

**EAST BATON ROUGE
COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
JUNE 30, 2025**



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INDEPENDENT AUDITOR'S REPORT

To Management and Members of the Board of Directors of
The East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of East Baton Rouge Council on Aging, Inc. (the Council), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Council, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council’s basic financial statements. The combining balance sheet – nonmajor governmental funds, combining schedule of revenues, expenditures and changes in fund balance – nonmajor governmental funds, the comparative schedule of capital assets and changes in capital assets, and the schedule of compensation, benefits and other payments to chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards, and is also not a required part of the basic financial statements.

The combining balance sheet – nonmajor governmental funds, combining schedule of revenue and expenditures and changes in fund balance – nonmajor government funds, the comparative schedule of capital assets and changes in capital assets, the schedule of expenditures of federal awards, and the schedule of compensation, benefits and other payments to chief executive officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining balance sheet – nonmajor governmental, combining schedule of revenue and expenditures and changes in fund balance - nonmajor governmental funds, the comparative schedule of capital assets and changes in capital assets, the schedule of expenditures of federal awards, and the schedule of compensation, benefits and other payments to chief executive officer are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2026, on our consideration of the Council’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council’s internal control over financial reporting and compliance.

S. A. Champagne & Co, LLP

Baton Rouge, Louisiana

January 20, 2026

REQUIRED SUPPLEMENTARY INFORMATION



MANAGEMENT'S DISCUSSION AND ANALYSIS

The "Management's Discussion and Analysis" of the East Baton Rouge Council on Aging, Inc.'s (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2025. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this report in conjunction with the basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Council's Government-Wide total assets exceeded its total liabilities at the close of fiscal year 2025 by \$16,284,463.

- **Changes in Revenue 2025 vs 2024**

Total revenues decreased by approximately \$103,000 or .6% from the prior fiscal year. In the current fiscal year, revenues from the Governor's Office of Elderly Affairs decreased by approximately \$254,000. Property tax revenue increased approximately \$596,000, while other income decreased by approximately \$444,000.

- **Changes in Expenses 2025 vs 2024**

Total fund level expenses increased by approximately \$93,000 or .6% from the prior fiscal year mainly due to increases in operating services and supplies related to program activity.

- The increase in net position for the year ended June 30, 2025 is \$2,179,024. The increase in net position for the year ended June 30, 2024 was \$2,245,526.
- The Council's total net position for the year ended June 30, 2025 totaled \$16,284,463 compared to the net position of \$14,105,439 (restated) for the year ended June 30, 2024.



OVERVIEW OF THE FINANCIAL STATEMENTS

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

- (1) Management's discussion and analysis (this section)
- (2) The basic financial statements (government-wide and fund statements)
- (3) Supplementary information required by GASB 34
- (4) Supplementary information required by GOEA
- (5) Supplementary information required by *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*
- (6) Auditors' reports.

The government-wide financial statements, which consist of the Statement of Net Position (Statement 1) and the Statement of Activities (Statement 2), provide information about the activities of the Council as a whole and present a long-term view of the Council's finances. In contrast, the fund financial statements, which consist of the Governmental Funds Balance Sheet (Statement 3) and the Statement of Revenues, Expenditures, and Changes in Fund Balances (Statement 5), tell how services were financed in the short-term, as well as what remains for future spending for governmental funds. Fund financial statements also report the Council's operations in more detail than the government-wide financial statements by providing information about the Council's most significant funds.

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

The government-wide financial statements are prepared using the accrual basis of accounting and are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. When using these financial statements, the user should consider whether the Council's finances, as a whole, have improved or deteriorated since last year. The government-wide financial statements found on pages 10 through 11 report the Council's net assets and changes in them. However, to assess the overall financial position of the Council, the user must also consider nonfinancial factors such as the condition of the Council's capital assets and facilities, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

The Statement of Net Position presents all assets and liabilities and the Council's financial position at year end, whereas the Statement of Activities presents information showing how the Council's net assets changed during this fiscal year as a result of the Council's activities. In this statement, all changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only affect cash flows in future fiscal periods. The governmental activities of the Council include an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of eight distinct programs that include supportive services, nutritional services, family caregiver support, senior community service employment, disease prevention and health promotion, senior citizen center operations, unmet needs, and Medicare outreach and enrollment. There is also a line item for "other services," which consists of a variety of services that individually do not represent very large expenditures. Subprogram activities are also presented within a couple of the primary functions to facilitate additional analysis. All activities of the Council are considered to be governmental activities.

A governmental activity is usually one where the Council uses money it receives from governmental grants and contracts, along with donations from the general public, to provide services at no charge to the general public, or a segment of the general public, such as the elderly. In other words, the people benefiting from the services are not required to pay for what they receive. If the Council charged fees to cover all or most of the cost of providing a service, that activity might be classified as a business-type activity. The Council does not have any business-type activities.

Fund Financial Statements

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Accordingly, the governmental funds use the modified accrual basis of accounting. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The Governmental Funds balance sheet presents a reconciliation of total governmental funds balance to net position of governmental activities on Statement 4. The reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities is presented on Statement 6.

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

The general fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Council's general fund receives general revenue primarily from a grant from the City-Parish of East Baton Rouge and public donations. General funds are often transferred to special revenue funds to help pay for expenditures that could not be covered by their primary revenues.

All other funds are special revenue funds that are used to account for the proceeds of specific revenue sources which are restricted or committed to expenditures for specified purposes other than debt service or capital projects. By using separate funds to track revenues and expenditures, management can control funds for particular purposes or show that the fund is meeting legal responsibilities for using certain grants and other revenues. Most special revenue funds have no fund balance at year-end because all revenue received is expended in the same year. The Utility Assistance fund is one special revenue fund that typically has a fund balance at year end because any unspent revenue at year end does not have to be returned to a grantor or donor.

The Council has presented the General Fund, Title III B Fund, Title III C-1 Fund, Title III C-2 Fund, Senior Center Fund, and the NSIP fund as "major" governmental funds as required by the Governor's Office of Elderly Affairs.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 16 of this report. The notes to the financial statements should be read before making assumptions or conclusions about the Council's financial condition.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

In addition to the basic financial statements, this report also presents certain required supplementary information (RSI) that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (see table of contents).

Management's Discussion and Analysis (MD&A) is also required supplementary information by GASB Statement No. 34. However, GASB Statement 34 requires the MD&A be presented as the first item in this reporting package and not with the other RSI, which is included later in this reporting package.

SUPPLEMENTARY INFORMATION REQUIRED BY GOEA

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council, (see table of contents).

SUPPLEMENTARY INFORMATION REQUIRED BY *UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS*

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards requires a Schedule of Expenditures of Federal Awards to be included as supplemental information. This schedule will present information about the Council's federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted federal money to the Council (see pages 44 through 45).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As of June 30, 2025, net position was \$16,284,463. As of June 30, 2024, the net position was \$14,105,439 (restated). This was an increase in net position of \$2,179,024.

Table 1
Net Position

| | Restated | | Increase (Decrease) | |
|-----------------------------------|----------------------|----------------------|----------------------------|----------------|
| | 2024 | 2025 | Amount | Percent |
| Cash | \$ 1,837,862 | \$ 3,496,562 | \$ 1,658,700 | 90% |
| Other current assets | 488,852 | 509,405 | 20,553 | 4 |
| Capital assets, net | 14,720,173 | 14,371,572 | (348,601) | (2) |
| Right-to-use assets, net | 486,174 | 721,826 | 235,652 | 48 |
| Noncurrent assets | 14,086 | 14,086 | - | - |
| Total assets | <u>17,547,147</u> | <u>19,113,451</u> | <u>1,566,304</u> | 9 |
| Accounts payable | 395,638 | 632,999 | 237,361 | 60 |
| Accrued payroll and related taxes | 205,786 | 189,068 | (16,718) | (8) |
| Accrued compensated absences | 140,210 | 157,443 | 17,233 | 12 |
| Other non-current liabilities | 2,700,074 | 1,849,478 | (850,596) | (32) |
| Total liabilities | <u>3,441,708</u> | <u>2,828,988</u> | <u>(612,720)</u> | (18) |
| Net position: | | | | |
| Net investment in capital assets | 12,506,626 | 13,243,920 | 737,294 | 6 |
| Restricted for: | | | | |
| Utility assistance | 95,962 | 95,962 | - | - |
| Special programs for the aging | 18,397 | 18,397 | - | - |
| Unrestricted position | <u>1,484,454</u> | <u>2,926,184</u> | <u>1,441,730</u> | 97 |
| Total net position | \$ <u>14,105,439</u> | \$ <u>16,284,463</u> | \$ <u>2,179,024</u> | 15% |

Governmental Activities

Governmental activities in fiscal year 2025 led to an increase in net position of \$2,179,024, resulting in a net position of \$16,284,463 for the year ended June 30, 2025. For the year ended June 30, 2024, governmental activities resulted in an increase in the net position of \$2,245,526 (restated). Key elements of these activities are detailed in Table 2.

Table 2
Changes in Net Position (Deficit)

| | Restated | | Increase (Decrease) | |
|---|----------------------|----------------------|----------------------------|----------------|
| | 2024 | 2025 | Amount | Percent |
| Revenues | | | | |
| Program revenues: | | | | |
| Operating grants and contributions | \$ 3,749,487 | \$ 2,882,621 | \$ (866,866) | (23)% |
| Charges for services | - | 651,231 | 651,231 | 100 |
| General revenues: | | | | |
| Grants and contributions not restricted | 1,128,350 | 543,452 | (584,898) | (52) |
| Interest | 21,366 | 123,135 | 101,769 | 476 |
| Property tax | <u>11,497,794</u> | <u>12,093,802</u> | <u>596,008</u> | 5 |
| Total revenues | <u>16,396,997</u> | <u>16,294,241</u> | <u>(102,756)</u> | (1) |
| Expenses | | | | |
| Total expenses | <u>14,151,471</u> | <u>14,115,217</u> | <u>(36,254)</u> | - |
| Increase in net position | 2,245,526 | 2,179,024 | (66,502) | (3) |
| Net position – beginning of year | <u>11,859,913</u> | <u>14,105,439</u> | <u>2,245,526</u> | 19 |
| Net position – end of year | <u>\$ 14,105,439</u> | <u>\$ 16,284,463</u> | <u>\$ 2,179,024</u> | 15% |

When reviewing the government-wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. As you can see on Statement 2, the Council's major program activities include supportive services, nutrition services, and senior centers. Accordingly, management allocates funds to these programs because that is where there is the greatest demand.

Another area of interest on the Statement of Activities relates to the total column wherein the Council illustrates that its governmental activities have more expenses than program revenues. In other words, they are not self-supporting. As a result, management prepares the annual budget based on this expectation, which means that general revenues will be used to cover the excess of expenses over revenues in these activities. Without unrestricted grants and contributions, the Council would be unable to provide services at current levels. Further, the general nature of these revenues allows management discretion as to how to apply them in paying for the Council's current services, as well as reallocating them to meet changing demands.

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

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balance for all fund types of \$2,807,814, an increase in the fund balance of \$1,099,941 when compared to last year. The Council's General Fund balance increased by \$1,099,941 during the current fiscal year. The unassigned fund balance component of the General Fund was \$2,693,455. The change in the fund balance in the current fiscal year was a result of the following:

Revenues

Total revenues (excluding in-kind services and facilities) decreased by approximately \$17,000 in the current year. Revenues from the Governor's Office of Elderly Affairs decreased by approximately \$254,000. Property tax collections increased by approximately \$596,000 in the current year. Other income decreased mainly due to contracts in the current period to provide food services to the local community by approximately \$444,000.

Expenditures

Total expenditures (excluding in-kind services and facilities) increased by approximately \$179,000 this year, primarily due to the increase in capital outlay and other costs during the June 30, 2025 year.

AN ANALYSIS OF THE GENERAL FUND BUDGET

The budget was amended one time during the year. The budgetary comparison schedule for the General Fund is on page 33. Revenues exceeded the final amended budget by approximately \$1,225,000, attributed to the revenue received from the property tax millage. Expenditures were less than the final amended budget by approximately \$5,600,000, mainly due to expenditures for kitchen and operating services during the June 30, 2025 year.

CAPITAL ASSETS

The Council's investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$14,371,572 (net accumulated depreciation). This investment in capital assets includes leasehold improvements, furniture and equipment, vehicles and buildings (see table below):

Table 3
Capital Assets at Year-end

| | Restated 2024 | 2025 |
|-------------------------------|--------------------------|----------------------|
| Leasehold improvements | \$ 358,212 | \$ 358,212 |
| Furniture and equipment | 3,331,158 | 3,371,226 |
| Vehicles | 1,069,969 | 1,346,507 |
| Buildings | <u>14,442,140</u> | <u>14,746,555</u> |
| | 19,201,479 | 19,822,500 |
| Less accumulated depreciation | <u>(4,481,306)</u> | <u>(5,450,928)</u> |
| Totals | <u>\$ 14,720,173</u> | <u>\$ 14,371,572</u> |

The Council had an decrease in capital assets net of accumulated depreciation of \$348,601. The change is attributable to the asset additions of \$854,217, along with \$1,202,817 in depreciation expense for the current year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The East Baton Rouge Council on Aging receives most of its funding from local property taxes and federal, state, and local agencies. As a result, the source of income for the Council is consistent. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and, therefore, those revenues are not fixed. There are no plans to add any significant programs for next fiscal year. The Council will continue to pursue contracts and grants relative to the type of programs that we presently are engaged in. There are no plans to add significant new programs for the next fiscal year.

The Chief Executive Officer and Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. The Council will be implementing practical management strategies to reduce expected increases in fuel cost, food cost, and the number of clients served and other inflationary items. We will continue to explore possible reductions from:

- salary reductions and attrition
- contractual services
- reduction in services and leases
- reduction in nutritional services through meal and supply costs
- reduction in senior service costs

CONTACTING THE COUNCIL'S MANAGEMENT

This financial report is designed to provide a general overview of the Council's finances for those with an interest in the Council's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Ms. Eva Pratt, CFO, East Baton Rouge Council on Aging, Inc., 5790 Florida Blvd., Baton Rouge, Louisiana, (225) 923-8031.

BASIC FINANCIAL STATEMENTS

EAST BATON ROUGE COUNCIL ON AGING, INC.
STATEMENT OF NET POSITION
June 30, 2025

Statement 1

| | Governmental Activities |
|--|----------------------------|
| ASSETS | |
| Current assets: | |
| Cash | \$ 3,496,562 |
| Grants receivable | 26,513 |
| Property tax receivable | 72,891 |
| Accounts receivable | 33,915 |
| Prepaid expenses | 376,086 |
| Total current assets | 4,005,967 |
| Noncurrent assets: | |
| Capital assets, net of depreciation | 14,371,572 |
| Right-of-use lease assets, net of amortization | 721,826 |
| Deposits | 14,086 |
| Total assets | \$ 19,113,451 |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | \$ 632,999 |
| Accrued payroll and related taxes | 189,068 |
| Total current liabilities | 822,067 |
| Non-current liabilities: | |
| Due within one year | 1,474,615 |
| Due in more than one year | 532,306 |
| Total liabilities | 2,828,988 |
| NET POSITION | |
| Net investment in capital assets | 13,243,920 |
| Restricted for: | |
| Utility assistance | 95,962 |
| Special programs for the aging | 18,397 |
| Unrestricted net position | 2,926,184 |
| Total net position | 16,284,463 |
| Total liabilities and net position | \$ 19,113,451 |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
STATEMENT OF ACTIVITIES
For the year ended June 30, 2025

| | | | Program Revenues | | Net (Expense) Revenue and Changes in Net Position |
|--|--------------------|----------------------|-------------------------|--|--|
| | Direct Expenses | Indirect Expenses | Charges for Services | Operating Grants and Contributions | Total Governmental Activities |
| Functions/Programs | | | | | |
| Governmental activities: | | | | | |
| Health, Welfare, and Social Services: | | | | | |
| Supportive Services: | | | | | |
| Personal Care | \$ 467,287 | \$ 76,423 | \$ - | \$ 384,886 | \$ (158,824) |
| Utility Assistance | - | - | - | - | - |
| Nutrition Service: | | | | | |
| Congregate Meals | 1,525,915 | 309,235 | - | 575,929 | (1,259,221) |
| Home Delivered Meals | 2,654,345 | 622,632 | - | 548,156 | (2,728,821) |
| Disease Prevention and Health Promotion | 9,306 | - | - | 12,366 | 3,060 |
| National Family Caregiver Support | 109,951 | 10,468 | - | 119,509 | (910) |
| STPH Services | 24,206 | - | - | 24,206 | - |
| Multipurpose Senior Centers | 2,568,781 | - | - | 561,423 | (2,007,358) |
| Administration: | | | | | |
| Area Agency Administration | 129,509 | - | - | 131,441 | 1,932 |
| General Administration | 6,625,917 | (1,018,758) | 651,231 | 524,705 | (4,431,223) |
| Total governmental activities | \$ 14,115,217 | \$ - | \$ 651,231 | \$ 2,882,621 | \$ (10,581,365) |
| General Revenues: | | | | | |
| Grants and contributions not restricted to specific programs | | | | | 543,452 |
| Interest | | | | | 123,135 |
| Taxes: | | | | | |
| Property | | | | | 12,093,802 |
| Total general revenues | | | | | 12,760,389 |
| Increase in net position | | | | | 2,179,024 |
| Net position - beginning of the year as restated | | | | | 14,105,439 |
| Net position - end of the year | | | | | \$ 16,284,463 |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

| | General Fund | Title III B | Title III C-1 | Title III C-2 | Senior Center | NSIP | Non- Major Funds | Total Governmental Funds |
|-------------------------------------|---------------------|------------------|-----------------|------------------|------------------|-----------------|------------------------|--------------------------------|
| ASSETS | | | | | | | | |
| Cash | \$ 3,496,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,496,562 |
| Grants receivable | - | - | - | - | - | 2,307 | 24,206 | 26,513 |
| Property tax receivable | 72,891 | - | - | - | - | - | - | 72,891 |
| Accounts receivable | 33,915 | - | - | - | - | - | - | 33,915 |
| Due from other funds | 8,116 | 14,955 | 4,953 | 10,371 | 28,208 | - | 95,962 | 162,565 |
| Total Assets | <u>\$ 3,611,484</u> | <u>\$ 14,955</u> | <u>\$ 4,953</u> | <u>\$ 10,371</u> | <u>\$ 28,208</u> | <u>\$ 2,307</u> | <u>\$ 120,168</u> | <u>\$ 3,792,446</u> |
| LIABILITIES | | | | | | | | |
| Accounts payable | \$ 632,999 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 632,999 |
| Accrued payroll and related taxes | 130,581 | 14,955 | 4,953 | 10,371 | 28,208 | - | - | 189,068 |
| Due to other funds | 154,449 | - | - | - | - | 2,307 | 5,809 | 162,565 |
| Total Liabilities | <u>918,029</u> | <u>14,955</u> | <u>4,953</u> | <u>10,371</u> | <u>28,208</u> | <u>2,307</u> | <u>5,809</u> | <u>984,632</u> |
| FUND BALANCES | | | | | | | | |
| Restricted | - | - | - | - | - | - | 114,359 | 114,359 |
| Unassigned | 2,693,455 | - | - | - | - | - | - | 2,693,455 |
| Total fund balances | <u>2,693,455</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>114,359</u> | <u>2,807,814</u> |
| Total liabilities and fund balances | <u>\$ 3,611,484</u> | <u>\$ 14,955</u> | <u>\$ 4,953</u> | <u>\$ 10,371</u> | <u>\$ 28,208</u> | <u>\$ 2,307</u> | <u>\$ 120,168</u> | <u>\$ 3,792,446</u> |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2025

| | | |
|--|--------------------|----------------------------|
| Fund balance - governmental funds | | \$ 2,807,814 |
| <p>Amounts reported for governmental activities in the statement of net position are different because:</p> | | |
| <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.</p> | | |
| Governmental capital assets | 19,822,500 | |
| Less accumulated depreciation | <u>(5,450,928)</u> | 14,371,572 |
| Right-of-use lease assets, net | | 721,826 |
| <p>Assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds.</p> | | |
| Prepaid expense | 376,086 | |
| Deposits | <u>14,086</u> | 390,172 |
| <p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p> | | |
| Note payable - construction loan | (1,106,774) | |
| Compensated absences | (157,443) | |
| Right-of-use liability | <u>(742,704)</u> | (2,006,921) |
| Net position of governmental activities | | <u><u>\$16,284,463</u></u> |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year ended June 30, 2025

| | General Fund | Title III B Fund | Title III C-1 Fund | Title III C-2 Fund | Senior Center | NSIP | Non- Major Funds | Total Governmental Funds |
|---|-----------------|---------------------|-----------------------|-----------------------|------------------|------------|------------------------|--------------------------------|
| REVENUES | | | | | | | | |
| Intergovernmental: | | | | | | | | |
| Office of Elderly Affairs | \$ 273,433 | \$ 384,886 | \$ 575,929 | \$ 548,156 | \$ 494,304 | \$ 251,272 | \$ 354,641 | \$ 2,882,621 |
| City of Baton Rouge | 213,461 | - | - | - | - | - | - | 213,461 |
| Taxes: | | | | | | | | |
| Property | 12,093,802 | - | - | - | - | - | - | 12,093,802 |
| Public Support (restricted): | | | | | | | | |
| Contributions | - | - | - | - | - | - | - | - |
| Public Support (unrestricted): | | | | | | | | |
| Contributions | 45,121 | - | - | - | - | - | - | 45,121 |
| Program Service Fees: | | | | | | | | |
| Paid meals | 651,130 | - | 21 | 80 | - | - | - | 651,231 |
| Interest | 123,135 | - | - | - | - | - | - | 123,135 |
| Other | 104,428 | - | - | - | - | - | - | 104,428 |
| In-kind Contributions | 15,482 | - | - | - | 164,960 | - | - | 180,442 |
| Total revenues | 13,519,992 | 384,886 | 575,950 | 548,236 | 659,264 | 251,272 | 354,641 | 16,294,241 |
| EXPENDITURES | | | | | | | | |
| Health, Welfare, & Social Services: | | | | | | | | |
| Current: | | | | | | | | |
| Salaries and wages | 1,226,090 | 143,247 | 818,574 | 997,228 | 625,399 | - | 82,291 | 3,892,829 |
| Fringe | 537,505 | 296,359 | 232,101 | 206,586 | 212,523 | - | 31,054 | 1,516,128 |
| Travel | 17,186 | 16,429 | 202 | 408 | - | - | 1,948 | 36,173 |
| Operating services | 1,334,634 | 58,589 | 128,878 | 268,749 | 1,409,727 | - | 56,291 | 3,256,868 |
| Operating supplies | 51,442 | 8,874 | 78,712 | 222,657 | 270,534 | - | 22,258 | 654,477 |
| Other cost | 1,222,540 | 20,212 | 27,910 | 69,833 | 50,598 | - | 89,598 | 1,480,691 |
| Kitchen operations | 283,284 | - | 548,773 | 1,511,516 | - | - | - | 2,343,573 |
| Capital outlay | 854,217 | - | - | - | - | - | - | 854,217 |
| Debt service: | | | | | | | | |
| Principal retirement, net | 1,106,773 | - | - | - | - | - | - | 1,106,773 |
| Interest | 52,571 | - | - | - | - | - | - | 52,571 |
| Utility Assistance | - | - | - | - | - | - | - | - |
| Total expenditures | 6,686,242 | 543,710 | 1,835,150 | 3,276,977 | 2,568,781 | - | 283,440 | 15,194,300 |
| Excess (deficiency) of revenues over expenditures | 6,833,750 | (158,824) | (1,259,200) | (2,728,741) | (1,909,517) | 251,272 | 71,201 | 1,099,941 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Operating transfers in | - | 158,824 | 1,259,200 | 2,728,741 | 1,909,517 | - | 910 | 6,057,192 |
| Operating transfers out | (5,733,809) | - | - | - | - | (251,272) | (72,111) | (6,057,192) |
| Total other financing sources and uses | (5,733,809) | 158,824 | 1,259,200 | 2,728,741 | 1,909,517 | (251,272) | (71,201) | - |
| Net change in fund balances | 1,099,941 | - | - | - | - | - | - | 1,099,941 |
| Fund balance | | | | | | | | |
| Beginning of year - as restated | 1,593,514 | - | - | - | - | - | 114,359 | 1,707,873 |
| End of year | \$ 2,693,455 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 114,359 | \$ 2,807,814 |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES

Year ended June 30, 2025

Excess (deficiency) of revenues and other financing sources
over expenditures and other uses - total governmental funds \$ 1,099,941

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

Governmental funds report capital outlays as expenditures,
however, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation expense.

| | | |
|----------------------|--------------------|-----------|
| Capital outlay | 854,217 | |
| Depreciation expense | <u>(1,202,817)</u> | (348,600) |

Governmental funds report lease payments as expenditures,
however, in the statement of activities, the right-of-use asset (ROU)
is capitalized and the related lease liability is recognized. Therefore,
the acquisition of a ROU asset increases capital assets.

| | | |
|---------------------------|------------------|---------|
| Right-of-use lease assets | 473,635 | |
| Amortization expense | <u>(237,983)</u> | 235,652 |

The issuance of a lease liability increases long term liabilities in
the statement of net position but is not reported in the governmental
funds. Therefore, the increase in lease liability is subtracted in the
reconciliation.

| | | |
|------------------------------|----------------|-----------|
| Right-of-use liability | (473,815) | |
| Principal payments on leases | <u>217,285</u> | (256,530) |

Some expenses reported by the governmental funds require the use of
current financial resources and therefore are not reported as expenditures
in the statement of activities

| | | |
|------------------|--|---------|
| Prepaid expenses | | 359,020 |
|------------------|--|---------|

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 the governmental funds.

| | | |
|----------------------|--|----------|
| Compensated absences | | (17,233) |
|----------------------|--|----------|

Long-term debt provides current financial resources to governmental funds,
while the repayment of the principal of long-term debt consumes the current
financial resources of government funds. Neither transactions, however,
have any effect on net positions.

| | | |
|--|--|------------------|
| Long-term debt note payable for construction | | <u>1,106,774</u> |
|--|--|------------------|

| | |
|---|----------------------------|
| Increase of net position of governmental activities | <u><u>\$ 2,179,024</u></u> |
|---|----------------------------|

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the East Baton Rouge Council on Aging, Inc. (the Council) conform to the accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles.

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in East Baton Rouge Parish, Louisiana (the Parish); to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the Parish and state; to provide for the mutual exchange of ideas and information on the parish and state level; to conduct public meetings; to make recommendations for needed improvements and additional resources; to promote the welfare of aging people; to coordinate and monitor services with other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA), and other departments of state and local government serving the elderly, and; to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

The primary services provided by the Council to the elderly residents of the Parish include congregate and home delivered meals, health care services, nutritional education, information and referral, legal assistance, homemaker services, operation of senior centers, and outreach.

Reporting entity

In 1964, the State of Louisiana passed Act 456, which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. In 1979, the Louisiana Legislature created the Governor's Office of Elderly Affairs (La R.S. 46:931) with the specific intention to administer and coordinate social services and programs for the elderly population of Louisiana through sixty-four parish voluntary councils on aging.

Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The East Baton Rouge 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. Other entities that provide the Council with federal, state, or local funds may impose some additional requirements.

Before January 1, 1982, the Council operated as part of the City of Baton Rouge. Effective January 1, 1982, the Council began operating as a stand-alone entity, responsible for managing all of its affairs. Based on the criteria set forth in GASB Statement No. 61, The Financial Reporting Entity (an amendment of GASB Statement 14), the Council is not a component unit of another primary government nor does it have any component units related to it. In addition, based on the criteria set forth in this statement, the Council has presented its financial statements as a stand-alone, special purpose government; accordingly, it is applying the provisions of Statement 61 as if it were a primary government.

A Board of Directors, consisting of eleven voluntary members who serve three-year terms, governs the Council.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation

The Council's basic financial statements consist of government-wide financial statements on all activities of the Council, which are designed to report the Council as a whole entity, and fund financial statements, which report individual major governmental funds and combined non-major governmental funds.

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

Government-wide financial statements - The Statement of Net Position and the Statement of Activities accounts for all activities of the Council. As a general rule, the effect of inter-fund activity has been eliminated from these statements. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in its net position resulting from the activities of the current fiscal year. Generally, intergovernmental revenues support governmental activities.

In the government-wide Statement of Net Position, only one column of numbers has been presented for total governmental activities. The amounts are presented on a consolidated basis and represent only governmental type activities.

The Statement of Net Position has been prepared on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues such as intergovernmental revenues and unrestricted public support, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation and amortization, and then reduces the expenses by related program revenues, such as charges for services, operating and capital grants, and restricted contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

Direct expenses reported in the Statement of Activities are those that are clearly identifiable with a specific function or program, whereas the Council allocates its indirect expenses among various functions and programs in accordance with OMB Circular A-122, Cost Principles for Non-Profit Organizations. The Statement of Activities shows this allocation in a separate column labeled "indirect expenses." GOEA provides administrative grant funds to help the Council pay for a portion of its indirect costs.

In the Statement of Activities, charges for services represent program revenues obtained by the Council when it renders services provided by a specific function or program to people or other entities. Unrestricted contributions, unrestricted grants, interest income, and miscellaneous revenues that are not included among program revenues are reported as general revenues in this statement.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund financial statements - The present financial information that is very similar to that which was included in the general-purpose financial statements issued by governmental entities before Statement No. 34 required the format change.

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

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position sources, uses, and balances of financial resources rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is generally considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type. The non-major funds are summarized by category or fund type into a single column in the fund financial statements.

Governmental fund equity is called the fund balance. Fund balance is further classified on a hierarchy that shows, from the highest to the lowest, the level or form of constraints on fund balance and accordingly, the extent to which the Council is bound to honor them: non-spendable, restricted, committed, assigned and unassigned.

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

General Fund - The General Fund is the general operating fund of the Council. 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. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund. The General Fund is considered a Major Fund of the Council.

The following are brief descriptions of the programs and funding sources that comprise the Council's General Fund:

Local

Revenues such as property taxes, donations from the general public, funding from the local City-Parish government, income from various program service activities, and interest earned on invested idle funds have been recorded in the local program of the general fund. Expenses related to these activities as well as expenses not chargeable to specific programs are recorded in the local program. Local program funds are also transferred to other funds and programs to supplement their funding when needed. Most of the Council's fixed assets are acquired with local program funds.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PCOA (Primary Care for Older Adults)

PCOA funds are appropriated for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council may use these "Act 735" funds at its discretion provided the program benefits people who are at least 60 years old.

Senior Activities

The Senior Activities fund is used to account for revenues and costs associated with senior activities. These activities include, but are not limited to craft classes held at senior centers, a consignment store that enables senior citizens to market their crafts, and sponsorship of the annual Senior Olympics.

Major Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The Council has established several special revenue funds.

The following are brief descriptions of the purpose of each special revenue fund and their classification as either a major or non-major governmental fund:

Major Governmental Funds

Title III B Supportive Services Fund

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

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly at strategically located meal sites in East Baton Rouge Parish.

Title III C-2 Fund

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

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program provides funding for community service centers where older persons can receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates eleven senior centers and four nutritional food sites in East Baton Rouge Parish, Louisiana.

NSIP (Nutritional Services Incentive Program)

NSIP funds are provided to the Council through the GOEA. These funds are used to defray the cost of providing meals under the congregate and home delivered meal programs.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nonmajor Governmental Funds

Title III C Area Agency Administration (AAA) Fund

The Title III C Area Agency Administration (AAA) Fund is used to account for some of the administrative costs associated with operating the Special Programs for the Aging.

Title III D Fund

The Title III D Fund is used to account for funds that provide disease prevention and health promotion services. During the year, the Council provided wellness activities designed to support and/or improve the older person's mental and/or physical well-being including exercise/physical fitness classes and health screening sessions. The Council also provided medication management services, which included screening and educating older persons to prevent incorrect medications usage and adverse drug reactions.

Expanding the Public Health Workforce (STPH)

The fund accounts for the revenues and expenditures of federal grants for providing training, related to selected mental health topics, selected nutrition topics, and first aid certification for seniors, to staff of other interested community organizations.

Title III E Fund

The Title III E Fund is used to account for funds, which provide various caregiver support services. This includes public education, information and assistance, support groups, in-home respite care, and personal care services.

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for the additional money appropriated by the Louisiana Legislature to supplement the primary state grant for senior centers. These funds are "passed through" the Governor's Office of Elderly Affairs.

Utility Assistance Fund

The Utility Assistance Fund is used to account for Project Care, which is sponsored by Entergy, a local utility company. Entergy collects contributions from service customers and employees and remits the funds directly to the Salvation Army. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement focus – The government-wide financial statements are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. All governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current financial assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is the measure of available spendable financial resources at the end of the period.

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of accounting - The government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Revenues are recognized when “measurable and available.” Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

Interfund Activity

In the fund financial statements, interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables (due from) and payables (due to) as appropriate. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be repaid.

In the government-wide financial statements, all types of interfund transactions are eliminated when presenting the governmental activity information.

Cash and Cash Equivalents

Cash includes not only currency on hand, but also demand deposits with banks or other financial institutions. For the purposes of the Statement of Net Position, restricted cash amounts are those received or earned by the Council with an explicit understanding between the Council and the resource provider that the resource would be used for a specific purpose. As of June 30, 2025, the Council held no restricted cash.

Receivables and allowance for doubtful accounts

The Council’s account receivable balance includes receivables from the City Parish of East Baton Rouge for property tax payments collected on behalf of the Council but not transferred to the Council and amounts for grant payments from various grantors as of June 30, 2025. Management evaluates collectability based on historical experience and specific account circumstances; an allowance is recorded when collection is not probable. No allowance was considered necessary at June 30, 2025.

Prepaid Expenses

The Council accounts for certain payments to vendors that reflect costs applicable to future accounting periods using the purchase method. Under this method, these items are recorded as expenditures in the governmental funds at the time of purchase. Prepaid items include prepaid interest related to the Council’s construction loan; accordingly, no additional interest will accrue prior to the final principal payment due in fiscal year 2026.

Capital Assets

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

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (continued)

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

| | |
|-----------------------|-----------|
| Buildings | 30 years |
| Building Improvements | 20 years |
| Equipment | 5-7 years |
| Vehicles | 5 years |
| Computers | 3 years |

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated.

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

Compensated Absences

The vacation year is from July 1 to June 30. Paid vacation leave is earned based on years of service. Vacation increases with each year of employment according to the schedule below. Full-time employees will accrue vacation time based on the number of hours the employee is paid during the pay period. The following schedule is based upon an employee being paid for 80 hours per pay period and denotes the maximum accrual per year based on length of service:

| <u>Years of Service</u> | | <u>Days Earned</u> |
|-------------------------|---|--------------------|
| One to Five Years | - | 5 days per year |
| Six to Ten Years | - | 10 days per year |
| Ten plus Years | - | 15 days per year |

No more than 5 days of vacation leave may be carried over after June 30th each year, unless a specific waiver is granted by management. Payment of any vested vacation leave is made by the Council upon termination of an employee for any reason.

Generally accepted accounting principles require the accrual for vacation leave to the extent it is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement. The Council recorded a liability as of June 30, 2025, for the accrued vacation for each employee at the employee's current rate of pay.

Employees accrue sick leave at the rate of four hours per month of service, or six days a year. Sick leave may be accumulated up to a maximum of 480 hours. Accumulated sick leave lapses upon termination of employment.

In accordance with GASB and the Council's compensated absences policies, the Council's compensated absences liabilities in the government-wide financial statements are recognized as earned and determined more likely than not to be paid out or used for time off. In the governmental funds financial statements, compensated absences are recognized as current year expenditures when leave is taken.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting. Revenues are recorded in the Fund Financial Statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income usually are both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenue are often difficult to measure; therefore, they are recorded as revenue in the period received. Governmental fund revenues are recognized under the modified accrual basis when they are both measurable and available. The Council considers revenues to be available if they are collectible within 60 days after year-end. Grant revenues are recognized when all eligibility requirements have been met and the related expenditures have been incurred.

Property Taxes

Ad valorem tax revenues are recognized in the governmental funds when they become both measurable and available after year-end.

Income Tax Status

The Council, a quasi-governmental entity, is exempt from federal income taxes under Section 501(C) (3) of the Internal Revenue Code (the Code), and is an organization that is not a private foundation as defined in section 509(a) of the Code. The Council is also exempt from Louisiana income tax.

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

Net Position in the Government-wide Financial Statements

In the Government-wide Statement of Net Position, the net position is classified and displayed in three components:

- *Net Investment in capital assets* – This component consists of capital assets and right-to-use lease assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, right-of-use liability or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. At year-end, the Council had \$1,849,478 in borrowings that were related to capital assets and right-to-use lease assets.
- *Restricted net position* – This component consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- *Unrestricted net position* – This component consists of all other net assets that do not meet the definition of "restricted" or "net investment in capital assets." When both restricted and unrestricted resources are available for use in a specific program or for a specific purpose, the Council’s usual policy is to use restricted resources first to finance its activities.

Fund Balance – Fund Financial Statements

Accounting standards require governmental fund balances to be reported in five categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

- *Nonspendable* - amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Council did not have any nonspendable funds as of year-end.

- *Restricted* - amounts for which constraints have been placed on the use of resources are either:
 - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.

The Council had restricted funds of \$114,359 at year-end related to STPH and utility assistance.

- *Committed*: This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's board of directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

The Council did not have any committed funds as of year-end.

- *Assigned*: This classification includes spendable amounts that are reported in governmental funds other than the General Fund, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by either the Council's board of directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purposes.

The Council did not have any funds available to assign at year-end.

- *Unassigned*: This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The Council had an unassigned fund balance of \$2,693,455 at year-end.

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

Allocation of Indirect Expenses

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct costs of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. These indirect costs, including travel, operating services, operating supplies, and other administrative costs are allocated using a budget tool provided by the GOEA, which is based primarily on the relationship of direct costs a program bears to the total direct costs of all programs.

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 expenditures during the reporting period. Actual results could differ from those estimates.

Blended Component Units

On August 13, 2019, the Council formed a wholly-owned limited liability company, EBRCOA Lotus Village, LLC (The Company). The Company was formed pursuant to a memorandum of understanding, dated March 29, 2019, by and among the Council and the Gulf Coast Housing Partnership, Inc. and various Gulf Coast related entities for the purpose of financing the construction of rental housing for seniors in the community served by the Council. Since the Council is the governing body for this wholly-owned limited liability company and there is a financial benefit/burden relationship between the Council and the component unit, it is presented as a blended component unit and reported as if it's a part of the Council.

Recently Adopted Accounting Pronouncements

During the year, the Council adopted GASB Statement No. 101 - *Compensated Absences* the objective of this statement is to better meet the information needs for financial statement users by updating the recognition and measurement guidance for compensated absences. Under this statement, a liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave is accumulated, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. See Note R for the effects of the adoption of this accounting standard.

Also, during the year, the Council adopted GASB Statement No. 102 - *Certain Risk Disclosures*. This statement requires the Council to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. Adoption of this statement did not require any restatement of prior period financial statements.

B: CASH

The Council maintains a consolidated bank account that is available for use by all funds.

The purpose of the consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash resources to temporarily cover any negative cash balances in other funds.

The Council maintains another demand deposit account for making payroll disbursements. The Council has additional bank accounts for investment of idle funds to reduce credit risks and for other administrative purposes.

As described in Louisiana law, the Council is classified as a quasi-public entity. Accordingly, the Council is not required to comply with Louisiana laws relating to the collateralization of bank deposits. However, the Council's policy is to follow state law in an effort to minimize risks associated with bank deposits that exceed those currently covered by FDIC insurance. Accordingly, the Council's management obtained collateralization for deposits at financial institutions that exceed FDIC insurance.

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

B: CASH (Continued)

Cash is reported at its carrying value, which equals its fair value. At June 30, 2025, no cash balances were restricted. The bank balances associated with these carrying values were \$3,759,055. None of the bank balances were exposed to credit risks.

C: RECEIVABLES ON FUNDING CONTRACTS

The Council had receivables of \$26,513 on funding contracts from the Governor’s Office of Elderly Affairs at June 30, 2025.

D: RETIREMENT

Deferred Compensation

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Council employees and permits them to defer a portion of their salary until future years. Participation in the plan is at the employee's option.

The deferred compensation cannot be withdrawn by participating employees until termination, retirement, death or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. In accordance with GASB Statement No. 32, the Council does not carry the liability for deferred compensation or any related deposit or investment assets on its combined balance sheet. At June 30, 2025, the plan assets totaled \$71,917.

403(b) Plan

The Council offers its employees a defined contribution plan covering all eligible employees. Employees are eligible to receive employer matching contributions if they are at least 21 years of age and have worked for the Council for at least six months. During the year the Council contributed \$73,153 to the plan as employer matching.

E: CAPITAL ASSETS

A summary of changes to capital assets and right-to-use assets for the year ended June 30, 2025, is as follows:

| | <u>Balance</u> <u>06/30/24</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>06/30/25</u> |
|-------------------------------------|-----------------------------------|---------------------|------------------|-----------------------------------|
| Capital assets: | | | | |
| Vehicles | \$ 1,069,969 | \$ 446,764 | \$ 170,226 | \$ 1,346,507 |
| Furniture and equipment | 3,331,158 | 103,038 | 62,970 | 3,371,226 |
| Leasehold improvements | 358,212 | - | - | 358,212 |
| Buildings | 14,442,140 | 304,415 | - | 14,746,555 |
| Total capital assets | <u>19,201,479</u> | <u>854,217</u> | <u>233,196</u> | <u>19,822,500</u> |
| Less accumulated depreciation: | | | | |
| Vehicles | 691,212 | 152,627 | 170,226 | 673,613 |
| Furniture and equipment | 2,045,771 | 532,151 | 62,970 | 2,514,952 |
| Leasehold improvements | 88,407 | 19,697 | - | 108,104 |
| Buildings | 1,655,916 | 498,343 | - | 2,154,259 |
| Total accumulated depreciation | <u>4,481,306</u> | <u>1,202,817</u> | <u>233,196</u> | <u>5,450,928</u> |
| Capital assets, net of depreciation | <u>\$ 14,720,173</u> | <u>\$ (348,600)</u> | <u>\$ -</u> | <u>\$ 14,371,572</u> |

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

E: CAPITAL ASSETS (Continued)

| | Balance 6/30/2024 | Additions | Deletions | Balance 6/30/2025 |
|---|----------------------|-------------------|---------------|----------------------|
| Right of use assets (intangible): | | | | |
| Senior centers | \$ 648,787 | \$ 379,290 | \$ - | \$ 1,028,077 |
| Equipment | <u>86,911</u> | <u>94,345</u> | <u>75,302</u> | <u>105,954</u> |
| Total right of use assets (intangible) | 735,698 | 473,635 | 75,302 | 1,134,031 |
| Less accumulated amortization: | | | | |
| Senior centers | 183,924 | 213,507 | - | 397,431 |
| Equipment | <u>65,600</u> | <u>24,476</u> | <u>75,302</u> | <u>14,774</u> |
| Total accumulated amortization | 249,524 | 237,983 | 75,302 | 412,205 |
| Right of use assets (intangible), net of accumulated amortization | <u>\$ 486,174</u> | <u>\$ 235,652</u> | <u>\$ -</u> | <u>\$ 721,826</u> |

Amortization expense related to these leases totaled \$237,983 for the year ended June 30, 2025.

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|--|---------------------|
| Governmental activities: | |
| Congregate Meals | \$ - |
| Home Delivered Meals | - |
| General Administration | <u>1,202,817</u> |
| Total depreciation expense – governmental activities | <u>\$ 1,202,817</u> |

F: LINE OF CREDIT

On April 2, 2024, the Council opened a \$500,000 line of credit with Hancock Whitney Bank. The interest rate is variable at Prime plus 3.875%, which was 12.375% at June 30, 2025. On March 13, 2024, the Council opened a \$1,000,000 line of credit with Currency Bank. The interest rate is variable and was 9.50% at June 30, 2025. On March 17, 2025 this line of credit was renewed and increased to \$1,500,000. On March 13, 2024, the Council opened a \$405,000 line of credit with Guaranty Bank and Trust Company. The interest rate was 9.40% at June 30, 2025. This line of credit was renewed on April 10, 2025. The following is a summary of transactions relating to the lines of credit in 2025. The Council had unused lines of credit totaling approximately \$1,905,000 at June 30, 2025.

| | Balance 06/30/24 | Additions | Reductions | Balance 06/30/25 |
|----------------|---------------------|---------------------|---------------------|---------------------|
| LOC – Hancock | \$ - | \$ 250,000 | \$ 250,000 | \$ - |
| LOC - Currency | - | 1,000,000 | 1,000,000 | - |
| LOC - Guaranty | - | 405,000 | 405,000 | - |
| Total | <u>\$ -</u> | <u>\$ 1,655,000</u> | <u>\$ 1,655,000</u> | <u>\$ -</u> |

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

G: LONG-TERM LIABILITIES

The following is a summary of transactions relating to the Council's long-term debt during the year.

| | <u>Balance</u> <u>06/30/24</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance</u> <u>06/30/25</u> | <u>Short-term</u> |
|--------------------------------|-----------------------------------|-------------------|---------------------|-----------------------------------|---------------------|
| Accrued compensated absences | \$ 96,951 | \$ 60,492* | \$ - | \$ 157,443 | \$ 157,443 |
| Right of use liability | 486,174 | 473,815 | 217,285 | 742,704 | 210,398 |
| Note payable construction loan | <u>2,213,547</u> | <u>-</u> | <u>1,106,773</u> | <u>1,106,774</u> | <u>1,106,774</u> |
| | <u>\$ 2,796,672</u> | <u>\$ 534,307</u> | <u>\$ 1,324,058</u> | <u>\$ 2,006,921</u> | <u>\$ 1,474,615</u> |

*Presented net

The Council on April 7, 2021, secured a multiple advance construction loan for \$4,600,000 with Hancock Whitney Bank. The interest rate is 4.750% per annum based on a year of 360 days. At June 30, 2025, the outstanding principal balance was \$1,106,774, which is due in full in fiscal year 2026.

Scheduled principal reductions for the next five years and thereafter are as follows:

| Year ending <u>June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|---------------------|-------------------|---------------------|
| 2026 | \$ 1,474,615 | \$ 40,677 | \$ 1,515,292 |
| 2027 | 170,579 | 29,496 | 200,075 |
| 2028 | 174,800 | 18,798 | 193,598 |
| 2029 | 95,156 | 9,825 | 104,981 |
| 2030 | 68,443 | 4,544 | 72,987 |
| 2031 | <u>23,328</u> | <u>366</u> | <u>23,694</u> |
| | <u>\$ 2,006,921</u> | <u>\$ 103,706</u> | <u>\$ 2,110,627</u> |

H: BOARD OF DIRECTOR'S COMPENSATION

Service on the Board of Directors is voluntary and, therefore, members are not compensated in the form of per diem. Members of the Board are reimbursed for travel expenses.

I: EMPLOYEE BENEFITS

The Council maintains a cafeteria plan allowable under IRC Section 125 for its eligible full-time employees. Employees may elect to reduce compensation to pay for personal health and dental insurance.

J: ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from property taxes, and grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal, state, and local governments. However, management is not aware of any actions by Council funding sources that will adversely affect operations in the next fiscal year.

The Council receives support from a number of sources. Significant among those are the following, reflecting their percent of total revenues provided in fiscal year 2025:

| | |
|--------------------------------------|-----|
| Property taxes | 74% |
| Governor's Office of Elderly Affairs | 18% |

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

K: LEASE COMMITMENTS

Leases

The Council entered into lease agreements to facilitate its operations throughout East Baton Rouge Parish. The terms for these leases range from 1 year to 6.5 years, with monthly payments from \$5,923 to \$8,500. These leases expire in fiscal years 2026, 2029 and 2031.

The Council also leases equipment under various leasing arrangements. The lease payments are made on a monthly basis under scheduled terms that vary.

A right of use asset and liability for the Council’s leases were recorded at present value of future payments which was calculated using the Council’s incremental borrowing rate of 4.75% & 7.50%. Management has estimated the future payments, including their principal and interest as follows:

| Year ending June 30, | Principal | Interest | Total Payments |
|----------------------------|-------------------|-------------------|-------------------|
| 2026 | \$ 210,398 | \$ 40,677 | \$ 251,075 |
| 2027 | 170,579 | 29,496 | 200,075 |
| 2028 | 174,800 | 18,798 | 193,598 |
| 2029 | 95,156 | 9,825 | 104,981 |
| 2030 | 68,443 | 4,544 | 72,987 |
| 2031 | 23,328 | 366 | 23,694 |
| | <u>\$ 742,704</u> | <u>\$ 103,706</u> | <u>\$ 846,410</u> |

L: FEDERALLY ASSISTED AND OTHER GOVERNMENT PROGRAMS

Federal and state assistance programs represent an important source of funding for the Council. The federal programs are audited annually in accordance with the “Uniform Guidance”. Other programmatic audits may be conducted by grantor agencies. Prior audits have not resulted in any significant disallowed costs. However, grantor agencies may conduct or require additional examinations which could result in the cancellation of grants or contracts, the disallowance of costs charged to the grant or require the repayment of any questioned costs identified, and such repayments may be material to the financial statements.

M: INTERFUND TRANSFERS

The Council provides support to its various programs in the form of transfers. Transfers in and out are listed by fund type for the year ended June 30, 2025:

| Transfers In For: | Transfers Out From | | | |
|------------------------------------|---------------------|-------------------|------------------------------------|-----------------------|
| | General Fund | NSIP | Nonmajor Funds in the Aggregate | Total Transfers In |
| Title III B | \$ 153,832 | \$ - | \$ 4,992 | \$ 158,824 |
| Title III C-1 | 1,156,817 | 102,383 | - | 1,259,200 |
| Title III C-2 | 2,579,852 | 148,889 | - | 2,728,741 |
| Senior Center | 1,842,398 | - | 67,119 | 1,909,517 |
| Nonmajor Funds in the Aggregate | 910 | - | - | 910 |
| Total Transfers Out | <u>\$ 5,733,809</u> | <u>\$ 251,272</u> | <u>\$ 72,111</u> | <u>\$ 6,057,192</u> |

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

M: INTERFUND TRANSFERS (Continued)

Transfers are used to (a) move revenues from the fund that collects the funds as required under applicable statute or budget to the fund that expends the funds as required under applicable statute or budget, and (b) shift unrestricted revenues from the General Fund to finance program costs not covered by dedicated special revenues.

These transfers are eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

N: INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of amounts due from and due to other funds at June 30, 2025:

| | Due From | Due To |
|-------------------------|------------|------------|
| General Fund | | |
| Title III B Fund | \$ - | \$ 14,955 |
| Title III C-1 Fund | - | 4,953 |
| Title III C-2 Fund | - | 10,371 |
| Senior Center Fund | - | 28,208 |
| Utility Assistance Fund | - | 95,962 |
| NSIP Fund | 2,307 | - |
| STPH Fund | 5,809 | - |
| | | |
| Title III B Fund | | |
| General Fund | 14,955 | - |
| | | |
| Title III C-1 Fund | | |
| General Fund | 4,953 | - |
| | | |
| Title III C-2 Fund | | |
| General Fund | 10,371 | - |
| | | |
| Senior Center Fund | | |
| General Fund | 28,208 | - |
| | | |
| Utility Assistance Fund | | |
| General Fund | 95,962 | - |
| | | |
| NSIP Fund | | |
| General Fund | - | 2,307 |
| | | |
| STPH Fund | | |
| General Fund | - | 5,809 |
| | \$ 162,565 | \$ 162,565 |

Outstanding balances between funds reported as “due to/due from other funds” include charges by one fund to another for services and/or goods outstanding at year end and are expected to be settled within the next year.

Interfund receivables and payables are eliminated in the Government-Wide Financial Statements as a part of the consolidation process.

EAST BATON ROUGE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

O: SUBSEQUENT EVENTS

Management has evaluated events through the date that the financial statements were available to be issued, January 20, 2026, and determined that no events have occurred that require additional disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

P: IN-KIND DONATIONS

The Council received \$180,442 in various in-kind contributions 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 revenue.

A summary of the in-kind contributions and their respective assigned values is as follows:

| | |
|--|-------------------|
| Miscellaneous items including supplies for the food pantry and material aid. | \$ 63,223 |
| Other Senior Center site facilities and health screening sites are furnished to the Council without charge | <u>117,219</u> |
| | <u>\$ 180,442</u> |

The Council receives 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.

Q: AD VALOREM TAXES

Beginning in 2017, ad valorem taxes are levied on real property in East Baton Rouge Parish each year to finance the budget of the Council. Taxes are billed and collected by the East Baton Rouge Sheriff's Office.

The Parish of East Baton Rouge has established separate accounts for the Council on Aging. The activity of the Parish of East Baton Rouge/Council on Aging account for the year ended June 30, 2025 includes collection of the ad valorem tax of \$12,093,802, the payment of local retirement contributions in the amount of \$337,276. The 10-year tax is scheduled to expire December 31, 2026.

The 2024 property tax calendar is as follows:

| | |
|-----------------------|-------------------|
| Levy date | November 4, 2023 |
| Millage rates adopted | November 4, 2023 |
| Tax bills mailed | November 28, 2024 |
| Due date | December 31, 2024 |
| Lien date | January 1, 2025 |

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

R: CHANGE IN ACCOUNTING PRINCIPLE

During the year, the Council adopted Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. In accordance with GASB 101 and the Council’s compensated absences policies, the Council compensated absences liabilities in the government-wide financial statements are recognized as earned and determined more likely than not to be paid out or used for time off. In the governmental funds financial statements, compensated absences are recognized as current year expenditures when leave is taken. This cumulative effect is also reported as an adjustment to beginning net position of the Governmental Activities and fund balance of the Statement of Revenues, Expenditures and Changes in Fund Balance in these financial statements as follows:

| | Governmental Activities | |
|--|-------------------------|--------------|
| | Net Position | Fund Balance |
| June 30, 2024, as previously reported | \$ 14,148,700 | \$ 1,610,922 |
| Cumulative effect of adopting GASB 101 - compensated absences | (43,261) | 96,951 |
| June 30, 2024, as restated | \$ 14,105,439 | \$ 1,707,873 |

S: RISK AND UNCERTAINTIES

The Council derives approximately 74% of its governmental fund revenues from an ad valorem tax subject to voter renewal. An election to renew the tax is scheduled for June 2026. Failure of the renewal would have a substantial impact on the Council’s ability to maintain current service levels. Management has determined that the outcome of the election is more likely than not to occur within twelve months of the financial statement date. The present ad valorem tax, set to expire December 31, 2026 will provide funding for the Council’s operations through fiscal year end June 30, 2027.

T: LITIGATION AND CLAIMS

The Council is periodically involved in various claims and legal proceedings arising in the normal course of operations. Management, after consultation with legal counsel, believes that while the outcome of these matters cannot presently be determined, any potential losses are not expected to have a material adverse impact on the financial statements. At this time, no amounts have been recorded for potential liabilities because the likelihood of loss is not considered probable, and the amount of any possible loss cannot be reasonably estimated.

REQUIRED SUPPLEMENTARY INFORMATION

EAST BATON ROUGE COUNCIL ON AGING, INC.
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND

For the year ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts Modified | Variance with Final Budget Favorable |
|---|------------------|-------------|-------------------------------|--|
| | Original | Final | Accrual Basis | (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Governor's Office of Elderly Affairs: | \$ 2,682,904 | \$ 273,433 | \$ 273,433 | \$ - |
| City of Baton Rouge | - | 213,461 | 213,461 | - |
| Taxes: | | | | |
| Property | 10,927,660 | 11,302,468 | 12,093,802 | 791,334 |
| Public Support - restricted: | | | | |
| Contributions | - | - | - | - |
| Public Support - unrestricted: | | | | |
| Contributions | - | - | 45,121 | 45,121 |
| Program Service Fees: | | | | |
| Paid meals | - | - | 651,130 | 651,130 |
| Interest | - | - | 123,135 | 123,135 |
| Other | 505,480 | 505,480 | 104,428 | (401,052) |
| In-kind Contributions | - | - | 15,482 | 15,482 |
| Total revenues | 14,116,044 | 12,294,842 | 13,519,992 | 1,225,150 |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services: | | | | |
| Current: | | | | |
| Salaries and wages | 4,877,827 | 1,726,198 | 1,226,090 | 500,108 |
| Fringe | 1,073,121 | 979,113 | 537,505 | 441,608 |
| Travel | 40,000 | 20,000 | 17,186 | 2,814 |
| Operating services | 2,294,457 | 2,442,672 | 1,334,634 | 1,108,038 |
| Operating supplies | 173,045 | 223,045 | 51,442 | 171,603 |
| Other cost | 2,474,594 | 2,579,837 | 1,222,540 | 1,357,297 |
| Kitchen operations | 3,048,000 | 3,758,157 | 283,284 | 3,474,873 |
| Capital outlay | 135,000 | 565,820 | 854,217 | (288,397) |
| Debt service: | | | | |
| Principal retirement | - | - | 1,106,773 | (1,106,773) |
| Interest | - | - | 52,571 | (52,571) |
| Total expenditures | 14,116,044 | 12,294,842 | 6,686,242 | 5,608,600 |
| Excess (deficiency) of revenues over expenditures | - | - | 6,833,750 | 6,833,750 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | - | - | - | - |
| Operating transfers out | - | - | (5,733,809) | (5,733,809) |
| Total other financing sources (uses) | - | - | (5,733,809) | (5,733,809) |
| Net change in fund balance | \$ - | \$ - | \$ 1,099,941 | \$ 1,099,941 |
| Fund balances | | | | |
| Beginning of year | | | 1,593,514 | |
| End of year | | | \$ 2,693,455 | |

See accompanying notes to budgetary comparison schedules.

EAST BATON ROUGE COUNCIL ON AGING, INC.
BUDGETARY COMPARISON SCHEDULE -
TITLE III B - SUPPORTIVE SERVICES FUND

For the year ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts Modified | Variance with Final Budget Favorable |
|---|--------------------|--------------------|-------------------------------|--|
| | Original | Final | Accrual Basis | (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Governor's Office of Elderly Affairs: | \$ 384,886 | \$ 384,886 | \$ 384,886 | \$ - |
| Taxes: | | | | |
| Property | - | - | - | - |
| Public Support - restricted: | | | | |
| Contributions | - | - | - | - |
| Public Support - unrestricted: | | | | |
| Contributions | - | - | - | - |
| Program Service Fees: | | | | |
| Paid meals | - | - | - | - |
| Interest | - | - | - | - |
| Other | - | - | - | - |
| In-kind Contributions | - | - | - | - |
| Total revenues | 384,886 | 384,886 | 384,886 | - |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services: | | | | |
| Current: | | | | |
| Salaries and wages | 116,973 | 129,237 | 143,247 | (14,010) |
| Fringe | 238,048 | 215,685 | 296,359 | (80,674) |
| Travel | 18,865 | 14,245 | 16,429 | (2,184) |
| Operating services | 31,451 | 53,305 | 58,589 | (5,284) |
| Operating supplies | 5,872 | 8,823 | 8,874 | (51) |
| Other cost | 4,015 | 4,098 | 20,212 | (16,114) |
| Kitchen operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Interest | - | - | - | - |
| Total expenditures | 415,224 | 425,393 | 543,710 | (118,317) |
| Excess (deficiency) of revenues over expenditures | (30,338) | (40,507) | (158,824) | (118,317) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | - | - | 158,824 | 158,824 |
| Operating transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | 158,824 | 158,824 |
| Net change in fund balance | \$ (30,338) | \$ (40,507) | \$ - | \$ 40,507 |
| Fund balances | | | | |
| Beginning of year | | | - | |
| End of year | | | \$ - | |

See accompanying notes to budgetary comparison schedules.

EAST BATON ROUGE COUNCIL ON AGING, INC.
BUDGETARY COMPARISON SCHEDULE -
TITLE III C-1 FUND

For the year ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-----------------------|-----------------------|---------------------------|-------------------------------|
| | Original | Final | Modified Accrual Basis | Favorable (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Governor's Office of Elderly Affairs: | \$ 575,929 | \$ 575,929 | \$ 575,929 | \$ - |
| Taxes: | | | | |
| Property | - | - | - | - |
| Public Support - restricted: | | | | |
| Contributions | - | - | - | - |
| Public Support - unrestricted: | | | | |
| Contributions | - | - | - | - |
| Program Service Fees: | | | | |
| Paid meals | - | - | 21 | 21 |
| Interest | - | - | - | - |
| Other | - | - | - | - |
| In-kind Contributions | - | - | - | - |
| Total revenues | 575,929 | 575,929 | 575,950 | 21 |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services: | | | | |
| Current: | | | | |
| Salaries and wages | 844,372 | 863,921 | 818,574 | 45,347 |
| Fringe | 193,230 | 184,034 | 232,101 | (48,067) |
| Travel | - | - | 202 | (202) |
| Operating services | 89,677 | 142,716 | 128,878 | 13,838 |
| Operating supplies | 830,069 | 1,477,565 | 78,712 | 1,398,853 |
| Other cost | 63,285 | 76,480 | 27,910 | 48,570 |
| Kitchen operations | - | - | 548,773 | (548,773) |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Interest | - | - | - | - |
| Total expenditures | 2,020,633 | 2,744,716 | 1,835,150 | 909,566 |
| Excess (deficiency) of revenues over expenditures | (1,444,704) | (2,168,787) | (1,259,200) | 909,587 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | - | - | 1,259,200 | 1,259,200 |
| Operating transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | 1,259,200 | 1,259,200 |
| Net change in fund balance | \$ (1,444,704) | \$ (2,168,787) | \$ - | \$ 2,168,787 |
| Fund balances | | | | |
| Beginning of year | | | - | |
| End of year | | | \$ - | |

See accompanying notes to budgetary comparison schedules.

EAST BATON ROUGE COUNCIL ON AGING, INC.
BUDGETARY COMPARISON SCHEDULE -
TITLE III C-2 FUND

For the year ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-----------------------|-----------------------|---------------------------|-------------------------------|
| | Original | Final | Modified Accrual Basis | Favorable (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Governor's Office of Elderly Affairs: | \$ 548,156 | \$ 548,156 | \$ 548,156 | \$ - |
| Taxes: | | | | |
| Property | - | - | - | - |
| Public Support - restricted: | | | | |
| Contributions | - | - | - | - |
| Public Support - unrestricted: | | | | |
| Contributions | - | - | - | - |
| Program Service Fees: | | | | |
| Paid meals | - | - | 80 | 80 |
| Interest | - | - | - | - |
| Other | - | - | - | - |
| In-kind Contributions | - | - | - | - |
| Total revenues | 548,156 | 548,156 | 548,236 | 80 |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services: | | | | |
| Current: | | | | |
| Salaries and wages | 1,326,901 | 833,037 | 997,228 | (164,191) |
| Fringe | 174,328 | 148,869 | 206,586 | (57,717) |
| Travel | - | - | 408 | (408) |
| Operating services | 206,019 | 220,407 | 268,749 | (48,342) |
| Operating supplies | 2,483,614 | 2,412,558 | 222,657 | 2,189,901 |
| Other cost | 82,457 | 69,335 | 69,833 | (498) |
| Kitchen operations | - | - | 1,511,516 | (1,511,516) |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Interest | - | - | - | - |
| Total expenditures | 4,273,319 | 3,684,206 | 3,276,977 | 407,229 |
| Excess (deficiency) of revenues over expenditures | (3,725,163) | (3,136,050) | (2,728,741) | 407,309 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | - | - | 2,728,741 | 2,728,741 |
| Operating transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | 2,728,741 | 2,728,741 |
| Net change in fund balance | \$ (3,725,163) | \$ (3,136,050) | \$ - | \$ 3,136,050 |
| Fund balances | | | | |
| Beginning of year | | | - | |
| End of year | | | \$ - | |

See accompanying notes to budgetary comparison schedules.

EAST BATON ROUGE COUNCIL ON AGING, INC.
BUDGETARY COMPARISON SCHEDULE -
SENIOR CENTER FUND

For the year ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-----------------------|-----------------------|---------------------------|-------------------------------|
| | Original | Final | Modified Accrual Basis | Favorable (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Governor's Office of Elderly Affairs: | \$ 494,304 | \$ 494,304 | \$ 494,304 | \$ - |
| Taxes: | | | | |
| Property | - | - | - | - |
| Public Support - restricted: | | | | |
| Contributions | - | - | - | - |
| Public Support - unrestricted: | | | | |
| Contributions | - | - | - | - |
| Program Service Fees: | | | | |
| Paid meals | - | - | - | - |
| Interest | - | - | - | - |
| Other | - | - | - | - |
| In-kind Contributions | - | - | 164,960 | 164,960 |
| Total revenues | 494,304 | 494,304 | 659,264 | 164,960 |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services: | | | | |
| Current: | | | | |
| Salaries and wages | 805,731 | 756,094 | 625,399 | 130,695 |
| Fringe | 149,430 | 142,855 | 212,523 | (69,668) |
| Travel | 2,500 | - | - | - |
| Operating services | 880,460 | 780,185 | 1,409,727 | (629,542) |
| Operating supplies | 112,000 | 150,000 | 270,534 | (120,534) |
| Other cost | - | 131,611 | 50,598 | 81,013 |
| Kitchen operations | - | - | - | - |
| Capital outlay | - | 8,389 | - | 8,389 |
| Debt service: | | | | |
| Interest | - | - | - | - |
| Total expenditures | 1,950,121 | 1,969,134 | 2,568,781 | (599,647) |
| Excess (deficiency) of revenues over expenditures | (1,455,817) | (1,474,830) | (1,909,517) | (434,687) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | - | - | 1,909,517 | 1,909,517 |
| Operating transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | 1,909,517 | 1,909,517 |
| Net change in fund balance | \$ (1,455,817) | \$ (1,474,830) | \$ - | \$ 1,474,830 |
| Fund balances | | | | |
| Beginning of year | | | - | |
| End of year | | | \$ - | |

See accompanying notes to budgetary comparison schedules.

EAST BATON ROUGE COUNCIL ON AGING, INC.
BUDGETARY COMPARISON SCHEDULE -
NSIP

For the year ended June 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|-------------------|-------------------|---------------------------|-------------------------------|
| | Original | Final | Modified Accrual Basis | Favorable (Unfavorable) |
| REVENUES | | | | |
| Intergovernmental: | | | | |
| Governor's Office of Elderly Affairs: | \$ 251,272 | \$ 251,272 | \$ 251,272 | \$ - |
| Taxes: | | | | |
| Property | - | - | - | - |
| Public Support - restricted: | | | | |
| Contributions | - | - | - | - |
| Public Support - unrestricted: | | | | |
| Contributions | - | - | - | - |
| Program Service Fees: | | | | |
| Paid meals | - | - | - | - |
| Interest | - | - | - | - |
| Other | - | - | - | - |
| In-kind Contributions | - | - | - | - |
| Total revenues | 251,272 | 251,272 | 251,272 | - |
| EXPENDITURES | | | | |
| Health, Welfare, & Social Services: | | | | |
| Current: | | | | |
| Salaries and wages | - | - | - | - |
| Fringe | - | - | - | - |
| Travel | - | - | - | - |
| Operating services | - | - | - | - |
| Operating supplies | - | - | - | - |
| Other cost | - | - | - | - |
| Kitchen operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Interest | - | - | - | - |
| Total expenditures | - | - | - | - |
| Excess (deficiency) of revenues over expenditures | 251,272 | 251,272 | 251,272 | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | - | - | - | - |
| Operating transfers out | - | - | (251,272) | (251,272) |
| Total other financing sources (uses) | - | - | (251,272) | (251,272) |
| Net change in fund balance | \$ 251,272 | \$ 251,272 | \$ - | \$ (251,272) |
| Fund balances | | | | |
| Beginning of year | | | - | |
| End of year | | | \$ - | |

See accompanying notes to budgetary comparison schedules.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING

June 30, 2025

The budgetary information presented in this section of required supplementary information applies to "major" governmental funds for which annual budgets were adopted. Budgetary information for "non-major" funds has not been included anywhere in these financial statements.

The Council used the following procedures to derive the budgetary data which has been presented 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. GOEA awards funds for fiscal periods ending June 30th.
- The City of Baton Rouge notifies the Council each year as to the amount included in the City-Parish budget for the Council. Because the City of Baton Rouge operates on a calendar year, its fiscal year will overlap the Council's fiscal year. Accordingly, the Council's management can predict with reasonable accuracy how much money the Council will have available for the first six months of its fiscal year. Management estimates the City's allocation for the last six months of the Council's fiscal year until the City notifies the Council of the exact allocation. Management will then incorporate the actual allocation amount into the Council's amended budget. Funds received from the City of Baton Rouge are unrestricted as to use by the Council on Aging.
- The Council may also obtain grants from agencies other than GOEA and the City of Baton Rouge, and the Council considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Council's management prepares a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget before May 31st of the current year for the next year.
- The adopted budget is forwarded to the Governor's Office of Elderly Affairs for the final approval.
- All budgetary appropriations for grants awarded the Council by GOEA lapse at the end of each fiscal year (June 30), except for N.S.I.P. Cash in lieu of Commodities funding which lapse at December 31st. Occasionally, the Council will receive a special project grant that may operate on a period different from the Council's normal fiscal year and, therefore, have a specified date where the budgetary appropriation will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amount and all subsequent amendments, which must also be adopted by the Board of Directors and approved by GOEA.

- 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 from the Governor's Office of Elderly Affairs for funds received under grants from this state agency. As part of its grants awards, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceed the budgeted line item by more than 10%, unless unrestricted funds are available to "cover" the overrun.
- The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY THE GOEA

EAST BATON ROUGE COUNCIL ON AGING, INC.
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

| | AAA Administration | Supplemental Senior Center | Title III D Wellness | STPH | Title III E Caregiver Support | Utility Assistance | Total |
|--|-----------------------|-------------------------------|-------------------------|------------------|----------------------------------|-----------------------|-------------------|
| ASSETS | | | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Grants receivable | - | - | - | 24,206 | - | - | 24,206 |
| Property tax receivable | - | - | - | - | - | - | - |
| Accounts receivable | - | - | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | 95,962 | 95,962 |
| Total Assets | \$ - | \$ - | \$ - | \$ 24,206 | \$ - | \$ 95,962 | \$ 120,168 |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued payroll and related taxes | - | - | - | - | - | - | - |
| Due to other funds | - | - | - | 5,809 | - | - | 5,809 |
| Total Liabilities | - | - | - | 5,809 | - | - | 5,809 |
| FUND BALANCES | | | | | | | |
| Restricted | - | - | - | 18,397 | - | 95,962 | 114,359 |
| Unassigned | - | - | - | - | - | - | - |
| Total fund balances | - | - | - | 18,397 | - | 95,962 | 114,359 |
| Total liabilities and fund balances | \$ - | \$ - | \$ - | \$ 24,206 | \$ - | \$ 95,962 | \$ 120,168 |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year ended June 30, 2025

| | AAA Administration | Supplemental Senior Center | Title III D Wellness | STPH | Title III E Caregiver Support | Utility Assistance | Total |
|---|-----------------------|-------------------------------|-------------------------|------------------|----------------------------------|-----------------------|-------------------|
| REVENUES | | | | | | | |
| Intergovernmental: | | | | | | | |
| Office of Elderly Affairs | \$ 131,441 | \$ 67,119 | \$ 12,366 | \$ 24,206 | \$ 119,509 | \$ - | \$ 354,641 |
| Public Support (restricted): | | | | | | | |
| Contributions | - | - | - | - | - | - | - |
| Public Support (unrestricted): | | | | | | | |
| Contributions | - | - | - | - | - | - | - |
| Fund raising | - | - | - | - | - | - | - |
| Program Service Fees: | | | | | | | |
| Paid meals | - | - | - | - | - | - | - |
| Interest Income | - | - | - | - | - | - | - |
| Utility Assistance - Entergy | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| In-kind Contributions | - | - | - | - | - | - | - |
| Total revenues | <u>131,441</u> | <u>67,119</u> | <u>12,366</u> | <u>24,206</u> | <u>119,509</u> | <u>-</u> | <u>354,641</u> |
| EXPENDITURES | | | | | | | |
| Health, Welfare, & Social Services: | | | | | | | |
| Current: | | | | | | | |
| Salaries and wages | 52,410 | - | - | - | 29,881 | - | 82,291 |
| Fringe | 15,516 | - | - | - | 15,538 | - | 31,054 |
| Travel | - | - | - | 1,948 | - | - | 1,948 |
| Operating services | 55,241 | - | 1,050 | - | - | - | 56,291 |
| Operating supplies | - | - | - | 22,258 | - | - | 22,258 |
| Other cost | 6,342 | - | 8,256 | - | 75,000 | - | 89,598 |
| Kitchen operations | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Debt service: | | | | | | | |
| Principal retirement | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - |
| Utility Assistance | - | - | - | - | - | - | - |
| Total expenditures | <u>129,509</u> | <u>-</u> | <u>9,306</u> | <u>24,206</u> | <u>120,419</u> | <u>-</u> | <u>283,440</u> |
| Excess (deficiency) of revenues over expenditures | 1,932 | 67,119 | 3,060 | - | (910) | - | 71,201 |
| OTHER FINANCING SOURCES | | | | | | | |
| (USES) | | | | | | | |
| Operating transfers in | - | - | - | - | 910 | - | 910 |
| Operating transfers out | (1,932) | (67,119) | (3,060) | - | - | - | (72,111) |
| Total other financing sources (uses) | <u>(1,932)</u> | <u>(67,119)</u> | <u>(3,060)</u> | <u>-</u> | <u>910</u> | <u>-</u> | <u>(71,201)</u> |
| Net change in fund balance | - | - | - | - | - | - | - |
| Fund balances | | | | | | | |
| Beginning of year | - | - | - | 18,397 | - | 95,962 | 114,359 |
| End of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 18,397</u> | <u>\$ -</u> | <u>\$ 95,962</u> | <u>\$ 114,359</u> |

See accompanying notes to the basic financial statements.

EAST BATON ROUGE COUNCIL ON AGING, INC.
COMPARATIVE SCHEDULE OF CAPITAL ASSETS
AND CHANGES IN CAPITAL ASSETS

Year ended June 30, 2025

| | Restated Balance June 30, 2024 | Additions/ Adjustments | Deletions | Balance June 30, 2025 |
|---|--------------------------------------|---------------------------|-------------------|--------------------------|
| CAPITAL ASSETS | | | | |
| Vehicles | \$ 1,069,969 | \$ 446,764 | \$ 170,226 | \$ 1,346,507 |
| Office furniture and equipment | 3,331,158 | 103,038 | 62,970 | 3,371,226 |
| Leasehold improvements | 358,212 | - | - | 358,212 |
| Buildings | 14,442,140 | 304,415 | - | 14,746,555 |
| TOTAL CAPITAL ASSETS | \$ 19,201,479 | \$ 854,217 | \$ 233,196 | \$ 19,822,500 |
| INVESTMENT IN CAPITAL ASSETS | | | | |
| Property acquired with funds from: | | | | |
| General fund | \$ 19,030,900 | \$ 854,217 | \$ 233,196 | \$ 19,651,921 |
| Title III C-1 | 7,658 | - | - | 7,658 |
| Title III C-2 | 47,921 | - | - | 47,921 |
| Donations from the general public | 115,000 | - | - | 115,000 |
| TOTAL INVESTMENT IN CAPITAL ASSETS | \$ 19,201,479 | \$ 854,217 | \$ 233,196 | \$ 19,822,500 |

**SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY THE
*UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND
AUDIT REQUIREMENTS FOR FEDERAL AWARDS***

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2025

| FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE OR CLUSTER TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH ENTITY IDENTIFYING NUMBER | PROGRAM OR AWARD AMOUNT | REVENUE RECOGNIZED | TOTAL FEDERAL EXPENDITURES |
|--|---------------------------------|---|-------------------------------|-----------------------|----------------------------------|
| <u>United States Department of Health and Human Services</u> | | | | | |
| Passed through the Louisiana Governor's Office of Elderly Affairs: | | | | | |
| Special Programs for the Aging: | | | | | |
| Title III, Part B - Supportive Services and Senior Centers | 93.044 | 720224 | \$ 274,217 | \$ 274,217 | \$ 274,217 |
| COVID19 - (STPH) Expanding the Public Health Workforce - ARP | 93.044 | 720224 | 24,206 | 24,206 | 24,206 |
| Total Title III, Part B | | | <u>298,423</u> | <u>298,423</u> | <u>298,423</u> |
| Title III, Part C - Area Agency Administration | 93.045 | 720224 | 98,581 | 98,581 | 98,581 |
| Title III, Part C-1 - Nutrition Services Congregate Meals | 93.045 | 720224 | 409,415 | 409,415 | 409,415 |
| Title III, Part C-2 - Nutrition Services Home Delivered Meals | 93.045 | 720224 | 249,945 | 249,945 | 249,945 |
| Total Title III, Part C | | | <u>757,941</u> | <u>757,941</u> | <u>757,941</u> |
| Nutrition Services Incentive Program | 93.053 | 720106 | 251,272 | 251,272 | 251,272 |
| Total Aging Cluster | | | <u>1,307,636</u> | <u>1,307,636</u> | <u>1,307,636</u> |
| Title III, Part D - Disease Prevention and Health Promotion Services | 93.043 | 720224 | 12,366 | 12,366 | 12,366 |
| Total Title III, Part D | | | <u>12,366</u> | <u>12,366</u> | <u>12,366</u> |
| Title III, Part E - National Family Caregiver Program | 93.052 | 720224 | 89,632 | 89,632 | 89,632 |
| Total Title III, Part E | | | <u>89,632</u> | <u>89,632</u> | <u>89,632</u> |
| Medicare Enrollment Assistance Program (MIPPA SHIP) | 93.071 | 720224 | 24,400 | 24,400 | 24,400 |
| Medicare Enrollment Assistance Program (MIPPA AAA) | 93.071 | 720224 | 27,100 | 27,100 | 27,100 |
| Total Medicare Enrollment Assistance Program | | | <u>51,500</u> | <u>51,500</u> | <u>51,500</u> |
| Total United States Department of Health and Human Services | | | <u>1,461,134</u> | <u>1,461,134</u> | <u>1,461,134</u> |
| <u>United States Department of Treasury</u> | | | | | |
| Passed through the City of Baton Rouge Parish of East Baton Rouge: | | | | | |
| COVID19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | 560,000 | 213,461 | 213,461 |
| Total Expenditures Federal Awards | | | <u>\$ 2,021,134</u> | <u>\$ 1,674,595</u> | <u>\$ 1,674,595</u> |

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2025

(1) GENERAL

The Council schedule of expenditures of federal awards (SEFA) presents the activity of all federal financial assistance programs. All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal financial assistance passed through other agencies.

(2) BASIS OF ACCOUNTING

The Council schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note A to the Council's financial statements for the year ended June 30, 2025. The schedule details federal awards wherein revenues are recognized to the extent of expenditures.

(3) SUB-RECIPIENTS

The Council did not pass-through any of its federal awards to a sub-recipient during the year ended June 30, 2025.

(4) INDIRECT COST RATE

The Council has a negotiated indirect cost rate. The Council did not elect to use the 10% de minimis cost rate as allowed by 2 CFR 200.414 Indirect (F&A) costs.

(5) NON-CASH ASSISTANCE

No federal non-cash assistance was received or expended during the year ended June 30, 2025.

(6) RELATIONSHIP TO FINANCIAL STATEMENTS

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

| <u>Fund</u> | <u>Amount</u> |
|---------------|---------------------|
| General Fund | \$ 264,961 |
| Title III B | 274,217 |
| Title III C-1 | 409,415 |
| Title III C-2 | 249,945 |
| NSIP | 251,272 |
| Non-Major | 224,785 |
| | <u>\$ 1,674,595</u> |

SUPPLEMENTARY INFORMATION

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF COMPENSATION, BENEFITS & OTHER PAYMENTS
TO CHIEF EXECUTIVE OFFICER
Year ended June 30, 2025

Chief Executive Officer/Title: Tasha Clark-Amar, Executive Director

| Purpose | Amount |
|----------------------|---------------|
| Salary | \$ 150,009 |
| Benefits - insurance | 7,580 |
| Retirement | 4,500 |

Kimberly G. Sanders, CPA, MBA
Neal Fortenberry, CPA
Wayne Dussel, CPA, CFE
Jonathan Clark, CPA



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

To the Board of Directors of
East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the East Baton Rouge Council on Aging, Inc. (the Council), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise East Baton Rouge Council on Aging, Inc.'s basic financial statements and have issued our report thereon dated January 20, 2026.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from 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 instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

L. A. Champagne & Co, LLP

Baton Rouge, Louisiana

January 20, 2026

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**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of the
East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited East Baton Rouge Council on Aging, Inc.'s (Council) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended June 30, 2025. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

L. A. Champagne & Co, LLP

Baton Rouge, Louisiana
January 20, 2026

EAST BATON ROUGE COUNCIL ON AGING, INC.
SUMMARY OF AUDIT RESULTS AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

A: SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of East Baton Rouge Council on Aging.
2. No significant deficiencies and no material weaknesses in internal controls related to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*."
3. No instances of noncompliance material to the financial statements of East Baton Rouge Council on Aging were disclosed during the audit.
4. No significant deficiencies in internal controls relating to the audit of the major federal award programs included in the "Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance".
5. The auditor's report on compliance for the major federal award programs for East Baton Rouge Council on Aging expresses an unmodified opinion.
6. There are no audit findings relating to the major federal award programs for East Baton Rouge Council on Aging reported in Part C of this Schedule.
7. A management letter was not issued.
8. The program cluster tested as a major program is as follows:

U. S. Department of Health and Human Services
Aging Cluster - Special Programs for the Aging
9. The threshold for distinguishing Types A and B programs was \$750,000.
10. East Baton Rouge Council on Aging was determined to be a low-risk auditee.

B: FINDINGS - FINANCIAL STATEMENTS AUDIT

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

C: FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Special Programs for the Aging – Title IIIB, C- Supportive Services; ALN 93.044, Title IIIC – Nutrition Services; ALN 93.045, and N.S.I.P. – Nutrition Services Incentive Program; ALN 93.053, year ended June 30, 2025

COMPLIANCE

No findings or deficiencies noted.

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF CORRECTIVE ACTION TAKEN
ON PRIOR YEAR FINDINGS
Year Ended June 30, 2025

FINANCIAL STATEMENT FINDINGS

No findings noted.

MAJOR FEDERAL AWARD PROGRAM AUDIT

No findings noted.