

UNION COUNCIL ON AGING, INC.

Financial Statements
For the Year Ended June 30, 2018

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2018

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UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Union Council on Aging, Inc.
Farmerville, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Union Council on Aging, Inc., as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Council as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for the Union Council on Aging, Inc., as of June 30, 2018, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 7 and 21 through 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurances.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Union Council on the Aging, Inc. basic financial statements. The supplemental information schedules required by GOEA are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, 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*, is presented for purposes of additional analysis and is not a required part of the financial statements.

The combining nonmajor fund financial statements, schedule of compensation, benefits and other payments to agency head or chief executive officer and the schedule of expenditures of federal awards 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Directors
Union Council on Aging, Inc.
Farmerville, Louisiana
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The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated October 5, 2018, on my consideration of the Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering Union Council on Aging's internal control over financial reporting and compliance.

David M. Jewell, CPA (PPAC)

West Monroe, Louisiana
October 5, 2018

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

UNION COUNCIL ON AGING, INC.
606 E. BOUNDARY STREET
FARMERVILLE, LOUISIANA 71241
OFFICE PHONE (318) 368-2205
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MANAGEMENT’S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Union Council on Aging provides an overview of the Councils activities for the year ended June 30, 2018. Please read it in conjunction with the Council’s financial statements.

USING THIS ANNUAL REPORT

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

Reporting the Council as a Whole

The Statements of Net Position and the Statements of Activities

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

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

THE COUNCIL AS A WHOLE

For the years ended June 30, 2018 and 2017.

	FYE 2018	FYE 2017
Beginning net position	\$ 666,709	\$ 681,411
Increase (Decrease) in net position	<u>(52,557)</u>	<u>(14,702)</u>
Ending net position	<u>\$ 614,152</u>	<u>\$ 666,709</u>

THE COUNCIL'S FUNDS

The following schedule presents a summary of revenues and expenses for the fiscal year ended June 30, 2018, and the amount and percentage of increases and decreases in relation to the prior year.

	FYE 2018	Percent	Increase (Decrease)	Percent
Revenues:	Amount	of Total	from	Increase
			FYE 2017	(Decrease)
Intergovernmental	\$132,987	29%	\$ (687)	(1)%
Property Taxes	\$236,970	52%	\$ 3,522	1%
Public Support	\$ 72,438	16%	\$ (15,968)	(18)%
Miscellaneous	\$ 15,020	3%	\$ 12,017	400%
Total Revenues	\$457,415	100%		

Revenues for the Council remained constant from prior year.

	FYE 2017	Percent	Increase (Decrease)	Percent
Revenues:	Amount	of Total	from	Increase
			FYE 2016	(Decrease)
Intergovernmental	\$133,674	29%	\$ (2,159)	(1)%
Property Taxes	\$233,448	51%	\$ (1,228)	(1)%
Public Support	\$ 88,406	19%	\$ 2,016	2%
Miscellaneous	\$ 3,003	1%	\$ 1,957	187%
Total Revenues	\$ 458,531	100%		

Revenues for the Council remained constant from prior year.

	FYE 2018	Percent	Increase	Percent
Expenses:	Amount	of Total	from	Increase
			FYE 2017	
Total	\$509,972	100%	\$36,739	8%

The Council's expenditures increased this year because of a increase in salaries and other costs throughout the year.

	FYE 2017	Percent	Increase	Percent
Expenses:	Amount	of Total	from	Increase
			FYE 2016	
Total	\$473,233	100%	\$9,345	2%

The Council's expenditures decreased this year because of a decrease in salaries and other costs throughout the year.

BUDGETARY HIGHLIGHTS

The Council's total revenues in fiscal year 2018 were more than the final budget by \$8,653. Actual expenses for the Council in fiscal year 2018 were more than the final budget by \$9,568. The General Fund is budgeted as well as PCOA and property tax collections, and used in support of other programs causing the large differences in budgeted amounts from actual.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2018 and 2017, the Council had \$236,579 and \$255,380 (net of depreciation) invested in capital assets including buildings and improvements, furniture and fixtures, equipment, and vehicles.

	FYE 2018	FYE 2017
Buildings and improvements	\$306,100	\$306,100
Furniture and equipment	33,950	33,950
Vehicles	231,136	208,819
Land	6,000	6,000
Accumulated Depreciation	<u>(340,607)</u>	<u>(299,489)</u>
Totals	<u>\$236,579</u>	<u>\$255,380</u>

This year's addition consisted of a new vehicle.

Debt

At year end, the Council has a total of \$12,079 in long term debt. The note payable for the building was paid off during the year.

	FYE 2018	FYE 2017
Accrued Vacation	<u>\$ 12,079</u>	<u>\$ 11,140</u>
Total	<u>\$ 12,079</u>	<u>\$ 11,140</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND REVENUES

The Council's revenues are derived mainly from three sources, United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council, and a Parish Wide Millage Property Tax and Public Support. The Council does not anticipate any major increases or decreases in the revenues for the coming year. It is possible that Public Support Revenues may increase due to expansion of the Home Delivered Meals Program.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, and creditors with general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Union Council on Aging, 606 East Boundary Street, Farmerville, LA, 71241.

Louise Denton
Director

GOVERNMENT-WIDE FINANCIAL STATEMENTS

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 408,110
Accounts Receivable	6,666
Capital Assets, Net:	
Non-Depreciable	6,000
Depreciable	<u>230,579</u>
<u>TOTAL ASSETS</u>	651,355
<u>LIABILITIES</u>	
Accounts Payable	8,570
Accrued Expenses	16,554
Non-Current Liabilities	
Due Within One Year	
Notes Payable	-
Compensated Absences	12,079
Due in More Than One Year	
Notes Payable	<u>-</u>
<u>TOTAL LIABILITIES</u>	37,203
<u>NET POSITION</u>	
Net Investment in Capital Assets	255,380
Unrestricted, Utility Assistance	1,549
Unrestricted, Unreserved	<u>357,223</u>
<u>TOTAL NET POSITION</u>	<u>\$ 614,152</u>

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Direct Expenses	Indirect Expenses
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 43,032	\$ 25,028
Information and Assistance	33,873	2,524
Outreach	497	117
Transportation	38,176	21,412
Other Services	10,872	3,636
Nutrition Services:		
Congregate Meals	44,406	32,143
Home Delivered Meals	93,804	59,446
Utility Assistance	-	-
Disease Prevention and Health Promotion	-	-
National Family Caregiver Support	-	-
Senior Activities	32,790	20,199
Administration	48,017	-
 Total Governmental Activities	 \$ 345,467	 \$ 164,505

Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ -	\$ 18,061	\$ -	\$ (49,999)
-	9,659	-	(26,738)
-	163	-	(451)
-	15,813	-	(43,775)
-	3,850	-	(10,658)
-	-	-	(76,549)
-	599	-	(152,651)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	(52,989)
-	72,438	-	24,421
<u>\$ -</u>	<u>\$ 120,583</u>	<u>\$ -</u>	<u>\$ (389,389)</u>

General Revenues:

Grants and Contributions not Restricted to Specific Programs	84,842
Property Taxes	236,970
Rental Income	-
Miscellaneous	15,020
Total General Revenues	<u>336,832</u>
Changes in Net Position	(52,557)
Net Position - Beginning	<u>666,709</u>
Net Position - Ending	<u>\$ 614,152</u>

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

FUND FINANCIAL STATEMENTS

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2018

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 406,113	\$ -	\$ -	\$ -
Accounts Receivable	843	5,263	194	362
Due From Other Funds	<u>5,461</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL ASSETS</u>	<u>\$ 412,417</u>	<u>\$ 5,263</u>	<u>\$ 194</u>	<u>\$ 362</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 7,760	\$ -	\$ -	\$ 362
Other Accrued Expenses	16,554	-	-	-
Due To Other Funds	<u>-</u>	<u>5,263</u>	<u>194</u>	<u>-</u>
Total Liabilities	<u>24,314</u>	<u>5,263</u>	<u>194</u>	<u>362</u>
<u>FUND BALANCE</u>				
Fund Balance				
Restricted for:				
Utility Assistance	-	-	-	-
Unassigned	<u>388,103</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>388,103</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 412,417</u>	<u>\$ 5,263</u>	<u>\$ 194</u>	<u>\$ 362</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET POSITION OF
GOVERNMENTAL FUNDS
JUNE 30, 2018

<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>		
		Total Governmental Fund Balances	\$ 389,652
		<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
\$ 1,997	\$ 408,110		
4	6,666		
-	5,461	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	236,579
<u>\$ 2,001</u>	<u>\$ 420,237</u>		
		Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(12,079)</u>
\$ 448	\$ 8,570		
-	16,554	Net Position of Governmental Activities	<u>\$ 614,152</u>
4	5,461		
<u>452</u>	<u>30,585</u>		
1,549	1,549		
-	388,103		
<u>1,549</u>	<u>389,652</u>		
<u>\$ 2,001</u>	<u>\$ 420,237</u>		

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

UNION COUNCIL ON AGING, INC
FARMERVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>
<u>REVENUES</u>				
Intergovernmental	\$ 84,842	\$ 47,546	\$ -	\$ 599
Property Taxes	236,970	-	-	-
Public Support	20,657	2,325	17,634	19,620
Contributions	12,202	-	-	-
Rental Income	-	-	-	-
Miscellaneous	15,020	-	-	-
Total Revenues	<u>369,691</u>	<u>49,871</u>	<u>17,634</u>	<u>20,219</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	35,409	125,663	52,303	93,299
Fringe	5,434	15,243	4,933	8,893
Travel	126	4,561	59	146
Operating Services	9,545	25,005	9,453	35,052
Operating Supplies	6,206	8,695	5,754	15,860
Other Costs	2,229	-	4,047	-
Capital Outlay	22,317	-	-	-
Principal Payments	-	-	-	-
Interest Payments	-	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	<u>81,266</u>	<u>179,167</u>	<u>76,549</u>	<u>153,250</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	288,425	(129,296)	(58,915)	(133,031)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	14,552	129,296	58,915	133,031
Operating Transfers - Out	(335,794)	-	-	-
Total Other Financing Sources (Uses)	<u>(321,242)</u>	<u>129,296</u>	<u>58,915</u>	<u>133,031</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	(32,817)	-	-	-
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>420,920</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 388,103</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

<u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>			
		Net Change in Fund Balances - Total Governmental Funds	\$ (32,817)	
\$ -	\$ 132,987	<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
-	236,970			
-	60,236			
-	12,202			
-	-		Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
-	15,020		Capital asset purchases capitalized	22,317
-	457,415		Depreciation expense	<u>(41,118)</u>
-				(18,801)
-	306,674		Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	
-	34,503			
-	4,892			
-	79,055			
-	36,515			<u>(939)</u>
-	6,276			
-	22,317	Change in Net Position in Governmental Activities		
-	-			
-	-			<u>\$ (52,557)</u>
-	-			
-	490,232			
-	(32,817)			
-	335,794			
-	(335,794)			
-	-			
-	(32,817)			
1,549	422,469			
<u>\$ 1,549</u>	<u>\$ 389,652</u>			

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 1- Summary of Significant Accounting Policies

The financial statements of the Union Council on Aging, Inc. have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governments*, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI-Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors, and the *Louisiana Governmental Audit Guide*. The more significant to the Council's accounting policies are described below.

A. Reporting Entity

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

The primary function of the Union Council on the Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 14 voluntary members who serve three-year terms governs the Council.

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

B. Financial Reporting

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

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

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

Office of Elderly Affairs funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

The Council reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. The following types of programs comprise the Council's General Fund:

Local Funds

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

PCOA (ACT 735) Funds

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Senior Center Fund

This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various Councils on Aging through the state to be used to supplement the primary state grant for senior centers. Union Council on the Aging, Inc. was one of the parish councils to receive a supplemental grant.

Title III-B Supportive Services Fund

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

Title III C-1 Congregate Meals Fund

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

Title III C-2 Home Delivered Meals Fund

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

The remaining nonmajor funds are as follows:

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Title III-E National Family Caregiver Support

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

Utility Assistance Fund

The Utility Assistance fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish Councils on Aging to provide assistance to the elderly for the payment of their utility bills.

C. Compensated Absences

Employees of the Union Council on the Aging, Inc. earn from 12 to 21 days of annual leave each year with 10 days allowed to be carried over to next year, depending on their length of service and the employee's working status (full-time or part-time). Provided that funds are available, employees are compensated upon termination of employment for current-year accrued annual leave up to 5 days. Employees earn up to 12 days of sick leave each year, and can accumulate up to 60 days, depending upon whether the employee is on a part-time or full-time status. Employees are not paid for accrued sick leave at termination and no accrual has been made.

D. Funding Policies and Sources of Funds

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

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 1- Summary of Significant Accounting Policies (continued)

E. Fund Equity

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

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

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

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

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

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

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

F. Estimates

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

Note 2 - Cash and Certificates of Deposit

Custodial Credit Risk - Deposits

The custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council's policy to ensure there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Council had no custodial risk related to its deposits at June 30, 2018.

At June 30, 2018, the Council has cash and cash equivalents (book balances net of overdrafts) in the amount of \$408,110.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable by both parties. Cash and cash equivalents (bank balances) at June 30, 2018, are secured as follows:

Bank Balances	<u>\$ 402,340</u>
Federal Deposits Insurance	\$ 250,000
Pledged Securities (Uncollateralized)	<u>274,152</u>
<u>TOTAL</u>	<u>\$ 524,152</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 3 - Receivables

There was \$6,666 in accounts receivable at June 30, 2018.

Note 4 - Fixed Assets

Fixed asset activity for the year ended June 30, 2018 is as follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
Non-Depreciable Assets:				
Land	\$ 6,000	\$ -	\$ -	\$ 6,000
Depreciable Assets:				
Building	194,180	-	-	194,180
Improvements	111,920	-	-	111,920
Vehicles	208,819	22,317	-	231,136
Machinery & Equipment	<u>33,950</u>	<u>-</u>	<u>-</u>	<u>33,950</u>
Totals at Historical Cost	554,869	22,317	-	577,186
Less Accumulated Depreciation				
For:				
Building	(111,658)	(4,920)	-	(116,578)
Improvements	(33,659)	(5,489)	-	(39,148)
Vehicles	(122,767)	(28,164)	-	(150,931)
Machinery & Equipment	<u>(31,405)</u>	<u>(2,545)</u>	<u>-</u>	<u>(33,950)</u>
Total Accumulated Depreciation	<u>(299,489)</u>	<u>(41,118)</u>	<u>-</u>	<u>(340,607)</u>
Fixed Assets, Net	<u>\$ 255,380</u>	<u>\$(18,801)</u>	<u>\$ -</u>	<u>\$ 236,579</u>

Depreciation was charged to Administration activities of the Council for \$41,118.

Note 5 - Long-Term Debt

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Other Liabilities:					
Accrued Vacation	<u>11,140</u>	<u>939</u>	<u>-</u>	<u>12,079</u>	<u>12,079</u>
Total Governmental Activities	<u>\$ 11,140</u>	<u>\$ 939</u>	<u>\$ -</u>	<u>\$ 12,079</u>	<u>\$ 12,079</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 6 - In-Kind Contributions

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

Note 7 - Board of Directors' Compensation

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

Note 8 - Income Tax Status

The Council, a non-profit corporation is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made; however, should the organization engage in activities unrelated to its exempt purpose, taxable income could result. The organization had no material unrelated business income for the year ended June 30, 2018. The earliest income tax year that is subject to examination is 2014.

Note 9 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2018, nor is the Council aware of any unasserted claims.

Note 10 - Federal Award Programs

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

Note 11-Economic Dependency

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

Note 12-Risk Management

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 13 -Subsequent Events

Subsequent events have been evaluated through October 5, 2018, which the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

Note 14-Interfund Transfers

Operating transfers in and out are listed by fund for 2018:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>				<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>General Fund</u>	<u>PCOA</u>	<u>Senior Center</u>	
Title IIIB - Supportive Service	\$ -	\$129,296	\$ -	\$ -	\$ 129,296
Senior Center	9,580	4,972	-	-	14,552
Title III C-1	-	40,165	18,750	-	58,915
Title III C-2	-	<u>114,281</u>	<u>18,750</u>	-	<u>133,031</u>
Total Out	<u>\$ 9,580</u>	<u>\$ 288,714</u>	<u>\$ 37,500</u>	<u>\$ -</u>	<u>\$ 335,794</u>

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 86,723	\$ 83,642	\$ 84,842	\$ 1,200
Property Taxes	240,000	240,000	236,970	(3,030)
Public Support	21,300	23,200	20,657	(2,543)
Contributions	25,200	13,000	12,202	(798)
Other Income	-	-	14,230	14,230
Rental Income	-	-	-	-
Interest Income	575	575	790	215
Total Revenues	373,798	360,417	369,691	9,274
<u>Expenditures</u>				
Salaries	39,011	39,728	35,409	4,319
Fringe	4,332	4,248	5,434	(1,186)
Travel	-	-	126	(126)
Operating Services	6,201	6,619	9,545	(2,926)
Operating Supplies	4,612	5,531	6,206	(675)
Other Costs	2,371	2,376	2,229	147
Capital Outlay	-	22,317	22,317	-
Total Expenditures	56,527	80,819	81,266	(447)
<u>Excess of Revenues</u>				
<u>Over Expenditures</u>	317,271	279,598	288,425	8,827
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	14,552	14,552
Transfers Out	(285,174)	(286,360)	(335,794)	(49,434)
Total Other Financial Sources (Uses)	(285,174)	(286,360)	(321,242)	(34,882)
<u>Net Change in Fund Balance</u>	32,097	(6,762)	(32,817)	(26,055)
<u>Fund Balance at Beginning of Year</u>	420,920	420,920	420,920	-
<u>FUND BALANCE AT END OF YEAR</u>	\$ 453,017	\$ 414,158	\$ 388,103	\$ (26,055)

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE III B - SUPPORTIVE SERVICES
FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 49,825	\$ 48,446	\$ 47,546	\$ (900)
Public Support	2,500	2,400	2,325	(75)
Total Revenues	52,325	50,846	49,871	(975)
<u>Expenditures</u>				
Salaries	100,624	101,280	125,663	(24,383)
Fringe	11,339	10,920	15,243	(4,323)
Travel	6,281	6,281	4,561	1,720
Operating Services	27,100	27,250	25,005	2,245
Operating Supplies	5,935	6,201	8,695	(2,494)
Other Costs	4,355	4,318	-	4,318
Capital Outlay	-	-	-	-
Total Expenditures	155,634	156,250	179,167	(22,917)
<u>Deficiency of Revenues</u>				
Over Expenditures	(103,309)	(105,404)	(129,296)	(23,892)
<u>Other Financing Sources</u>				
Transfers In	103,309	105,404	129,296	23,892
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>				
	\$ -	\$ -	\$ -	\$ -

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE CI - CONGREGATE MEALS
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Public Support	20,200	18,000	17,634	(366)
Total Revenues	<u>20,200</u>	<u>18,000</u>	<u>17,634</u>	<u>(366)</u>
<u>Expenditures</u>				
Salaries	64,803	60,281	52,303	7,978
Fringe	7,118	6,340	4,933	1,407
Travel	-	-	59	(59)
Operating Services	9,916	9,421	9,453	(32)
Operating Supplies	1,398	1,462	5,754	(4,292)
Other Costs	7,138	5,789	4,047	1,742
Capital Outlay	-	-	-	-
Total Expenditures	<u>90,373</u>	<u>83,293</u>	<u>76,549</u>	<u>6,744</u>
<u>Deficiency of Revenues Over Expenditures</u>				
	(70,173)	(65,293)	(58,915)	6,378
<u>Other Financing Sources</u>				
Transfers In	<u>70,173</u>	<u>65,293</u>	<u>58,915</u>	<u>(6,378)</u>
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE C2 - HOME DELIVERED MEALS
FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 599	\$ 599	\$ 599	\$ -
Public Support	19,800	18,900	19,620	720
Total Revenues	20,399	19,499	20,219	720
<u>Expenditures</u>				
Salaries	100,878	99,122	93,299	5,823
Fringe	11,571	10,883	8,893	1,990
Travel	-	-	146	(146)
Operating Services	33,287	32,954	35,052	(2,098)
Operating Supplies	8,355	8,606	15,860	(7,254)
Other Costs	8,196	8,737	-	8,737
Capital Outlay	-	-	-	-
Total Expenditures	162,287	160,302	153,250	7,052
<u>Deficiency of Revenues</u>				
Over Expenditures	(141,888)	(140,803)	(133,031)	7,772
<u>Other Financing Sources</u>				
Transfers In	141,888	140,803	133,031	(7,772)
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>				
	\$ -	\$ -	\$ -	\$ -

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

UNION COUNCIL ON AGING, INC.
FARMERVILLE LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2018

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

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

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

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

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

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

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The council may transfer funds between line items as often as required, but must obtain prior approval for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

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

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY
GOEA

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2018

	<u>Programs of the General Fund</u>					<u>Total General Fund</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Senior Center</u>	<u>Supplemental Senior Center</u>	<u>MIPPA</u>	
<u>ASSETS</u>						
Cash & Cash Equivalents	\$ 403,646	\$ -	\$ 67	\$ -	\$ 2,400	\$ 406,113
Accounts Receivable	843	-	-	-	-	843
Due From Other Funds	5,461	-	-	-	-	5,461
	-	-	-	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 409,950</u>	<u>\$ -</u>	<u>\$ 67</u>	<u>\$ -</u>	<u>\$ 2,400</u>	<u>\$ 412,417</u>
 <u>LIABILITIES AND FUND BALANCE</u>						
<u>LIABILITIES</u>						
Accounts Payable	\$ 7,693	\$ -	\$ 67	\$ -	\$ -	\$ 7,760
Other Accrued Expenses	16,554	-	-	-	-	16,554
Due To Other Funds	-	-	-	-	-	-
Total Liabilities	24,247	-	67	-	-	24,314
 <u>FUND BALANCE</u>						
Unassigned	385,703	-	-	-	2,400	388,103
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 409,950</u>	<u>\$ -</u>	<u>\$ 67</u>	<u>\$ -</u>	<u>\$ 2,400</u>	<u>\$ 412,417</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA

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

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Programs of the General Fund</u>					<u>Total General Fund</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Senior Center</u>	<u>Supplemental Senior Center</u>	<u>MIPPA</u>	
<u>Revenues</u>						
Intergovernmental	\$ -	\$ 37,500	\$ 36,562	\$ 9,580	\$ 1,200	\$ 84,842
Property Taxes	236,970	-	-	-	-	236,970
Public Support	20,657	-	-	-	-	20,657
Contributions	10,327	-	1,875	-	-	12,202
Other Income	14,230	-	-	-	-	14,230
Rental Income	-	-	-	-	-	-
Sale of Asset	-	-	-	-	-	-
Interest Income	790	-	-	-	-	790
Total Revenues	<u>282,974</u>	<u>37,500</u>	<u>38,437</u>	<u>9,580</u>	<u>1,200</u>	<u>369,691</u>
<u>Expenditures</u>						
Salaries	-	-	35,409	-	-	35,409
Fringe Benefits	-	-	5,434	-	-	5,434
Travel	-	-	126	-	-	126
Operating Services	3,228	-	6,317	-	-	9,545
Operating Supplies	2,263	-	3,943	-	-	6,206
Other Costs	469	-	1,760	-	-	2,229
Capital Outlay	22,317	-	-	-	-	22,317
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Total Expenditures	<u>28,277</u>	<u>-</u>	<u>52,989</u>	<u>-</u>	<u>-</u>	<u>81,266</u>
<u>Excess of Revenues Over</u>						
<u>Expenditures</u>	254,697	37,500	(14,552)	9,580	1,200	288,425
<u>Other Financing Sources (Uses)</u>						
Operating Transfers In	-	-	14,552	-	-	14,552
Operating Transfers Out	(288,714)	(37,500)	-	(9,580)	-	(335,794)
	<u>(288,714)</u>	<u>(37,500)</u>	<u>14,552</u>	<u>(9,580)</u>	<u>-</u>	<u>(321,242)</u>
<u>Excess of Revenues and Other</u>						
<u>Financing Sources Over</u>						
<u>Expenditures and Other</u>						
<u>Financing Uses</u>	(34,017)	-	-	-	1,200	(32,817)
<u>Fund Balance at Beginning of Year</u>	<u>419,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>420,920</u>
<u>FUND BALANCE AT</u>						
<u>END OF YEAR</u>	<u>\$ 385,703</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,400</u>	<u>\$ 388,103</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2018

	Title III E Caregiver	Utilities Assistance	Total Nonmajor Special Revenue Funds
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ -	\$ 1,997	\$ 1,997
Receivables	4	-	4
Due From Other Funds	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 4</u>	<u>\$ 1,997</u>	<u>\$ 2,001</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ -	\$ 448	\$ 448
Due To Other Funds	4	-	4
Total Liabilities	4	448	452
Fund Balances:			
Restricted for:			
Utilities Assistance	-	1,549	1,549
Total Fund Balances	-	1,549	1,549
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 4</u>	<u>\$ 1,997</u>	<u>\$ 2,001</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Title III E</u> <u>Caregiver</u>	<u>Utilities</u> <u>Assistance</u>	<u>Nonmajor</u> <u>Special Revenue</u> <u>Funds</u>
<u>REVENUES</u>			
Intergovernmental:			
North Delta Regional Planning and Development District	\$ -	\$ -	\$ -
State Contract	-	-	-
Public Support:			
LA Association of Councils on Aging	-	-	-
Client Contributions	-	-	-
Total Public Support	-	-	-
 Total Revenues	 -	 -	 -
<u>EXPENDITURES</u>			
Current:			
Salaries	-	-	-
Fringe	-	-	-
Travel	-	-	-
Operating Services	-	-	-
Operating Supplies	-	-	-
Other Costs - Refund to OEA	-	-	-
Total Current Expenditures	-	-	-
 Capital Outlay	 -	 -	 -
Utility Assistance	-	-	-
Total Expenditures	-	-	-
 <u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER EXPENDITURES</u>	 -	 -	 -
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers - In	-	-	-
Operating Transfers - Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
 <u>EXCESS OF REVENUES AND OTHER</u> <u>FINANCING SOURCES OVER</u> <u>EXPENDITURES AND OTHER</u> <u>FINANCING USES</u>	 -	 -	 -
 <u>FUND BALANCES AT BEGINNING OF</u> <u>YEAR</u>	 -	 1,549	 1,549
 <u>FUND BALANCES AT END OF YEAR</u>	 \$ -	 \$ 1,549	 \$ 1,549

GENERAL FIXED ASSET ACCOUNT GROUP

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2017 AND 2016

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
<u>GENERAL FIXED ASSETS</u>				
Land	\$ 6,000	\$ -	\$ -	\$ 6,000
Buildings	194,180	-	-	194,180
Improvements	111,920	-	-	111,920
Vehicles	208,819	22,317	-	231,136
Office Furniture and Equipment	33,950	-	-	33,950
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 554,869</u>	<u>\$ 22,317</u>	<u>\$ -</u>	<u>\$ 577,186</u>
<u>INVESTMENT IN GENERAL FIXED ASSET</u>				
Property Acquired Prior to July 1, 1985 *	\$ -	\$ -	\$ -	\$ -
Property Acquired After July 1, 1985				
With Funds From:				
Act 735 PCOA	37,325	-	-	37,325
General Fund	178,508	22,317	-	200,825
FmHA Loan	279,180	-	-	279,180
Title III- C-1	3,686	-	-	3,686
Title III- C-2	3,777	-	-	3,777
Title III- B Supportive Services	4,013	-	-	4,013
Senior Center	708	-	-	708
Title III- D	8,452	-	-	8,452
Title III-E	88	-	-	88
ACT 55	39,132	-	-	39,132
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 554,869</u>	<u>\$ 22,317</u>	<u>\$ -</u>	<u>\$ 577,186</u>

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

OTHER SUPPLEMENTAL INFORMATION

UNION COUNCIL ON AGING INC.
FARMERVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2018

Federal Grants/Pass Through Grantor/Program Title	Federal CFDA Number	Program or Award Amount	Revenue Recognized	Expenditures
U.S. Department of Health & Human Services -				
Administration on Aging:				
Passed Through the Governor's Office of				
Elderly Affairs:				
Aging Cluster of Special Programs for the Aging:				
Title III, Part B - Supportive Services	93.044	\$ 47,546	\$ 47,546	\$ 47,546
Title III, Part C - Congregate Meals	93.045	-	-	-
Title III, Part C - Home Delivered Meals	93.045	599	599	599
Title III, Part E - National Family Caregiver Support	93.052	-	-	-
Total of Aging Cluster		<u>48,145</u>	<u>48,145</u>	<u>48,145</u>
<u>TOTAL FEDERAL AWARDS</u>		<u>\$ 48,145</u>	<u>\$ 48,145</u>	<u>\$ 48,145</u>

UNION COUNCIL ON AGING, INC.
FARMERVILLE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

1. General

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

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the general purpose financial statements. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**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
Union Council on Aging, Inc.
Farmerville, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Union Council on Aging, Inc. as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Union Council on Aging Inc.'s basic financial statements and have issued my report thereon dated October 5, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose. The purpose of this report is for the information of management, the Governor’s Office of Elderly Affairs and the Legislative Auditor and is not intended to be or should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

David M. Hard, CPA (APPC)

West Monroe, Louisiana
October 5, 2018

UNION COUNCIL ON THE AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018

To the Board of Directors
 Union Council on the Aging, Inc.
 Farmerville, Louisiana

I have audited the financial statements of Union Council on the Aging, Inc. as of and for the year ended June 30, 2018, and have issued my report thereon dated October 5, 2018. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2018, resulted in an unqualified opinion.

Section I- Summary of Auditor's Results

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

Internal Control

Material Weakness yes no

Significant Deficiencies not considered to be
 Material Weaknesses yes no

Compliance

Compliance Material to Financial Statements yes no

B. Federal Awards

Material Weakness Identified yes no

Significant Deficiencies not considered to be
 Material Weaknesses yes no

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

Unqualified Qualified

Disclaimer Adverse

Are their findings required to be reported in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?
 N/A

C. Identification of Major Programs: N/A

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

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

Is the auditee a "low-risk" auditee, as defined by the Uniform Guidance? N/A

UNION COUNCIL ON THE AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018

Section II- Financial Statement Findings – N/A

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

UNION COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018

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

This section is not applicable for this entity.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.

UNION COUNCIL ON AGING, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Executive Director Louise Denton</u>
Purpose	
Salary	\$ 54,030
Benefits - Insurance	1,325
	<hr/>
Total	<u>\$ 55,355</u>