financial Statements: The *government-wide financial statements* are designed to provide readers with a broad overview of St. Bernard Council on Aging, Inc.'s finances, in a manner similar to private-sector business. The government-wide financial statements include:

Statement of Net Assets – this statement presents the current and long term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of St. Bernard Council on Aging, Inc. is improving or deteriorating.

Statement of Activities – this statement presents information showing how St. Bernard Council on Aging, Inc.'s assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

### FINANCIAL ANALYSIS OF THE ENTITY

Statements of Net Assets  
June 30, 2004

Current assets:	
Cash	\$ 621,838
Deposit toward vehicle purchase	6,535
Capital assets	<u>55,278</u>
Total assets	<u>683,651</u>
Liabilities	<u>    --</u>
Net assets:	
Invested in capital assets	55,278
Restricted for utility assistance	3,322
Unrestricted	<u>625,051</u>
Total net assets	<u>\$ 683,651</u>

Comparative Statement of Net Assets will be provided in future years.

**ST. BERNARD COUNCIL ON AGING, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

**Statement of Activities  
For the Year Ended June 30, 2004**

<b>Revenues:</b>	
Program Revenues	\$ 510,204
General Revenues	<u>336,412</u>
Total Revenues	<u>846,616</u>
<b>Direct Program Expenses of the Health, Welfare and Social Services Function:</b>	
Supportive services	163,718
Nutrition Services	320,250
Utility Assistance	20,384
Disease Prevention and Health Promotion	2,932
National Family Caregiver Support	25,324
Direct Administration Expenses	<u>157,560</u>
Total Expenses	<u>690,168</u>
Increase (Decrease) in Net Assets	<u>\$ 156,448</u>

Comparative Statement of Activities will be provided in future years.

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

Original expenses were increased by a net amount of \$1,443. Minor adjustments were necessary to original budget after actual amounts were determined. Changes were less than 1% of original total budget.

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

The Agency's board and administration considered the following factors when setting next year's budget:

- \* Short-term and long-term tasks required to fulfill duties and obligations set forth with guideline established by local board members, administration, and Governor's Office of Elderly Affairs.
- \* Internal resources in place to complete planned budgeted programs.

St. Bernard Council on Aging, Inc. expects that next year's results will improve based on the following:

- \* Office of Elderly Affairs grants.
- \* Personnel in place to complete budgeted programs.
- \* Parish of St. Bernard Ad Valorem Tax received.
- \* Other outside income received from program services.

**CONTACTING ST. BERNARD COUNCIL ON AGING, INC.'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of St. Bernard Council on Aging, Inc.'s finances and to show St. Bernard Council on Aging, Inc.'s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Joy Pell (504) 278-7335.

ST. BERNARD COUNCIL ON AGING, INC.  
STATEMENT OF NET ASSETS  
JUNE 30, 2004

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash	\$ 570,718
Certificates of deposit	51,120
Deposit toward vehicle purchase	6,535
Capital assets, net of accumulated depreciation	<u>55,278</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>683,651</u></b>
 <b>LIABILITIES</b>	 <b>\$ <u>-</u></b>
 <b>NET ASSETS:</b>	
Invested in capital assets, net of debt	55,278
Restricted for:	
Utility Assistance	3,322
Unrestricted	<u>625,051</u>
<b>TOTAL NET ASSETS</b>	<b>\$ <u><u>683,651</u></u></b>

See accompanying notes.

ST. BERNARD COUNCIL ON AGING, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2004

<u>Functions/Programs</u>	Program Revenues					Net (Expense) Revenue and Increases (Decreases) in Net Assets
	<u>Direct Expenses</u>	<u>Indirect Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Total Governmental Activities
<b>Governmental Activities</b>						
Health, Welfare & Social Services:						
Supportive Services:						
Information and Assistance	\$ 6,043	\$ 2,915	\$ -	\$ 7,399	\$ -	\$ (1,559)
Home Maker	13,650	-	-	11,839	-	(1,811)
Legal assistance	3,619	-	-	2,960	-	(659)
Outreach	2,080	833	-	1,480	-	(1,433)
Personal Care	36,225	-	-	28,118	-	(8,107)
Transportation	96,071	34,143	-	90,273	26,140	(13,801)
Other services	6,030	3,747	533	5,920	-	(3,324)
Disease Prevention and Health						
Nutrition Counseling	2,932	1,232	-	4,054	-	(110)
National Family						
Caregiver Support:						
Respite	21,998	2,491	-	24,072	-	(417)
Other services	3,326	1,989	-	5,284	-	(31)
Nutrition Services:						
Congregate Meals	65,508	13,563	14,773	62,000	-	(2,298)
Home Delivered Meals	254,742	45,020	26,019	140,625	-	(133,118)
Utility Assistance	20,384	-	-	12,081	-	(8,303)
Senior Center	-	-	-	-	-	-
Administration	157,560	(105,933)	-	37,240	9,394	(4,993)
Total governmental activities	<u>\$ 690,168</u>	<u>\$ -</u>	<u>\$ 41,325</u>	<u>\$ 433,345</u>	<u>\$ 35,534</u>	<u>\$ (179,964)</u>

## General Revenues:

Grants and contributions not restricted to specific programs	331,940
Unrestricted Investment Income	4,472
Total general revenues	<u>336,412</u>
Increase (Decrease) in net assets	156,448
Net assets - beginning of the year	527,203
Net assets - end of the year	<u>\$ 683,651</u>

See accompanying notes.

ST. BERNARD COUNCIL ON AGING, INC.  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
JUNE 30, 2004

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title III C-1 Congregate Meals</u>
<u>ASSETS:</u>			
Cash	\$ 567,396	\$ -	\$ -
Certificates of deposit	51,120	-	-
Deposit toward vehicle purchase	6,535	-	-
TOTAL NET ASSETS	<u>\$ 625,051</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>LIABILITIES AND FUND BALANCE:</u>			
LIABILITIES	\$ -	\$ -	\$ -
 FUND BALANCE:			
Reserved For:			
Deposit toward vehicle purchase	6,535	-	-
Utility Assistance	-	-	-
Unreserved/undesignated:			
General fund	618,516	-	-
Total Fund Balance	<u>625,051</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND AND FUND BALANCE	<u>\$ 625,051</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

Title III C-2 Home Delivered Meals	Nutritional Services Incentive Program	Non- Major Funds	Total
\$ -	\$ -	\$ 3,322	\$ 570,718
-	-	-	51,120
-	-	-	6,535
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,322</u>	<u>\$ 628,373</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	6,535
-	-	3,322	3,322
-	-	-	618,516
<u>-</u>	<u>-</u>	<u>3,322</u>	<u>628,373</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,322</u>	

Amounts reported for governmental activities  
in the statement of net assets are different  
because - Capital assets used in governmental  
activities are not financial resources and  
therefore are not reported in the funds

55,278

NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 55,278

ST. BERNARD COUNCIL ON AGING, INC.  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2004

	General Fund	Title III B Supportive Services	Title III C-1 Congregate Meals
<b>REVENUES:</b>			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 23,125	\$ 101,674	\$ 51,205
Contract income	292,642	-	-
State grant	19,683	-	-
Public support:			
Miscellaneous	5,839	-	-
Utility Assistance	-	-	-
Public Donations	10,334	-	-
Client contributions	-	488	14,773
Interest income	4,472	-	-
In-kind contributions	100,375	-	-
Total revenues	<u>456,470</u>	<u>102,162</u>	<u>65,978</u>
<b>EXPENDITURES:</b>			
Personnel	-	77,405	24,537
Fringe	-	6,158	1,919
Travel	762	368	122
Meals	4,075	-	41,619
Capital Outlay	15,929	-	-
Fundraiser	78	-	-
Contracted services	1,575	62,018	-
Operating services	15,315	40,290	6,915
Operating supplies	-	4,897	3,847
Utlility Assistance	-	-	-
Miscellaneous	-	387	112
In-kind expenses	100,375	-	-
Total expenditures	<u>138,109</u>	<u>191,523</u>	<u>79,071</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>318,361</u>	<u>(89,361)</u>	<u>(13,093)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	-	89,361	13,093
Operating transfers out	(181,614)	-	-
Total other financing sources (uses)	<u>(181,614)</u>	<u>89,361</u>	<u>13,093</u>
Net increase (decrease) in fund balance	136,747	-	-
Fund balance at beginning of year	488,304	-	-
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 625,051</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes.

Title III C-2 Home Delivered Meals	Nutritional Services Incentive Program	Non- Major Funds	Total
\$ 96,192	\$ 51,403	\$ 136,642	\$ 460,241
-	-	-	292,642
-	-	-	19,683
-	-	-	5,839
-	-	12,081	12,081
-	-	-	10,334
26,019	-	45	41,325
-	-	-	4,472
-	-	-	100,375
<u>122,211</u>	<u>51,403</u>	<u>148,768</u>	<u>946,992</u>
100,121	-	22,604	224,667
7,838	-	1,760	17,675
11,855	-	422	13,529
159,667	-	-	205,361
-	-	26,140	42,069
-	-	-	78
-	-	23,620	87,213
17,743	-	14,169	94,432
2,111	-	680	11,535
-	-	20,384	20,384
427	-	304	1,230
-	-	-	100,375
<u>299,762</u>	<u>-</u>	<u>110,083</u>	<u>818,548</u>
<u>(177,551)</u>	<u>51,403</u>	<u>38,685</u>	<u>128,444</u>
177,551	-	3,152	283,157
-	(51,403)	(50,140)	(283,157)
<u>177,551</u>	<u>(51,403)</u>	<u>(46,988)</u>	<u>-</u>
-	-	(8,303)	128,444
-	-	11,625	499,929
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,322</u>	<u>\$ 628,373</u>

ST. BERNARD COUNCIL ON AGING, INC.  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2004

NET INCREASE (DECREASE) IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 128,444
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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  
outlays \$42,069 exceed depreciation \$14,065 in the current period.

28,004

INCREASE (DECREASE) OF NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ <u>156,448</u>
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See accompanying notes.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

St. Bernard Council on Aging (the Council) was authorized by State of Louisiana Act 456 of 1964. Their charter was issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Council is a nonprofit organization that must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council receives revenues from other federal and state agencies which may impose certain restrictions upon how the Council can use the money that they have provided. The Council also receives funds from a contract with St. Bernard Parish Government. The Council may be dissolved by the state with their net assets transferred to another governmental or nonprofit organization. For financial statement reporting purposes the Council is considered a government organization.

The primary function of St. Bernard Council on Aging, Inc. is to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals and nutritional education, information and referral services, and legal assistance; operating senior centers; and promoting training and skills to achieve unsubsidized employment of economically disadvantaged elderly citizens and transportation. A board of directors consisting of 15 members, who serve 3-year terms, govern the Council. Board members are elected from the general membership of the Council and receive no compensation for their services.

Reporting Entity

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate accounting principles generally accepted in the United States of America and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

Based on the criteria set forth in GASB Statement 14, St. Bernard Council On Aging, Inc. is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on the criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. As previously mentioned, Governor's Office of Elderly Affairs establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the Council's budget be approved by Governor's Office of Elderly Affairs. However, this approval process is part of Governor's Office of Elderly Affairs' general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity (Continued)

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

The accompanying financial statements conform to accounting principles generally accepted in the United States of America for state and local governmental units as prescribed by the GASB. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governmental Units*, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and the *Louisiana Governmental Audit Guide*.

Basis of Presentation:

The accompanying financial statements of St. Bernard Council On Aging, Inc. have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below. In addition, these financial statements include the implementation of GASB Statement Number 34, *Basic Financial Statements – Management's Discussion and Analysis-for State and Local Governments* and related standards. This new standard provides for significant changes in terminology, recognition of contributions in the Statement of Revenues, Expenses and Changes in Net Assets, inclusion of a management discussion and analysis as supplementary information and other changes.

Government-wide and Fund Financial Statements:

In accordance with Statement No. 34 of the Governmental Accounting Standards Board (GASB), *Basic Financial Statements – Management's Discussion and Analysis-for State and Local Governments*, included in the Council On Aging, Inc.'s Comprehensive Annual Financial Report for the year ended June 30, 2004 are the Management Discussion and Analysis (MD&A), government-wide financial statements which include the Statement of Net Assets and the Statement of Activities, and fund financial statements which include the Balance Sheet, Reconciliation of the Balance Sheet to the Statement of Net Assets, Statement of Revenues, Expenditures and Change in Fund Balance and Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. *Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.*

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 expenses 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 that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

The Statement of Net Assets and the Statement of Activities include governmental type activities of the Council On Aging. These government-wide statements for the governmental activities begin with the governmental funds financial statements balances and adjust them to incorporate the Council On Aging, Inc.'s capital assets. These adjustments are detailed in the financial statements in the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities. For the most part *the effect of interfund activity has been removed from the government-wide statements.* The Statement of Activities presents financial information in a manner that shows the income and expenses generated by each individual governmental function or activity.

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

General Fund

The general operating fund of the Council accounts for all financial resources, except those required to be accounted for in the special revenue funds.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Special Revenue Funds

The special revenue funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Fund financial statements report major individual governmental funds in a separate column.

The Council on Aging reports the following major governmental funds:

General Fund

The General Fund is the Council on Aging's primary operating fund. The funds are received from local sources, such as the Parish government.

PCOA (Act 735)

The PCOA Program is a general operating program of the Council and accounts for funds received from the State of Louisiana. The funds are appropriated to the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the parish council. The Council may use these "Act 735" funds at its discretion. The PCOA Program is reported as a general fund.

Title III-B-Supportive Services Fund

The Title III-B Supportive Services Fund accounts for the administration of the Special Programs for the Aging. Title III-B funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs. This program provides for access services, in-home services, community services, transportation and legal assistance for the elderly.

Title III-C-1 Congregate Meals Fund

The Title III-C-1 Congregate Meals Fund accounts for the administration of the Special Programs for the Aging. Title III-C-1 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs and are allocated to provide nutritional congregate meals to the elderly in strategically located centers.

Title III-C-2 Home Delivered Meals Fund

The Title III-C-2 Home Delivered Meals Fund accounts for the administration of the Special Programs for the Aging. Title III-C-2 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs and are allocated to provide nutritional meals to home-bound older persons.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Nutritional Services Incentive Program (NSIP)

The Nutritional Services Incentive Program (NSIP) Fund accounts for funds received from the United States Department of Administration on Aging through the Louisiana Governor's Office of Elderly Affairs for the Nutritional Services Incentive Program. The funds are allocated to the Title III-C-1 and Title III-C-2 Funds, as needed, to purchase meals for these programs. The grantor agency has directed that the funds received under the Nutritional Services Incentive Program be reported separately in the financial statements.

The Council on Aging reports the following non-major governmental funds:

Title III-C-1 Area Agency Administration Fund

The Title III-C-1 Area Agency Administration Fund accounts for the administration of the Special Programs for the Aging. Title III-C funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs and are allocated to fund administrative costs associated with the Title III and Senior Center programs.

Senior Center Fund

The Senior Center Fund accounts for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs for distribution to the parish councils on aging. This program provides community service centers at which older persons receive supportive services and participate in activities that foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Audit Fund

The Audit Fund accounts for funds that are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs for distribution to the parish councils on aging. These funds are used to obtain independent audits of annual financial statements.

Title III-E Caregiver Fund

The Title III-E Caregiver Fund accounts for the administration of the Special Programs for the Aging. Title III-E funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs. This program provides for multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Federal Transit Administration Fund

The Federal Transit Administration (FTA) Fund is used to account for the acquisition of vehicles purchased in part with federal funds under various capital assistance programs. The Louisiana Department of Transportation and Development coordinates the receipt and disbursement of the FTA funds and the required matching funds from the Council. There was one vehicle acquired under this program during the fiscal year.

Utilities Help Fund

The Utilities Help Fund accounts for the administration of the Utilities Help Program that is sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on aging to provide assistance to the elderly for the payment of utilities.

Supplemental Senior Center Fund

The Supplemental Senior Center Fund accounts for funds that are received from the State for discretionary purposes. The funds are used throughout each program.

Title III-D Preventive Health

The Title III-D Preventive Health Fund accounts for the administration of the Special Programs for the Aging. Title III-D funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs. This program provides for disease prevention and health promotion activities for the elderly.

Budgetary Practices

The proposed budget for the year ending June 30, 2004, was submitted to and approved by the board of directors on April 16, 2003 and a revised budget was approved on November 19, 2003. The budget, which included proposed expenditures and the means of financing them for all the special revenue funds, except for the Utilities Help Fund and the General Fund, was also submitted to the Louisiana Governor's Office of Elderly Affairs. The Utilities Help Fund and the General Fund are not required to submit a budget because funding is received in the form of individual donations or parish funds. Consequently, the amount of funding is uncertain from year to year.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Budgetary Practices (Continued)

Unobligated grant funds at year end that were received through the Louisiana Governor's Office of Elderly Affairs must be returned to the office. Revenues earned or donated to the Council may be carried into the ensuing year. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparing budgeted and actual revenues and expenditures. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device. The Council does not recognize or record encumbrances in its budget practices. All budgetary appropriations lapse at the end of each fiscal year (June 30).

Generally, the Council may transfer funds between line items as often as required without prior approval from the Governor's Office of Elderly Affairs. However, the Council must obtain prior approval to increase capital outlay. The Council is allowed only a one-time transfer of amounts from one program to another and is never permitted to transfer amounts from services to administration.

Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments for all programs that require budgeting.

Property And Equipment:

Property and equipment are reported in the government-wide financial statements. The cost of property, plant and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight-line method for financial reporting purposes.

Fund Equity:

In the fund financial statements, reserves represent those portions of fund equity not appropriable for expenditures in the following year or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Advance To/From Other Funds

Non-current portions of long-term interfund loans on receivables are reported as advances.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables or payables or due to other funds.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Interfund Activity:

Interfund activity is reported as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.

Cash And Cash Equivalents:

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

Compensated Absences:

Employees of the Council earn from 10 to 24 days of noncumulative vacation leave each year, depending on their length of service and employee status (full-time or part-time). Employees earn up to 15 days of sick leave each year. Sick leave may be accumulated to a maximum of 30 days; however, unused sick leave is forfeited upon termination of employment. At June 30, 2004, the Council has no accumulated benefits relating to leave privileges that require disclosure to conform with accounting principles generally accepted in the United States of America.

Funding Policies And Sources Of Funds

The Council receives its monies through various methods of funding. Most of the funds are received on a grant basis. Under this method, funds are received on a monthly allocation of the total budget (grant). Any funds not used by year end are due back to the granting agency. The following programs are handled in this manner: Title III-B Supportive Services, Title III-C-1 Area Agency Administration, Title III-C-1 Congregate Meals, Title III-C-2 Home Delivered Meals, Title III-D Preventive Health, Title III-E Caregiver, Senior Center, Supplemental Senior Center, Audit and the State of Louisiana Allocations Program (Act 735 of 1979).

The Council received funds under the Nutritional Services Incentive Program (NSIP).

The Council encourages and receives contributions from clients and private entities to help offset the costs of programs. In addition, various fundraisers were held during the year.

The Council also receives funds through a contract with St. Bernard Parish Government.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

2. CASH:

At June 30, 2004, the Council has cash in an interest bearing account (book balances) totaling \$570,718. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2004, the Council has \$614,387 in deposits (collected bank balances). Of the bank balances, \$200,000 was fully secured through federal deposit insurance and \$414,387 was covered by pledged securities held jointly in the name of the Council and the bank.

3. CAPITAL ASSETS:

All capital assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are stated at their estimated fair market value on the date donated.

	Balance <u>7/01/04</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/04</u>
Nutrition equipment	\$ 22,533	\$ --	\$ --	\$ 22,533
Office furniture and equipment	71,253	9,394	1,910	78,737
Recreation equipment	1,826	--	--	1,826
Vans	<u>93,384</u>	<u>32,675</u>	<u>--</u>	<u>126,059</u>
Subtotal	188,996	42,069	1,910	229,155
Accumulated depreciation	<u>161,722</u>	<u>14,065</u>	<u>1,910</u>	<u>173,877</u>
Net Capital Assets	<u>\$ 27,274</u>	<u>\$ 28,004</u>	<u>\$ --</u>	<u>\$ 55,278</u>

Depreciation was charged to governmental activities as follows:

Administration	\$ 232
Transportation	<u>13,833</u>
Total depreciation expense for governmental activities	<u>\$ 14,065</u>

4. INCOME TAX STATUS:

St. Bernard Council on Aging, a nonprofit corporation, is exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

5. ECONOMIC DEPENDENCY:

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. 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 the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

6. FUND BALANCE RESERVES:

Reserve for Low Income, Handicapped, Elderly Persons' Utility Bills

This reserve is established for obligations outstanding for low income, handicapped, elderly persons' utility bills.

A summary of the change in reserve fund balance follows:

	<u>Special Revenue</u>
Reserve - June 30, 2003	\$ 11,625
Collections - June 30, 2004	12,081
Payments - June 30, 2004	<u>(20,384)</u>
Reserve - June 30, 2004	<u>\$ 3,322</u>

7. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

8. TRANSACTION WITH PARISH GOVERNMENT:

Contract Income

The Council on Aging receives funds from a contract with St. Bernard Parish Government. The parish government agrees to provide funds generated from a one mill Senior Citizens Building ad valorem tax to the Council on Aging, in addition to in-kind cost associated with the building, vehicle fuel and maintenance and the salary of one employee. The Council on Aging agrees to provide programs and activities to the senior population in St. Bernard Parish. As of June 30, 2004 the amount of funds collected by the parish government from property taxes was \$292,642.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

8. TRANSACTION WITH PARISH GOVERNMENT: (Continued)

In-Kind Contributions:

The Council received \$100,375 in in-kind contributions from the parish government during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income.

A summary of the in-kind contributions and their respective assigned value are as follows:

Debt collection	\$ 8,103
Professional services	1,560
Equipment purchases	19,682
Insurance – workmen’s compensation, general and hospital	8,817
Utilities	17,110
Vehicle fuel and maintenance	8,408
Stationary	457
Repairs and maintenance building and equipment	14,781
Senior Community Service Project labor and related expenses	<u>21,457</u>
Total	<u>\$ 100,375</u>

St. Bernard Parish Government owns the building in which the Council operates. The Council uses this building rent free.

The Council received additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

9. IRC SECTION 457 DEFERRED COMPENSATION PLAN:

In May, 1998, the Council established an Internal Revenue Code Section 457 deferred compensation plan for its full time employees. Under this plan an eligible employee can elect to have a portion of his/her compensation reduced to have invested for retirement. There is no cost associated with this plan to the Council on Aging and participation is at the option of each full time employee.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

10. NET TRANSFERS:

Operating transfers in and out are listed by fund for 2004:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>					<u>Total In</u>
	<u>Senior Center</u>	<u>NSIP</u>	<u>Supplemental Senior Center</u>	<u>PCOA</u>	<u>Local</u>	
Title III-B- Supportive Services	\$ 46,315	\$ --	\$ --	\$ --	\$ 43,046	\$ 89,361
Title III-C-1	--	10,795	--	--	2,298	13,093
Title III-C-2	--	40,608	3,825	23,125	109,993	177,551
Title III-C Administrative	--	--	--	--	2	2
Title III-D Preventive Health	--	--	--	--	110	110
Title III-E – Caregiver	--	--	--	--	403	403
Audit Fund	--	--	--	--	<u>2,637</u>	<u>2,637</u>
<b>TOTAL OUT</b>	<u>\$ 46,315</u>	<u>\$ 51,403</u>	<u>\$ 3,825</u>	<u>\$ 23,125</u>	<u>\$ 158,489</u>	<u>\$ 283,157</u>

11. COMPENSATION TO BOARD OF DIRECTORS:

St. Bernard Council on Aging Board of Directors did not receive compensation for their services for the fiscal year ending June 30, 2004.

12. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES:

There is no litigation pending against the Council as of year-end. The Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

ST. BERNARD COUNCIL ON AGING, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2004

13. CONTINGENCIES – GRANT PROGRAMS:

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

14. RISK MANAGEMENT:

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

15. PURCHASE COMMITMENTS:

The Council has committed to pay for 20% of the purchase price of one van that St. Bernard Parish Council has contracted with the Louisiana Department of Transportation and Development (DOTD) to buy. The Council has already remitted the required matching funds (\$6,535) for the van as of June 30, 2004. The van is expected to be delivered in fiscal year 2005. When the van is delivered, the Council will be allowed to use it even though the van will be titled in the name of St. Bernard Parish Council.

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - PCOA  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 19,909	\$ 23,125	\$ 23,125	\$ -
Contract Income	-	-	-	-
Public support:				
Miscellaneous	-	-	-	-
Client contributions	-	-	-	-
Interest income	-	-	-	-
In-kind contributions	-	-	-	-
Total revenues	<u>19,909</u>	<u>23,125</u>	<u>23,125</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Travel	-	-	-	-
Meals	-	-	-	-
Capital Outlay	-	-	-	-
Fundraiser	-	-	-	-
Contracted services	-	-	-	-
Operating services	-	-	-	-
In-kind expenses	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>19,909</u>	<u>23,125</u>	<u>23,125</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers out	<u>(19,909)</u>	<u>(23,125)</u>	<u>(23,125)</u>	<u>-</u>
Total other financing sources (uses)	<u>(19,909)</u>	<u>(23,125)</u>	<u>(23,125)</u>	<u>-</u>
Net increase (decrease) in fund balance	-	-	-	-
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - TITLE IIIB SUPPORTIVE SERVICES  
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 101,674	\$ 101,674	\$ 101,674	\$ -
Public support:				
Miscellaneous	-	-	-	-
Client contributions	500	500	488	(12)
Interest income	-	-	-	-
In-kind contributions	-	-	-	-
Total revenues	<u>102,174</u>	<u>102,174</u>	<u>102,162</u>	<u>(12)</u>
<b>EXPENDITURES:</b>				
Personnel	76,708	78,338	77,405	933
Fringe	10,021	10,234	6,158	4,076
Travel	701	659	368	291
Meals	-	-	-	-
Capital Outlay	-	-	-	-
Fundraiser	-	-	-	-
Contracted services	64,927	63,253	62,018	1,235
Operating services	37,328	35,297	40,290	(4,993)
Operating supplies	5,759	5,600	4,897	703
Miscellaneous	-	-	387	(387)
In-kind expenses	-	-	-	-
Total expenditures	<u>195,444</u>	<u>193,381</u>	<u>191,523</u>	<u>1,858</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(93,270)</u>	<u>(91,207)</u>	<u>(89,361)</u>	<u>1,846</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	<u>93,270</u>	<u>91,207</u>	<u>89,361</u>	<u>(1,846)</u>
Total other financing sources (uses)	<u>93,270</u>	<u>91,207</u>	<u>89,361</u>	<u>(1,846)</u>
Net increase (decrease) in fund balance	-	-	-	-
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - TITLE IIIC-1 CONGREGATE MEALS  
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 51,205	\$ 51,205	\$ 51,205	\$ -
Public support:				
Miscellaneous	-	-	-	-
Client contributions	16,000	16,000	14,773	(1,227)
Interest income	-	-	-	-
In-kind contributions	-	-	-	-
Total revenues	<u>67,205</u>	<u>67,205</u>	<u>65,978</u>	<u>(1,227)</u>
<b>EXPENDITURES:</b>				
Personnel	26,187	24,716	24,537	179
Fringe	3,421	3,229	1,919	1,310
Travel	315	294	122	172
Meals	45,278	45,215	41,619	-
Capital Outlay	-	-	-	-
Fundraiser	-	-	-	-
Contracted services	5,215	5,246	6,915	(1,669)
Operating services	3,998	3,808	3,847	(39)
Operating supplies	-	-	112	(112)
Miscellaneous	-	-	-	-
In-kind expenses	-	-	-	-
Total expenditures	<u>84,414</u>	<u>82,508</u>	<u>79,071</u>	<u>3,437</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(17,209)</u>	<u>(15,303)</u>	<u>(13,093)</u>	<u>2,210</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	<u>17,209</u>	<u>15,303</u>	<u>13,093</u>	<u>(2,210)</u>
Total other financing sources (uses)	<u>17,209</u>	<u>15,303</u>	<u>13,093</u>	<u>(2,210)</u>
Net increase (decrease) in fund balance	-	-	-	-
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - TITLE IIIC-2 HOME DELIVERED MEALS  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 96,192	\$ 96,192	\$ 96,192	\$ -
Public support:				
Miscellaneous	700	700		(700)
Client contributions	32,000	32,000	26,019	(5,981)
Interest income	-	-	-	-
In-kind contributions	-	-	-	-
Total revenues	<u>128,892</u>	<u>128,892</u>	<u>122,211</u>	<u>(6,681)</u>
<b>EXPENDITURES:</b>				
Personnel	107,894	102,213	100,121	2,092
Fringe	14,095	13,353	7,838	5,515
Travel	12,497	12,563	11,855	708
Meals	170,349	170,104	159,667	-
Capital Outlay	-	-	-	-
Fundraiser	-	-	-	-
Contracted services	10,727	10,819	17,743	(6,924)
Operating services	4,025	2,858	2,111	747
Operating supplies	-	-	427	(427)
Miscellaneous	-	-	-	-
In-kind expenses	-	-	-	-
Total expenditures	<u>319,587</u>	<u>311,910</u>	<u>299,762</u>	<u>12,148</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(190,695)</u>	<u>(183,018)</u>	<u>(177,551)</u>	<u>5,467</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	<u>190,695</u>	<u>183,018</u>	<u>177,551</u>	<u>(5,467)</u>
Total other financing sources (uses)	<u>190,695</u>	<u>183,018</u>	<u>177,551</u>	<u>(5,467)</u>
Net increase (decrease) in fund balance	-	-	-	-
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - NUTRITIONAL SERVICES INCENTIVE PROGRAM  
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 55,500	\$ 51,500	\$ 51,403	\$ (97)
Public support:				
Miscellaneous	-	-	-	-
Client contributions	-	-	-	-
Interest income	-	-	-	-
In-kind contributions	-	-	-	-
Total revenues	<u>55,500</u>	<u>51,500</u>	<u>51,403</u>	<u>(97)</u>
<b>EXPENDITURES:</b>				
Personnel	-	-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Meals	-	-	-	-
Capital Outlay	-	-	-	-
Fundraiser	-	-	-	-
Contracted services	-	-	-	-
Operating services	-	-	-	-
Operating supplies	-	-	-	-
Miscellaneous	-	-	-	-
In-kind expenses	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>55,500</u>	<u>51,500</u>	<u>51,403</u>	<u>(97)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers out	<u>(55,500)</u>	<u>(51,500)</u>	<u>(51,403)</u>	<u>97</u>
Total other financing sources (uses)	<u>(55,500)</u>	<u>(51,500)</u>	<u>(51,403)</u>	<u>97</u>
Net increase (decrease) in fund balance	-	-	-	-
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004

	Title III- C Administrative Services	Senior Center	Audit
<b>REVENUES:</b>			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 24,839	\$ 46,315	\$ 2,113
Public support:			
Miscellaneous	-	-	-
Utility Assistance - Entergy	-	-	-
Utility Assistance - LACOA	-	-	-
Client Contributions	-	-	-
Interest income	-	-	-
Total revenues	<u>24,839</u>	<u>46,315</u>	<u>2,113</u>
<b>EXPENDITURES:</b>			
Current			
Personnel	15,274	-	-
Fringe	1,184	-	-
Travel	231	-	-
Meals	-	-	-
Capital Outlay	-	-	-
Fundraiser	-	-	-
Contracted services	-	-	4,750
Operating services	7,349	-	-
Operating supplies	557	-	-
Utility Assistance	-	-	-
Miscellaneous	246	-	-
Total expenditures	<u>24,841</u>	<u>-</u>	<u>4,750</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(2)</u>	<u>46,315</u>	<u>(2,637)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	2	-	2,637
Operating transfers out	-	(46,315)	-
Total other financing sources (uses)	<u>2</u>	<u>(46,315)</u>	<u>2,637</u>
Net increase (decrease) in fund balance	-	-	-
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>Title III -E Caregiver</u>	<u>Federal Transit Administration</u>	<u>Utilities Help Grant</u>	<u>Supplemental Senior Center</u>	<u>Title III-D Preventive Health</u>	<u>Total</u>
\$ 29,356	\$ 26,140	\$ -	\$ 3,825	\$ 4,054	\$ 136,642
-	-	-	-	-	-
-	-	10,581	-	-	10,581
-	-	1,500	-	-	1,500
45	-	-	-	-	45
-	-	-	-	-	-
<u>29,401</u>	<u>26,140</u>	<u>12,081</u>	<u>3,825</u>	<u>4,054</u>	<u>148,768</u>
6,573	-	-	-	757	22,604
517	-	-	-	59	1,760
133	-	-	-	58	422
-	-	-	-	-	-
-	26,140	-	-	-	26,140
-	-	-	-	-	-
15,985	-	-	-	2,885	23,620
6,455	-	-	-	365	14,169
95	-	-	-	28	680
-	-	20,384	-	-	20,384
46	-	-	-	12	304
<u>29,804</u>	<u>26,140</u>	<u>20,384</u>	<u>-</u>	<u>4,164</u>	<u>110,083</u>
<u>(403)</u>	<u>-</u>	<u>(8,303)</u>	<u>3,825</u>	<u>(110)</u>	<u>38,685</u>
403	-	-	-	110	3,152
-	-	-	(3,825)	-	(50,140)
<u>403</u>	<u>-</u>	<u>-</u>	<u>(3,825)</u>	<u>110</u>	<u>(46,988)</u>
-	-	(8,303)	-	-	(8,303)
-	-	11,625	-	-	11,625
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,322</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,322</u>

ST. BERNARD COUNCIL ON AGING, INC.  
 SUPPLEMENTARY INFORMATION  
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS AND  
 CHANGES IN GENERAL FIXED ASSETS  
FOR THE YEAR ENDED JUNE 30, 2004

	Audit Balance 6/30/2003	Additions	Deletions	Audit Balance 6/30/2004	State Property Regulation Deletions	State Inventory Balance 6/30/2004
<b>GENERAL FIXED ASSETS,</b>						
<b>AT COST:</b>						
Nutrition equipment	\$ 22,533	\$ -	\$ -	\$ 22,533	\$ 20,533	\$ 2,000
Office furniture and equipment	71,253	9,394	1,910	78,737	38,562	40,175
Recreation equipment	1,826	-	-	1,826	1,826	-
Vans	<u>93,384</u>	<u>32,675</u>	<u>-</u>	<u>126,059</u>	<u>-</u>	<u>126,059</u>
Total general fixed assets	<u>\$ 188,996</u>	<u>\$ 42,069</u>	<u>\$ 1,910</u>	<u>\$ 229,155</u>	<u>\$ 60,921</u>	<u>\$ 168,234</u>
<b>INVESTMENT IN GENERAL FIXED ASSETS:</b>						
Property acquired prior to 7/1/86 *	\$ 9,891	\$ -	\$ -	\$ 9,891	\$ 9,891	\$ -
Property acquired after 7/1/86 with funds from:						
FTA	93,384	32,675	-	126,059	-	126,059
Title III C-1	1,329	-	-	1,329	605	724
Title III C-2	2,529	-	-	2,529	510	2,019
Senior Center	342	-	-	342	342	-
PCOA	5,081	-	1,910	3,171	3,171	-
Title III B	2,038	-	-	2,038	864	1,174
Title III C Administration	1,248	-	-	1,248	224	1,024
Title III D	53	-	-	53	3	50
Special and Donations	8,010	-	-	8,010	2,970	5,040
General	<u>65,091</u>	<u>9,394</u>	<u>-</u>	<u>74,485</u>	<u>42,341</u>	<u>32,144</u>
Total investments in general fixed assets	<u>\$ 188,996</u>	<u>\$ 42,069</u>	<u>\$ 1,910</u>	<u>\$ 229,155</u>	<u>\$ 60,921</u>	<u>\$ 168,234</u>

\* Records reflecting sources from which assets were acquired were not maintained prior to 7/1/86.



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

September 8, 2004

St. Bernard Council on Aging, Inc.  
Chalmette, Louisiana

We have audited the general purpose financial statements of St. Bernard Council on Aging, Inc., as of and for the year ended June 30, 2004, and have issued our report thereon dated September 8, 2004. 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.

Compliance

As part of obtaining reasonable assurance about whether St. Bernard Council on Aging, Inc.'s general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered St. Bernard Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors of St. Bernard Council on Aging, management and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specified. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Hrapmann, Hogan & Maher, LLP*

ST. BERNARD COUNCIL ON AGING, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004

SUMMARY OF AUDITOR'S RESULTS:

1. The auditor's report expresses an unqualified opinion on the financial statements of the St. Bernard Council on Aging, Inc..
2. No reportable conditions relating to the audit of the general purpose financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.
3. No instances of noncompliance material to the general purpose financial statements of the St. Bernard Council on Aging, Inc. were disclosed during the audit.

FINDINGS - FINANCIAL STATEMENTS AUDIT:

There were no findings that are required to be reported in this section of the report.

MANAGEMENT LETTER:

There was no management letter issued with this report

PRIOR YEAR COMMENTS:

There were no comments from prior year's audit.



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September 8, 2004

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**SCHEDULES AND DATA COLLECTION FORM**  
**SECTION 1: SUMMARY OF AUDITOR'S REPORT**

A. FINANCIAL STATEMENT AUDIT OPINION:

We have audited the financial statements of St. Bernard Council on Aging, Inc. as of and for the year ended June 30, 2004 and have issued our report thereon dated September 8, 2004. 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 audit of the financial statements as of June 30, 2004 resulted in an unqualified opinion.

B. REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING:

Internal Control:

Material weaknesses – none noted  
Reportable conditions – none noted

Compliance:

Noncompliance material to financial statements - none noted

C. FEDERAL AWARDS:

N/A

SECTION 2: FINANCIAL STATEMENT FINDINGS

A. CURRENT YEAR FINDINGS:

None

B. PRIOR YEAR FINDINGS (OTHER MATTERS):

None