

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.

*Financial Statements
For the Year Ended June 30, 2011*



THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2011

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THE MADISON VOLUNTARY COUNCIL ON THE AGING, INC.
TALLULAH, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2011

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Madison Voluntary Council on Aging, Inc.
Tallulah, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of The Madison Voluntary Council on Aging, Inc., as of and for the year ended June 30, 2011, which collectively comprise the basic financial statements of the Council as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for The Madison Voluntary Council on Aging, Inc., as of June 30, 2011, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1D to the financial statements, the Council has adopted the provisions of Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year ending June 30, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2011, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Directors
The Madison Voluntary Council on Aging, Inc.
Tallulah, Louisiana
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Accounting principles generally accepted in the United States of America require the management's discussion and analysis and budgetary comparison information on pages 3 through 5 and 20 through 24, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the basic financial statements of The Madison Voluntary Council on Aging, Inc. taken as a whole. The supplemental information schedules required by GOEA are presented for purposes of additional analysis and are not a required part of the financial statements. The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
December 27, 2011

THE MADISON VOLUNTARY COUNCIL ON AGING

203 Elm Street
Tallulah, LA 71282

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Madison Voluntary Council on Aging provides an overview of the Council's activities for the year ended June 30, 2011. Please read it in conjunction with the Council's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Council as a whole.

Reporting the Council as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Council's net assets and changes in them. The Council's net assets – the difference between assets and liabilities – measure the Council's financial position. The increase or decrease in the Council's net assets are an indicator of whether its financial position is improving or deteriorating.

THE COUNCIL AS A WHOLE

For the years ended June 30, 2011 and 2010:

Beginning net assets	\$ 46,457	\$ 17,900
Increase in net assets	<u>8,676</u>	<u>28,557</u>
Ending net assets	<u>\$ 55,133</u>	<u>\$ 46,457</u>

THE COUNCIL'S FUNDS

The following schedule presents a summary of revenues and expenses for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	06/30/11	Percent of Total	Increase (Decrease) From 06/30/10	Percent Increase (Decrease)
Intergovernmental	301,677	88%	236,077	360%
Public Support	40,027	12%	40,027	100%
Totals	341,704	100%	276,104	460%

Revenues	06/30/10	Percent of Total	Increase (Decrease) From 06/30/09	Percent Increase (Decrease)
Intergovernmental	65,600	100%	45,934	234%
Public Support	0	0%	0	0%
Totals	65,600	100%	45,934	234%

Revenues for the Council for the year ending June 30, 2011 increased due to obtaining control of Title III funds previously maintained by North Delta.

Revenues for the Council for the year ending June 30, 2010 increased due to the increased activity of the Council.

The Council first received funding during June 30, 2009.

Expenses	06/30/11	Percent of Total	Increase (Decrease) From 06/30/10	Percent Increase (Decrease)
Totals	333,028	100%	295,985	799%

Expenses	06/30/10	Percent of Total	Increase (Decrease) From 06/30/09	Percent Increase (Decrease)
Totals	37,043	100%	35,277	1998%

The Council's expenses for the year ending June 30, 2011 increased due to obtaining control of Title III funds previously maintained by North Delta.

The Council's expenses for the year ending June 30, 2010 increased due to the increased activity of the Council.

The Council received the first funds for which to spend late in the year ending June 30, 2009.

BUDGETARY HIGHLIGHTS

The Council's total revenues in fiscal year 2011 were more than the final budget by \$53,995. Actual expenses for the Council were over the final budget by \$13,109. The General Fund is not budgeted but used in support of other programs.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of June 30, 2011 and 2010, the Council had \$87,689 and \$92,619 invested in capital assets (net of accumulated depreciation) including buildings and improvements, furniture and fixtures, equipment and vehicles.

	06/30/11	06/30/10
Building	47,300	47,300
Improvements	24,687	24,687
Portable Building	3,105	3,105
Furniture & Equipment	20,791	18,269
	<u>95,883</u>	<u>93,361</u>
Accumulated Depreciation	(8,194)	(742)
Total	<u>87,689</u>	<u>92,619</u>

The Council purchased a pool table and a shuffle board. There are no equipment disposals for the current year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND REVENUES

The Council's revenues are derived mainly from three sources, 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 Council. In the year ending June 30, 2012, the Council does anticipate an increase in revenues due to a property tax that as passed in October 2011.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have any questions concerning this report or need additional financial information, contact the Madison Voluntary Council on Aging, 203 Elm Street, Tallulah, LA 71282

Mike Rome
Director

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2011

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ -
Accounts Receivable	61,353
Utility Deposits	400
Capital Assets:	
Non-Depreciable	-
Depreciable	87,689
	87,689
<u>TOTAL ASSETS</u>	\$ 149,442
<u>LIABILITIES</u>	
Bank Overdraft	\$ 11,668
Accounts Payable	8,262
Accrued Expenses	8,565
Non-Current Liabilities	
Due Within One Year	
Notes Payable	15,496
Compensated Absences	4,102
Due in More Than One Year	
Notes Payable	46,216
	46,216
Total Liabilities	94,309
<u>NET ASSETS</u>	
Invested in Capital Assets, Net of Related Debt	39,392
Unrestricted, Unreserved	15,741
	15,741
Total Net Assets	55,133
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 149,442

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Direct</u> <u>Expenses</u>	<u>Indirect</u> <u>Expenses</u>
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 46,087	\$ 12,135
Information and Assistance	1,155	1,372
Outreach	234	482
Transportation	6,492	13,132
Other Services	22,737	11,858
Nutrition Services:		
Congregate Meals	51,373	25,560
Home Delivered Meals	56,729	46,865
Utility Assistance	1,489	-
Disease Prevention and Health Promotion	1,911	1,025
National Family Caregiver Support	1,446	1,135
Senior Activities	2,637	318
MIPPA	2,674	-
Administration	24,182	-
	<u>219,146</u>	<u>113,882</u>
Total Governmental Activities	<u>\$ 219,146</u>	<u>\$ 113,882</u>

Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets Governmental Activities
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ -	\$ 35,945	\$ -	\$ (22,277)
-	1,560	-	(967)
-	442	-	(274)
-	12,115	-	(7,509)
-	21,358	-	(13,237)
-	70,743	-	(6,190)
-	92,657	-	(10,937)
-	2,154	-	665
-	2,936	-	-
-	2,581	-	-
-	-	-	(2,955)
-	2,674	-	-
-	19,939	-	(4,243)
<u>\$ -</u>	<u>\$ 265,104</u>	<u>\$ -</u>	<u>\$ (67,924)</u>

General Revenues:

Grants and Contributions not Restricted to Specific Programs	76,600
Miscellaneous	-
Total General Revenues	<u>76,600</u>
Changes in Net Assets	8,676
Net Assets - Beginning (Restated)	<u>46,457</u>
Net Assets - Ending	<u>\$ 55,133</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.

TALULALAI, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2011

	<u>General Fund</u>	<u>Title IIB Supportive Services</u>	<u>Title C1 Congregate Meals</u>	<u>Title C2 Home-Delivered Meals</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	545	21,730	11,081	24,789
Utility Deposits	400	-	-	-
Due From Other Funds	52,426	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 53,371</u>	<u>\$ 21,730</u>	<u>\$ 11,081</u>	<u>\$ 24,789</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Bank Overdraft	\$ 11,668	\$ -	\$ -	\$ -
Accounts Payable	-	-	3,204	4,353
Other Accrued Expenses	8,565	-	-	-
Due To Other Funds	545	21,730	7,877	20,436
Total Liabilities	<u>20,778</u>	<u>21,730</u>	<u>11,081</u>	<u>24,789</u>
<u>FUND BALANCE</u>				
Fund Balance				
Restricted for:				
Utilities Assistance	-	-	-	-
Unassigned	32,593	-	-	-
Total Fund Balance	<u>32,593</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 53,371</u>	<u>\$ 21,730</u>	<u>\$ 11,081</u>	<u>\$ 24,789</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET ASSETS OF
GOVERNMENTAL FUNDS
JUNE 30, 2011

<u>Nonmajor</u>	<u>Total</u>		
<u>Governmental</u>	<u>Governmental</u>		
<u>Funds</u>	<u>Funds</u>		
		Total Governmental Fund Balances	\$ 33,258
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ -	\$ -		
3,208	61,353		
-	400		
<u>836</u>	<u>53,262</u>	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	87,689
<u>\$ 4,044</u>	<u>\$ 115,015</u>		
		Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(4,102)
\$ -	\$ 11,668	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(61,712)</u>
705	8,262		
-	8,565		
<u>2,674</u>	<u>53,262</u>		
<u>3,379</u>	<u>81,757</u>	Net Assets of Governmental Activities	<u>\$ 55,133</u>
665	665		
-	32,593		
<u>665</u>	<u>33,258</u>		
<u>\$ 4,044</u>	<u>\$ 115,015</u>		

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC
TALLULAH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C1 Congregate Meals</u>	<u>Title C2 Home-Delivered Meals</u>
<u>REVENUES</u>				
Intergovernmental	\$ 77,145	\$ 70,695	\$ 55,977	\$ 89,669
Property Taxes	-	-	-	-
Public Support	19,394	725	14,766	2,988
Rental Income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>96,539</u>	<u>71,420</u>	<u>70,743</u>	<u>92,657</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	2,294	68,489	22,958	24,569
Fringe	204	5,741	1,696	1,454
Travel	410	3,487	1,202	2,418
Operating Services	1,067	18,929	10,585	18,729
Operating Supplies	2,891	19,038	2,795	5,370
Other Costs	4,976	-	37,697	51,054
Capital Outlay	2,522	-	-	-
Principal Payments	1,703	-	-	-
Interest Payments	3,741	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	<u>19,808</u>	<u>115,684</u>	<u>76,933</u>	<u>103,594</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	76,731	(44,264)	(6,190)	(10,937)
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds from Notes Payable	13,415	-	-	-
Operating Transfers - In	-	44,264	6,190	10,937
Operating Transfers - Out	(61,391)	-	-	-
Total Other Financing Sources (Uses)	<u>(47,976)</u>	<u>44,264</u>	<u>6,190</u>	<u>10,937</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	28,755	-	-	-
<u>FUND BALANCE AT BEGINNING OF YEAR (RESTATED)</u>	<u>3,838</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 32,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

Nonmajor Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$ 29,420
\$ 8,191	\$ 301,677		
-	-	<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
2,154	40,027	Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
-	-	Capital asset purchases capitalized	2,522
-	-	Depreciation expense	<u>(7,452)</u>
<u>10,345</u>	<u>341,704</u>		<u>(4,930)</u>
3,481	121,791	The issuance of long-term debt provides current financial resources to government funds, but the repayment reduces long-term liabilities in the statements of net assets.	(13,415)
254	9,349		
105	7,622	Repayment of debt principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	1,703
1,357	50,667		
2,289	32,383	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	<u>(4,102)</u>
705	94,432		
-	2,522	Change in Net Assets in Governmental Activities	<u>\$ 8,676</u>
-	1,703		
-	3,741		
1,489	1,489		
<u>9,680</u>	<u>325,699</u>		
665	16,005		
-	13,415		
-	61,391		
-	(61,391)		
<u>-</u>	<u>13,415</u>		
665	29,420		
-	3,838		
<u>\$ 665</u>	<u>\$ 33,258</u>		

The accompanying notes are an integral part of this financial statement

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1- Summary of Significant Accounting Policies

The financial statements of The Madison Voluntary Council on Aging, Inc. have been prepared in accordance 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. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governments*, 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*. The more significant to the Council's accounting policies are described below.

A. Reporting Entity

In 1964, the State of Louisiana passed Act 456 that authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Madison Voluntary Council on Aging, Inc. is a non-profit, quasi-public, corporation which 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 also receives revenues from other federal, state, and local government agencies that may impose certain restrictions upon how the Council can use the money that they have provided.

The primary function of The Madison Voluntary Council on Aging, Inc. is to improve the quality of life for the parish's elderly and 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, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 13 voluntary members who serve three-year terms governs the Council.

The Council is not a component unit of another primary government nor does it have any component units that are related to it. Therefore, the Council has presented its financial statements as a separate special purpose government.

B. Financial Reporting

The Council follows the provisions of the Governmental Accounting Standards Board Statement, Nos. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (Statement 34), 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* (Statement 37), and 38, *Certain Financial Statement Note Disclosures* (Statement 38), which establish the financial reporting standards for all state and local governmental entities.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

The accompanying government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions of behalf of the Council. The Council accounts for its funds as governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Office of Elderly Affairs Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most of the Council's special revenue funds are provided by GOEA.

The Council reports the following major governmental funds:

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. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. The following types of programs comprise the Council's General Fund:

Local Funds

Local funds are received from various local sources; such funds not being restricted to any special use.

PCOA (ACT 735) Funds

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Senior Center Fund

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.

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. The Madison Voluntary Council On Aging, Inc. was one of the parish councils to receive a supplemental grant.

Audit Funds

These funds are used to offset the cost of the annual audit.

Title III-B Supportive Services Fund

This program provides access services, in-home services, community services, legal assistance and transportation for the elderly.

Title III C-1 Congregate Meals Fund

These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

These funds are used to provide nutritional meals to home-bound older persons.

Nutritional Services Incentive Program (NSIP)

The NSIP program (formerly USDA) is used to account for the administration of Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that the United States food and commodities may be purchased to supplement these programs. NSIP funds are included in the revenue for Title III C-1 Congregate Meals and Title III C-2 Home Delivered Meals at \$17.816 and \$1.866, respectively.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1- Summary of Significant Accounting Policies (continued)

C. Financial Reporting (continued)

The remaining nonmajor funds are as follows:

Title III-D Disease Prevention and Health Promotion Services

This program provides funds to develop or strengthen preventive health service and health promotion systems through designated agencies.

Title III-E National Family Caregiver Support

To assist in providing multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers

Utility Assistance Fund

The Utility Assistance fund is used to account for the administration of programs that are 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 their utility bills.

MIPPA

This program provides funds to make elderly aware of Medicare Part D and assist them in signing up.

C. Funding Policies and Sources of Funds

The Council receives its monies through various methods of funding. NSIP program funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food cost in Title III C-1 and C-2 programs. This program is funded under the units of service provided method. The Senior Center program and State Allocation (PCOA) and Supplemental Senior Center funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, D and E programs are funded based on actual operating cost incurred.

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Council on Aging to the Council under the Helping Hands and Heating Help Energy programs. All of the above mentioned funds, including any other miscellaneous income, are recorded as revenue when the cash is received because the Council cannot predict the timing and amount of receipt.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1- Summary of Significant Accounting Policies (continued)

D. Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Council’s board of directors – the Council’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the board of directors remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Council’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Council’s board of directors and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted not committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the council’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

The provisions of GASB Statement No. 54 were adopted in the current year.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1 - Summary of Significant Accounting Policies (continued)

E. Compensated Absences

Employees of The Madison Voluntary Council On Aging, Inc. earn up to 12 days of annual leave each year with 10 days allowed to be carried over to the next year, depending on the employee's working status (full-time or part-time). Employees are compensated upon termination of employment for accrued annual leave.

F. 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 could differ from those estimates.

Note 2 - Cash and Certificates of Deposit

Custodial Credit Risk - Deposits

The custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council's policy to ensure there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Council had no custodial risk related to its deposits at June 30, 2011.

At June 30, 2011, the Council has cash and cash equivalents (book balances net of overdrafts) resulting in an overdraft of \$11,668.

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.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable by both parties. The following is a schedule of the Council's cash and certificates of deposit at June 30, 2011. Differences between Council balances and the bank balances arise because of the net effect of deposits in transit and outstanding checks.

	<u>Council Balances</u>	<u>Bank Balances</u>
Cash on Deposit	\$ (11,668)	\$ (268)

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 2 - Cash and Certificates of Deposit (continued)

The Council's deposits are collateralized in full by the FDIC in the amount of \$60.

Note 3 - Fixed Assets

Fixed asset activity for the year ended June 30, 2011 is as follows:

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
Assets:				
Building	\$ 47,300	\$ -	\$ -	\$ 47,300
Improvements	24,687	-	-	24,687
Portable Building	3,105	-	-	3,105
Vehicles	-	-	-	-
Furniture & Fixtures	<u>18,269</u>	<u>2,522</u>	-	<u>20,791</u>
Totals at Historical Cost	93,361	2,522	-	95,883
Less Accumulated Depreciation				
For:				
Building	(690)	(1,183)	-	(1,873)
Improvements	-	(1,709)	-	(1,709)
Portable Building	(52)	(621)	-	(673)
Vehicles	-	-	-	-
Furniture & Fixtures	<u>-</u>	<u>(3,939)</u>	<u>-</u>	<u>(3,939)</u>
Total Accumulated Depreciation	<u>(742)</u>	<u>(7,452)</u>	<u>-</u>	<u>(8,194)</u>
Fixed Assets, Net	\$ 92,619	\$(4,930)	\$ -	\$ 87,689

Depreciation was charged to Administration activities of the Council for \$7,452.

Note 4- Long-Term Debt

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Notes Payable:					
Building	\$ 50,000	\$ -	\$ 1,703	\$ 48,297	\$ 2,081
North Delta	-	10,915	-	10,915	10,915
Madison Parish Policy Jury	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Total Notes Payable	50,000	13,415	1,703	61,712	15,496
Other Liabilities:					
Accrued Vacation	<u>-</u>	<u>4,102</u>	<u>-</u>	<u>4,102</u>	<u>4,102</u>
Total Long-Term Debt	\$ 50,000	\$ 17,517	\$ 1,703	\$ 65,814	\$19,598

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 4- Long-Term Debt (continued)

The first note is for the acquisition of the council building and lot which are pledged as collateral. The principal portion of the note was \$50,000 with an interest rate of 6.75% per year. Payments of \$5,444 are made annually for 4 years beginning December 2010 with the remaining amount due December 2014.

The loan from North Delta Regional Planning and Development was for operating expenses. It is to be paid back in two semi-annual payments with no interest due

The final note is from the Madison Parish Police Jury for operating purposes and has been subsequently paid back.

Principal and interest requirements to retire the Council's notes payable obligations are as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 15,496	\$ 3,363
2013	2,226	3,218
2014	2,380	3,063
2015	<u>41,610</u>	<u>2,897</u>
Total	\$ 61,712	\$ 12,541

Interest charged to expenditures for the year ended June 30, 2011 was \$3,741.

Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

Note 5 - Receivables

Accounts receivable at June 30, 2011, consists of funding due from North Delta of \$61,353 for the various programs.

Note 6 - In-Kind Contributions

The Council received various in-kind contributions during the year. These in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded. The primary in-kind contributions consisted of free rent and utilities for the senior center and meal sites, and wages and fringe benefits for volunteer workers.

Note 7 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 8 - Income Tax Status

The Council is a corporation that is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

Note 9 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2011, nor is the Council aware of any unasserted claims.

Note 10- Risk Management

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; 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. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 11 -Federal Award Programs

The Council receives revenues from various federal and state grant programs that are subject to final review and approval as to the allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendment of 1996* and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Institutions*. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

Note 12 -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.

Note 13 -Subsequent Events

Subsequent events have been evaluated through December 27, 2011, which the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 14-Prior Period Restatement

During the year ending June 30, 2010, \$3,185 was recorded as spent for capital outlay from PCOA funds. This amount was restated to be an expenditure of Senior Center funds. The beginning fund balances as shown on the General Funds Combining Schedule of Revenues, Expenditures and Changes in Fund Balances have been changed to reflect this restatement as well as the beginning general fixed assets amounts as shown on the Schedule of General Fixed Assets.

Note 15-Interfund Transfers

Operating transfers in and out are listed by fund for 2011:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>				<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>General Fund</u>	<u>Senior Center</u>	<u>PCOA</u>	
Title IIIB - Supportive Service	\$ 3,100	\$ -	\$22,045	\$ 19,119	\$ 44,264
Title III C-1	-	109	-	6,081	6,190
Title III C-2	-	-	-	<u>10,937</u>	<u>10,937</u>
Total Out	\$ 3,100	\$ 109	\$22,045	\$ 36,137	\$ 61,391

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over Over (Under)</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 25,545	\$ 51,600	\$ 77,145	\$ 25,545
Public Support	-	-	19,394	19,394
Miscellaneous	-	-	-	-
Total Revenues	<u>25,545</u>	<u>51,600</u>	<u>96,539</u>	<u>44,939</u>
<u>Expenditures</u>				
Salaries	-	3,105	2,294	811
Fringe	-	286	204	82
Travel	-	78	410	(332)
Operating Services	-	1,228	1,067	161
Operating Supplies	-	160	2,891	(2,731)
Other Costs	-	-	4,976	(4,976)
Capital Outlay	-	-	2,522	(2,522)
Principal Payments	-	-	1,703	(1,703)
Interest Payments	-	-	3,741	(3,741)
Total Expenditures	<u>-</u>	<u>-</u>	<u>19,808</u>	<u>(14,951)</u>
<u>Excess of Revenues</u>				
Over Expenditures	25,545	51,600	76,731	29,988
<u>Other Financing Sources (Uses)</u>				
Proceeds from Notes Payable	-	-	13,415	-
Transfers In	-	-	-	-
Transfers Out	-	-	(61,391)	(61,391)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(47,976)</u>	<u>(61,391)</u>
<u>Net Change in Fund Balance</u>	25,545	51,600	28,755	(31,403)
<u>Fund Balance at Beginning of Year</u>	<u>3,838</u>	<u>3,838</u>	<u>3,838</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 29,383</u>	<u>\$ 55,438</u>	<u>\$ 32,593</u>	<u>\$ (31,403)</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE IIIB - SUPPORTIVE SERVICES
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 70,810	\$ 70,696	\$ 70,695	\$ (1)
Public Support	-	950	725	(225)
Total Revenues	70,810	71,646	71,420	(226)
<u>Expenditures</u>				
Salaries	-	65,565	68,489	(2,924)
Fringe	-	6,036	5,741	295
Travel	-	3,668	3,487	181
Operating Services	-	21,910	18,929	2,981
Operating Supplies	-	17,306	19,038	(1,732)
Other Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	114,485	115,684	(1,199)
<u>Excess (Deficiency) of Revenues</u>				
Over Expenditures	70,810	(42,839)	(44,264)	(1,425)
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	(70,810)	42,839	44,264	1,425
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE C1 - CONGREGATE MEALS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 43,616	\$ 38,532	\$ 55,977	\$ 17,445
Public Support	-	15,000	14,766	(234)
Total Revenues	<u>43,616</u>	<u>53,532</u>	<u>70,743</u>	<u>17,211</u>
<u>Expenditures</u>				
Salaries	-	22,780	22,958	(178)
Fringe	-	2,097	1,696	401
Travel	-	1,224	1,202	22
Operating Services	-	10,835	10,585	250
Operating Supplies	-	2,951	2,795	156
Other Costs	-	27,870	37,697	(9,827)
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>67,757</u>	<u>76,933</u>	<u>(9,176)</u>
<u>Excess (Deficiency) of Revenues</u>				
Over Expenditures	43,616	(14,225)	(6,190)	8,035
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(43,616)</u>	<u>14,225</u>	<u>6,190</u>	<u>(8,035)</u>
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE C2 - HOME-DELIVERED MEALS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 86,106	\$ 97,536	\$ 89,669	\$ (7,867)
Public Support	-	3,050	2,988	(62)
Total Revenues	<u>86,106</u>	<u>100,586</u>	<u>92,657</u>	<u>(7,929)</u>
<u>Expenditures</u>				
Salaries	-	21,468	24,569	(3,101)
Fringe	-	1,976	1,454	522
Travel	-	2,892	2,418	474
Operating Services	-	18,921	18,729	192
Operating Supplies	-	5,524	5,370	154
Other Costs	-	65,030	51,054	13,976
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>115,811</u>	<u>103,594</u>	<u>12,217</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	86,106	(15,225)	(10,937)	4,288
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>(86,106)</u>	<u>15,225</u>	<u>10,937</u>	<u>(4,288)</u>
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2011

The Council follows these procedures in establishing the budgetary data reflected in these financial statements:

The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for each program's grant award.

The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.

The Board of Directors reviews and adopts the budget before June 30th of the current year for the next year.

The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.

All budgetary appropriations lapse at the end of each fiscal year (June 30).

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of 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 may transfer funds between line items as often as required, but must obtain prior approval for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

Amounts were not budgeted for revenues and expenses for the utility assistance fund because they were not legally required and the amount of revenues to be received under this program could not be determined.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2011

	Programs of the General Fund					Total General Fund
	Local	PCOA (Act 735)	Senior Center	Supplemental Senior Center	Audit Funds	
<u>ASSETS</u>						
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Certificate of Deposit	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	545	545
Utility Deposits	400	-	-	-	-	400
Due From Other Funds	52,426	-	-	-	-	52,426
<u>TOTAL ASSETS</u>	<u>\$ 52,826</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 545</u>	<u>\$ 53,371</u>
<u>LIABILITIES AND FUND BALANCE</u>						
<u>LIABILITIES</u>						
Bank Overdraft	\$ 11,668	\$ -	\$ -	\$ -	\$ -	\$ 11,668
Accounts Payable	-	-	-	-	-	-
Other Accrued Expenses	8,565	-	-	-	-	8,565
Due To Other Funds	-	-	-	-	545	545
Total Current Liabilities	<u>20,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>545</u>	<u>20,778</u>
<u>FUND BALANCE</u>						
Unassigned	32,593	-	-	-	-	32,593
Total Fund Balance	<u>32,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,593</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 52,826</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 545</u>	<u>\$ 53,371</u>

THE MADISON VOLUNTARY COUNCIL ON THE AGING, INC.
TALLULAH, LOUISIANA

GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2011

	Programs of the General Fund					Total General Fund
	Local	PCOA (Act 735)	Senior Center	Supplemental Senior Center	Audit Funds	
<u>Revenues</u>						
Intergovernmental	\$ 11,000	\$ 37,500	\$ 25,000	\$ 3,100	\$ 545	\$ 77,145
Public Support	19,394	-	-	-	-	19,394
Property Taxes	-	-	-	-	-	-
State Capital Outlay Funds	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Total Revenues	30,394	37,500	25,000	3,100	545	96,539
<u>Expenditures</u>						
Salaries	-	-	2,294	-	-	2,294
Fringe	-	-	204	-	-	204
Travel	48	-	362	-	-	410
Operating Services	995	-	72	-	-	1,067
Operating Supplies	2,868	-	23	-	-	2,891
Other Costs	4,431	-	-	-	545	4,976
Interest Payments	3,741	-	-	-	-	3,741
Principal Payments	1,703	-	-	-	-	1,703
Capital Outlay	2,522	-	-	-	-	2,522
Total Expenditures	16,308	-	2,955	-	545	19,808
<u>Excess of Revenues Over</u>						
<u>Expenditures</u>	14,086	37,500	22,045	3,100	-	76,731
<u>Other Financing Sources (Uses)</u>						
Proceeds from Notes Payable	13,415	-	-	-	-	13,415
Operating Transfers In	-	-	-	-	-	-
Operating Transfers Out	(109)	(36,137)	(22,045)	(3,100)	-	(61,391)
Total Other Financing Sources (Uses)	13,306	(36,137)	(22,045)	(3,100)	-	(47,976)
<u>Excess of Revenues and Other</u>						
<u>Financing Sources Over</u>						
<u>Expenditures and Other</u>						
<u>Financing Uses</u>	27,392	1,363	-	-	-	28,755
<u>Fund Balance at Beginning of Year (Restated)</u>	5,201	(1,363)	-	-	-	3,838
<u>FUND BALANCE AT</u>						
<u>END OF YEAR</u>	\$ 32,593	\$ -	\$ -	\$ -	\$ -	\$ 32,593

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011

	<u>Title III D</u>	<u>Title III E</u>	<u>Utilities</u>	<u>MIPPA</u>	<u>Total Nonmajor</u>
	<u>Disease</u>	<u>Caregiver</u>	<u>Assistance</u>		<u>Special Revenue</u>
<u>ASSETS</u>	<u>Prevention</u>	<u>Caregiver</u>	<u>Assistance</u>		<u>Funds</u>
Cash & Cash Equivalents	\$ 171	\$ -	\$ 665	\$ -	\$ 836
Receivables	534	-	-	2,674	3,208
Due From Other Funds	-	-	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 705</u>	<u>\$ -</u>	<u>\$ 665</u>	<u>\$ 2,674</u>	<u>\$ 4,044</u>
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable	\$ 705	\$ -	\$ -	\$ -	\$ 705
Due To Other Funds	-	-	-	2,674	2,674
Total Liabilities	<u>705</u>	<u>-</u>	<u>-</u>	<u>2,674</u>	<u>3,379</u>
Fund Balances:					
Restricted for:					
Utilities Assistance	-	-	665	-	665
Total Fund Balances	<u>-</u>	<u>-</u>	<u>665</u>	<u>-</u>	<u>665</u>
<u>TOTAL LIABILITIES AND</u>					
<u>FUND BALANCES</u>	<u>\$ 705</u>	<u>\$ -</u>	<u>\$ 665</u>	<u>\$ 2,674</u>	<u>\$ 4,044</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Title III D</u> <u>Disease</u> <u>Prevention</u>	<u>Title III E</u> <u>Caregiver</u>	<u>Utilities</u> <u>Assistance</u>	<u>MIPPA</u>	<u>Nonmajor</u> <u>Special Revenue</u> <u>Funds</u>
<u>REVENUES</u>					
Intergovernmental:					
North Delta Regional Planning and Development District	\$ 2,936	\$ 2,581	\$ -	\$ -	\$ 5,517
State Contract	-	-	-	2,674	2,674
Public Support:					
LA Association of Councils on Aging	-	-	2,154	-	2,154
Client Contributions	-	-	-	-	-
Total Public Support	<u>-</u>	<u>-</u>	<u>2,154</u>	<u>-</u>	<u>2,154</u>
 Total Revenues	 2,936	 2,581	 2,154	 2,674	 10,345
<u>EXPENDITURES</u>					
Current:					
Salaries	1,162	1,819	-	500	3,481
Fringe	84	131	-	39	254
Travel	51	54	-	-	105
Operating Services	771	454	-	132	1,357
Operating Supplies	163	123	-	2,003	2,289
Other Costs	705	-	-	-	705
Total Current Expenditures	<u>2,936</u>	<u>2,581</u>	<u>-</u>	<u>2,674</u>	<u>8,191</u>
Capital Outlay	-	-	-	-	-
Utility Assistance	-	-	1,489	-	1,489
Total Expenditures	<u>2,936</u>	<u>2,581</u>	<u>1,489</u>	<u>2,674</u>	<u>9,680</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>					
<u>OVER EXPENDITURES</u>	-	-	665	-	665
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating Transfers - In	-	-	-	-	-
Operating Transfers - Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXCESS OF REVENUES AND OTHER</u>					
<u>FINANCING SOURCES OVER</u>					
<u>EXPENDITURES AND OTHER</u>					
<u>FINANCING USES</u>	-	-	665	-	665
<u>FUND BALANCES AT BEGINNING OF</u>					
<u>YEAR</u>	-	-	-	-	-
<u>FUND BALANCES AT END OF YEAR</u>					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 665</u>	<u>\$ -</u>	<u>\$ 665</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2011 AND 2010

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>GENERAL FIXED ASSETS</u>				
Land	\$ -	\$ -	\$ -	\$ -
Buildings	47,300	-	-	47,300
Improvements	24,687	-	-	24,687
Portable Building	3,105	-	-	3,105
Vehicles	-	-	-	-
Office Furniture and Equipment	18,269	2,522	-	20,791
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 93,361</u>	<u>\$ 2,522</u>	<u>\$ -</u>	<u>\$ 95,883</u>
<u>INVESTMENT IN GENERAL FIXED ASSET</u>				
Property Acquired Prior to July 1, 1985 *	\$ -	\$ -	\$ -	\$ -
Property Acquired After July 1, 1985				
With Funds From:				
Act 735 PCOA (Restated)	32,470	-	-	32,470
General Fund	47,300	2,522	-	49,822
FmHA Loan	-	-	-	-
Title III- C-1	-	-	-	-
Title III- C-2	-	-	-	-
Title III- B Supportive Services	-	-	-	-
Senior Center (Restated)	13,591	-	-	13,591
Title III- D	-	-	-	-
Department of Transportation Sec. 5310 E&D	-	-	-	-
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 93,361</u>	<u>\$ 2,522</u>	<u>\$ -</u>	<u>\$ 95,883</u>

* Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1985.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services - Administration on Aging: Passed Through Governor's Office of Elderly Affairs: Aging Cluster of Special Programs for the Aging:				
Title III, Part B - Supportive Services	93.044	\$ 27,769	\$ 27,769	\$ 27,769
Title III, Part C - Congregate Meals	93.045	29,161	29,161	29,161
Title III, Part C - Home Delivered Meals	93.045	21,923	21,923	21,923
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	2,936	2,936	2,936
Title III, Part E - National Family Caregiver Support	93.052	1,936	1,936	1,936
MIPPA	93.779	2,674	2,674	2,674
Nutritional Services Incentive Program	93.053	19,682	19,682	19,682
Total of Aging Cluster		<u>106,081</u>	<u>106,081</u>	<u>106,081</u>
<u>TOTAL FEDERAL AWARDS</u>		<u>\$ 106,081</u>	<u>\$ 106,081</u>	<u>\$ 106,081</u>

THE MADISON VOLUNTARY COUNCIL ON THE AGING, INC.
TALLULAH, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Council. The Council did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the general purpose financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

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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
The Madison Voluntary Council on Aging, Inc.
Tallulah, Louisiana

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of The Madison Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2011, which collectively comprise The Madison Voluntary Council on Aging, Inc.'s basic financial statements and have issued our report thereon dated December 27, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Madison Voluntary Council on Aging, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Council's financial statements will not be prevented, or detected and corrected on a timely basis.

Our 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

To the Board of Directors
The Madison Voluntary Council on Aging, Inc.
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Madison Voluntary Council on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of management, the Governor's Office of Elderly Affairs and the Legislative Auditor and is not intended to be or should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
December 27, 2011

THE MADISON VOLUNTARY COUNCIL ON AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

To the Board of Directors
The Madison Voluntary Council on Aging, Inc.
Tallulah, Louisiana

We have audited the financial statements of The Madison Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2011, and have issued our report thereon dated December 27, 2011. 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, 2011, resulted in an unqualified opinion.

Section I- Summary of Auditors' Results

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

Internal Control

Material Weakness yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Compliance

Compliance Material to Financial Statements yes no

B. Federal Awards

Material Weakness Identified yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified Qualified

Disclaimer Adverse

Are their findings required to be reported in accordance with Circular A-133,
Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster)
CFDA Number(s)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

THE MADISON VOLUNTARY COUNCIL ON AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

Section II- Financial Statement Findings

No matters were reported.

Section III- Federal Award Findings and Question Costs- N/A

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2011

Section I- Internal Control and Compliance Material to the Financial Statements

10-1 Segregation of Duties

Condition:

During the audit, it was noted that the same employee initiates and approves disbursements, maintains custody of checks and receives the bank statements.

Recommendation:

We recommend that the board continue his involvement with oversight of the accounting function of reviewing disbursements and to weigh the benefit of adding additional staff to separate some of these activities.

Current Status:

The Council has expanded its employee base since last year and will continue to evaluate the cost/benefit of adding additional employees. A member of the board currently reviews disbursements and signs the checks prior to the check going out.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.