

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Arcadia, Louisiana

FINANCIAL STATEMENTS

June 30, 2018

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

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Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

Independent Auditor's Report

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, 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 Bienville Voluntary 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 Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council'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 opinion.

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Opinion

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

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the budgetary information on pages 41 through 45 be presented to supplement the basic financial statements. Such information is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 46 through 48 are presented for purposes of additional analysis and are not a required part of the basic financial statements. This 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated October 23, 2018 on my consideration of Bienville Voluntary Council on Aging, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance

and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bienville Voluntary Council on Aging, Inc.'s internal control over financial reporting and compliance.

Marsha D. Milhean

Certified Public Accountant
October 23 , 2018

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

The following discussion and analysis of Bienville Voluntary Council on Aging's (the Council) financial performance provides an overview and analysis of the Council's performance and activities for the year ended June 30, 2018. This document focuses on the current year's activities, resulting changes, and currently known facts. This document should be read in conjunction with basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Council showed a decrease in overall net position of \$3,931 this year.
- Net Capital Assets of the Council increased by \$15,548 this year.
- The Council's revenue, on a modified accrual basis, increased by \$39,555 this year.
- Expenditures, on a modified accrual basis, decreased by \$26,064 this year.
- The unassigned fund balance for the Council's General Fund was \$869,793 at year-end, which is a decrease of \$19,479 from the prior year.
- No deficit fund balances existed at year-end.

HOW TO USE THIS ANNUAL REPORT

The Council's annual financial report consists of five main parts:

- (1) Management's discussion and analysis (this section)
- (2) The basic financial statements (government-wide and fund)
- (3) Supplementary information required by GASB 34
- (4) Supplementary information required by GOEA
- (5) Auditor reports.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

Government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities. These financial statements 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 Fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances, 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.

The auditor has provided assurance in her independent auditor's report, located immediately before this Management's Discussion and Analysis (MD&A), that the Basic Financial Statements are fairly stated. The auditor has also provided assurance about Supplementary Financial Information required by GOEA that follows later in this reporting package. A user of this document should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

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

Management's analysis of the Council as a whole begins on page 15. When reading these financial statements, an important point to consider is whether the Council's finances as a whole, are better or worse off as a result of this year's activities. The Statement of Net Position and the Statement of Activities, referred to collectively as the government-wide financial statements, report information about the Council as a whole and about its activities in a way that helps when considering this point. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. Also, under the accrual basis, all current year revenues and expenses are taken into account regardless of when cash is received or paid.

The government-wide financial statements report the Council's net position and changes in net position. The Council has no restricted net position at year end that must be used for specific purposes, whereas \$869,793 of net position is unrestricted, meaning that they can be used for any program at management's discretion. The Statement of Net Position is designed to present the financial position of the Council as of year-end. Over time, increases or decreases in the Council's net position are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall financial position of the Council, the reader must consider other non-financial 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.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

The Statement of Activities provides information that shows how the Council's net position changed as a result of the year's activities. In this statement all changes in net position is reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will affect cash flows in future periods. All of the Council's significant activities are reported in the Statement of Activities, including an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare and Social Services function is comprised of seven primary programs that include supportive social services, nutritional services, disease prevention and health promotion, family caregiver support, senior citizen activities, Medicare outreach and enrollment. Subprogram activities are also presented, in some cases, to help the reader analyze the Council's operations in more detail. 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 government 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 with the intent to cover all or most of the cost of providing a service, that activity would be classified as a business-type activity. The Council does not have any business-type activities.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Council as a whole entity. In the fund financial statements, there are column presentations for a General Fund, three Special Revenue Funds that have been determined to be "Major Funds," and a column for the total of all remaining Special Revenue Funds, which are deemed to be "Nonmajor Funds." Major funds are those funds whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria but is believed to be important for the Council's financial statement users. This year management presented five funds as major 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 Special Revenue Funds account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service of 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.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the *modified* accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future for Council

BIENVILLE VOLUNTARY COUNCIL ON AGING, Inc.

Management's Discussion and Analysis

June 30, 2018

(Continued)

programs. The difference between net position of governmental activities and fund balances of the governmental funds is reconciled at the bottom of the Balance Sheet for Governmental Funds. In addition, the difference between the change in fund balance for the governmental funds and the change in net position for the governmental activities has been reconciled on a separate page that follows the Statement of Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds. These two reconciliations will facilitate the comparison between governmental activities and funds.

Notes to the Financial Statements

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements follow the fund financial statements and should be read before making assumptions or drawing conclusions about the Council's financial condition.

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GASB 34

The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and for each major Special Revenue Fund that has a legally adopted annual budget. The schedules compare the original and final budgets to actual budget results for the Council's fiscal year. Positive and negative variances between the final budget and actual amounts are also presented.

Statement 34. However, GASB 34 requires it to be presented as the first item in this reporting package and not with GASB's other RSI, which is included later in this reporting package.

OTHER SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present as schedules this information. This information will be used by GOEA to verify the accuracy of the information submitted by the Council during the year to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

AN ANALYSIS OF THE COUNCIL AS A WHOLE USING GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table reflects condensed information on the Council's assets, liabilities, and net position for fiscal years 2018 and 2017.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

	2018	2017	Increase (Decrease)
Current and Other Assets:			
Current Assets	\$ 876,635	\$ 897,951	\$ (21,316)
Other Assets	-	-	-
Capital Assets, net of depreciation	70,904	55,356	15,548
Total Assets	<u>947,539</u>	<u>953,307</u>	<u>(5,768)</u>
Current and Other Liabilities	6,842	8,679	(1,837)
Total Liabilities	<u>6,842</u>	<u>8,679</u>	<u>(1,837)</u>
Net Position:			
Invested in Capital Assets	70,904	55,356	15,548
Restricted	-	-	-
Unrestricted	869,793	889,272	(19,479)
Total Net Position	<u><u>940,697</u></u>	<u><u>944,628</u></u>	<u><u>\$ (3,931)</u></u>

As of June 30, 2018, the Council "as a whole" had assets greater than its liabilities of \$940,697 whereas at June 30, 2017 net position was \$944,628. This is a decrease of \$3,931.

About 100% and 100% of the Council's total net position is unrestricted as of June 30, 2018 and 2017, respectively. Unrestricted net position is important because they provide the discretionary resources management will need so that it can quickly adapt to changes in the economy, emergencies, unexpected needs, and reductions in or termination of grant revenues by government agencies.

The Council has no unrestricted net assets as of June 30, 2018 and 2017. Net position is reported as restricted when the constraints placed upon the assets' use are either (a) externally imposed by a grantor, contributor, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The net position that has been invested in capital assets are presented net of any related outstanding debt incurred to acquire them. For 2018 and 2017, debt of \$0 has to be subtracted from the capital asset amount. The Council's policy is to acquire capital assets by paying cash and avoiding debt. This policy helps assure management will stay within its financial means so that future revenues will be spent for client services instead of debt service.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

The table presented below illustrates a condensed presentation of the revenues and expenses:

	<u>2018</u>	<u>% of Total</u>	<u>2017</u>	<u>% of Total</u>
Revenues				
Program Revenues:				
Charges for Services	\$ -	0.00%	\$ -	0.00%
Operating Grants & Contributions	728,662	67.39%	723,702	69.47%
Capital Grants & Contributions	-	0.00%	-	0.00%
General Revenues				
Unrestricted Grants & Contributions	-	0.00%	-	0.00%
Other General Revenues	352,656	32.61%	318,061	30.53%
Total Revenues	<u>1,081,318</u>	<u>100.00%</u>	<u>1,041,763</u>	<u>100.00%</u>
Direct Program Expenses for the Health Welfare and Social Services Function:				
Supportive Services:				
Transportation for the Elderly	364,118	33.55%	367,539	32.53%
Other Supportive Services	167,907	15.47%	158,596	14.04%
Nutrition Services:				
Congregate Meals	159,180	14.67%	150,756	13.34%
Home-delivered Meals	188,329	17.35%	239,237	21.17%
Other Social Service Programs and Activities	22,014	2.03%	32,622	2.89%
Direct Administrative Expenses	<u>183,701</u>	<u>16.93%</u>	<u>181,230</u>	<u>16.04%</u>
Total Expenses	<u>1,085,249</u>	<u>100.00%</u>	<u>1,129,980</u>	<u>100.00%</u>
Increase (Decrease) in Net Position	(3,931)		(88,217)	
Net Position, Beginning of the year	<u>944,628</u>		<u>1,032,845</u>	
Net Position, End of the Year	<u>\$ 940,697</u>		<u>\$ 944,628</u>	

As illustrated by the table above, the Council gets most of its revenues from operating grants and contributions that are specifically related to a program and must be used in the programs to which they relate. Unrestricted grants and contributions make up the second largest percentage of revenues and this revenue is available to management to use at its discretion.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

The expenses in the table have been presented by primary programs, with some additional details about the subprograms. In presenting this information, only direct program expenses are shown. The administrative expenses include all administrative expenses of the Council before any allocations were made to the various programs. Percentages have been presented for the expenses associated with each program for ease of analysis and to illustrate where the Council has spent its money this year and last year. The expense allocations are a good indication of the demand for each type of service.

The Council had a \$3,931 decrease in its net position for YE 2018, whereas the decrease in net position for YE 2017 was \$88,127. There is a reconciliation that follows the Statement of Revenues, Expenditures, and Changes in Fund Balances that presents an analysis of why there are differences between that particular fund financial statement and the government-wide Statement of Activities for YE 2018.

AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

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, the Council's largest activities are transportation and nutrition services. The Council's main focus is to meet the needs of the elderly citizens of Bienville Parish and right now, these services are in the greatest demand. However, there is a growing demand for other supportive services. As these demands increase, management will adjust its annual budget to reallocate available resources to meet the demands.

Another area of interest on the Statement of Activities relates to the total governmental activities column wherein the Council shows that most of the governmental activities have more expenses than revenues. None of the programs are expected to be truly self-supporting; and management has prepared budgets accordingly. However, on occasion, a program might "break even" or even make a slight "profit." Traditionally, general revenues are used to cover the excess of expenses over revenues in these activities. Without the unrestricted grants and contributions, the Council would have a difficult time providing 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 future demands.

Another indication of how money is used efficiently can be analyzed by comparing the amount of administrative costs from year to year as well as calculating the percentage administration expenses bears in relation to total expenses. For 2018 total administration expenses were \$183,701 or 17% of total expenses. For 2017, total administrative expenses were \$181,230 or 16% of total expenses. Administration expenses include indirect type costs, meaning these are costs that are not specifically identified with a particular program, but which benefit all programs.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

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

Fund Balances

The Council presents a combined governmental fund balance of \$869,793 (as shown on the Fund Financial Statement's Balance Sheet) at the end of this year, which is a decrease of \$19,479 from 2017. When you look at the funds individually, you will see that the Council's General Fund decreased by \$19,479 this year, while the Special Revenue Funds had a combined fund balance decrease of \$-0-.

Revenues

The combined fund revenues increased by \$39,555 this year versus last year, as shown in the table below.

	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>Percent</u>
Intergovernmental	\$ 669,026	\$ 652,633	\$ 16,393	2.51%
Property Taxes	334,397	312,053	22,344	7.16%
Public Support	59,636	73,865	(14,229)	-19.26%
Other	<u>18,259</u>	<u>3,212</u>	<u>15,047</u>	468.46%
Total Revenues	<u>\$ 1,081,318</u>	<u>\$ 1,041,763</u>	<u>\$ 39,555</u>	3.80%

Most of the Council's activities were funded by federal, state, and local grants, which comprise the Council's intergovernmental revenues. The total of these types of grants was \$669,026 (2018) and \$652,633 (2017) and represent about 62% and 63% of the total revenues of the Council in 2018 and 2017, respectively. Most of these grants are restricted, which means that the money can only be used in certain programs. The amount of funds available from most of the grants remains rather constant from year to year; however, some grant amounts may vary based upon the level of service provided by the Council under the terms of the particular grant award.

The Council also received donations from its clients and the general public. These revenues helped to lessen the financial burden on the Council and allow it to maintain and expand services. Public support revenues for 2018 were \$59,636 (\$73,865 for 2017) and represented about 6% and 7% of the total revenues for 2018 and 2017, respectively.

BIENVILLE COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

Expenditures

Total expenditures decreased by \$26,064 this year, as shown in the table that follows.

	<u>2018</u>	<u>2017</u>	Increase/(Decrease)	
			Amount	Percent
Personnel	\$ 475,485	\$ 535,690	\$ (60,205)	-11.24%
Fringe	40,158	41,598	(1,440)	-3.46%
Travel	37,800	49,320	(11,520)	-23.36%
Operating Services	181,420	151,757	29,663	19.55%
Operating Supplies	102,676	76,104	26,572	34.92%
Other Costs	27,929	29,752	(1,823)	-6.13%
Meals	215,998	240,993	(24,995)	-10.37%
Utility Assistance	-	1,647	(1,647)	100.00%
Capital Outlay	19,331	-	19,331	100.00%
Total	<u>\$ 1,100,797</u>	<u>\$ 1,126,861</u>	<u>\$ (26,064)</u>	-2.31%

AN ANALYSIS OF THE GENERAL FUND BUDGET

Over the course of the past fiscal year, the budget was amended. The amendment effectively approves any expenditures that had already been incurred that exceeded its original budgeted amount. The primary reasons for amending the budget are to account for unanticipated changes in both revenues and expenditures and to prevent compliance violations under the Council's grants from Capital Area Agency and GOEA.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Mangement's Discussion and Analysis

June 30, 2018

(Continued)

ANALYSIS OF CAPITAL ASSETS AND DEBT ADMINISTRATION

The Council did not purchase any fixed assets during the year.

Capital Assets, Net of Depreciation

	<u>2018</u>	<u>2017</u>	<u>Increase/ Decrease</u>
Building Improvements	\$ -	\$ -	\$ -
Van	18,687	-	18,687
Furniture & Equipment	11,066	14,205	(3,139)
Land	41,151	41,151	-
	<u>\$ 70,904</u>	<u>\$ 55,356</u>	<u>\$ 15,548</u>

The net increase in capital assets in 2017 is a result of purchases of \$19,331 and depreciation expense of \$3,783.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Council receives most of its funding from federal and state agencies. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council; therefore, revenues may vary from year to year. All of the Council's grants and contracts from the usual federal and state agencies have been awarded for YE 2019; and there were no significant changes to the funding levels or terms of the grants or contracts. Accordingly, the initial budget has been set to provide the same programs and similar levels of service next year. OEA has approved the Council's budget for next year. There are no plans to add or discontinue any significant programs for next year.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Management's Discussion and Analysis

June 30, 2018

(Continued)

CONTACTING THE COUNCIL'S MANAGEMENT

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask for more information, you should contact Mrs. Ann Chapman Executive Director, at the Council's office located at 2705 Beech Street, Arcadia, Louisiana or by phone at (318) 263-8936.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Government Wide Statement of Net Position

June 30, 2018

	<u>Governmental Activities</u>
Assets	
Cash	\$ 117,599
Investments	725,760
Grants and contracts receivable	33,276
Prepaid expenses	-
Capital assets, net of accumulated depreciation	<u>70,904</u>
Total assets	<u>947,539</u>
Deferred outflows of resources	<u>-</u>
Liabilities	
Accounts payable	6,842
Due to funding agency	<u>-</u>
Total liabilities	<u>6,842</u>
Deferred inflows of resources	<u>-</u>
Net Position	
Invested in Capital Assets, net of debt	70,904
Unrestricted	<u>869,793</u>
Total Net Position	<u>\$ 940,697</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

GOVERNMENT WIDE STATEMENT OF ACTIVITIES

For the Year ended June 30, 2018

Functions/Programs	Program Revenues					Net (Expenses) Revenues and Increases (Decreases) in Net Position
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities						
Health, Welfare & Social Services:						
Supporting Services:						
Homemaker	\$ 106,656	\$ 15,774	\$ -	\$ 85,869	\$ -	\$ (36,561)
Information and Assistance	26,664	3,943	-	21,467	-	(9,140)
Outreach	10,666	1,577	-	8,587	-	(3,656)
Legal Assistance	2,590	-	-	2,590	-	-
Transportation	364,118	54,419	-	292,247	-	(126,290)
Other Services	21,331	3,155	-	17,174	-	(7,312)
Nutrition Services:						
Congregate Meals	159,180	36,332	-	146,708	-	(48,804)
Home Delivered Meals	188,329	42,219	-	111,973	-	(118,575)
Utility Assistance	-	-	-	-	-	-
Disease Prevention and Health Promotion	5,760	342	-	3,571	-	(2,531)
National Family Caregiver Support	16,254	6,520	-	19,056	-	(3,718)
Administration	183,701	(164,281)	-	19,420	-	-
Total Governmental activities	<u>\$ 1,085,249</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 728,662</u>	<u>\$ -</u>	<u>(356,587)</u>
General Revenues:						
Ad Valorem Taxes						334,397
Miscellaneous						18,259
Total general revenues and special items						<u>352,656</u>
Increase (Decrease) in net position						(3,931)
Net position - beginning of the year						944,628
Net position - end of the year						<u>\$ 940,697</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Title III B	Title III C-1	Title III C-2	Non-Major Funds	Total
Assets						
Cash	\$ 117,599	\$ -	\$ -	\$ -	\$ -	\$ 117,599
Investments	725,760	-	-	-	-	725,760
Grants and contracts receivable	33,276	-	-	-	-	33,276
Due from other funds	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Total Assets	\$ 876,635	\$ -	\$ -	\$ -	\$ -	\$ 876,635
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 6,842	\$ -	\$ -	\$ -	\$ -	\$ 6,842
Due to funding agency	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total Liabilities	6,842	-	-	-	-	6,842
Fund Balances:						
NonSpendable:						
Prepaid Expenses	-	-	-	-	-	-
Assigned:						
Utility Assistance	-	-	-	-	-	-
Unassigned	869,793	-	-	-	-	869,793
Total Fund Balances	869,793	-	-	-	-	869,793
Total Liabilities and Fund Balances	\$ 876,635	\$ -	\$ -	\$ -	\$ -	\$ 876,635

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

- Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds

70,904

Net Position of Governmental Activities

\$ 940,697

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 For the Year Ended June 30, 2018

	General	Supportive Services	C-1	C-2	Non-Major Funds	Total
REVENUES						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ 95,604	\$ 51,040	\$ 65,258	\$ 74,054	\$ 75,918	\$ 361,874
Louisiana Department of Transportation and Development	204,189	-	-	-	-	204,189
Health & Hospitals	102,963	-	-	-	-	102,963
Bienville Parish Police Jury	-	-	-	-	-	-
Ad Valorem Taxes	334,397	-	-	-	-	334,397
Public Support:						
Unrestricted	-	-	-	-	-	-
Interest Income	12,657	-	-	-	-	12,657
Client Contributions	10,321	15,218	25,491	8,606	-	59,636
Miscellaneous	5,602	-	-	-	-	5,602
Total Revenues	<u>765,733</u>	<u>66,258</u>	<u>90,749</u>	<u>82,660</u>	<u>75,918</u>	<u>1,081,318</u>
EXPENDITURES						
Health, Welfare & Social Services						
Current:						
Salaries	192,487	151,908	73,163	42,822	15,105	475,485
Fringe	15,866	12,673	6,370	3,988	1,261	40,158
Travel	6,273	7,018	1,584	20,887	2,038	37,800
Operating services	87,008	56,271	15,559	16,195	6,387	181,420
Operating supplies	71,204	26,968	2,452	1,742	310	102,676
Other costs	18,059	2,590	760	760	5,760	27,929
Meals	-	-	84,712	131,286	-	215,998
Utility assistance	-	-	-	-	-	-
Capital outlay	19,331	-	-	-	-	19,331
Total expenditures	<u>410,228</u>	<u>257,428</u>	<u>184,600</u>	<u>217,680</u>	<u>30,861</u>	<u>1,100,797</u>
Excess (deficiency) of revenues over expenditures	355,505	(191,170)	(93,851)	(135,020)	45,057	(19,479)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	1,344	191,170	93,851	135,020	4,631	426,016
Operating transfers out	(376,328)	-	-	-	(49,688)	(426,016)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(19,479)	-	-	-	-	(19,479)
FUND BALANCES (DEFICIT)						
Beginning of year (deficit)	889,272	-	-	-	-	889,272
End of year	<u>\$ 869,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 869,793</u>

The accompanying notes are an integral part of this statement.

BIENVILLE FOLUNTARY COUNCIL ON AGING, INC.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities

Year Ended June 30, 2018

Net Increase (Decrease) in fund balances total governmental funds	\$ (19,479)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$19,331) exceeds depreciation (\$3,783)	15,548
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.	
Compensated absences	-
The repayment of long-term debt consumes the current financial resources of governmental funds. The repayment of debt is not an expenditure in the statement of activities	-
Increase (Decrease) of net position of governmental activities	<u>\$ (3,931)</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

June 30, 2018

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Bienville Voluntary Council on Aging, Inc. conform 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. Governments are also required to follow pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements. The following is a summary certain significant accounting policies used by the Council:

a. Purpose of the Council on Aging

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 of other conditions affecting the welfare of the aging people Bienville 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 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; 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 Bienville Parish include congregate and home-delivered meals, nutritional education, information and assistance, outreach, utility assistance, homemaker services, telephoning, personal care, wellness, medication management, family caregiver support, medical alert rentals, and transportation.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Reporting Entity

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. In the Louisiana Legislature created the Governor's Office of Elderly Affairs (GOEA) (La. R.S. 46:931) with the specific intention that GOEA administer and coordinate services and programs for the elderly population of Louisiana through sixty-four parish voluntary councils on aging.

Before a council on aging can begin operations in a specific parish, its application for a charter must receive approval from GOEA pursuant to Louisiana Revised Statute (La. R.S.) 46:1602. Each council on aging in Louisiana must comply with the state laws that apply to quasi-public agencies, as well as the policies and regulations established by GOEA.

Bienville Parish Council on Aging (the Council) is a legally separate, non-profit, quasi-public corporation. The Council incorporated under the provisions of Title 12, Chapter of the Louisiana Revised Statutes in September, 1973.

A board of directors, consisting of 11 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of, but not limited to, representatives of the Parish's elderly population, general public, private businesses, and elected public officials. Board members are elected in the following manner:

Membership in the Council is open at all times, without restriction, to all residents of Bienville Parish who have reached the age of majority, and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Reporting Entity (Continued)

Based on the criteria set forth in GASB Statement 14, *The Financial Reporting Entity*, the Council is not a component unit of another primary government, nor does it have component units that are related to it. In addition, based on the criteria set forth in this statement, the Council has presented its financial statements as a special-purpose, stand-alone government; accordingly, it is applying the provisions of Statement 14 as if it a primary government.

c. Basis of Presentation of the Basic Financial Statements

The Council's basic financial statements consist of "government-wide" financial on all activities of the Council, which are designed to report the Council as a whole entity, and "fund" financial statements, the purpose of which are to report individual governmental funds and combined nonmajor 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 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 government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Council. As a general rule, the effect of interfund 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 (financial position) resulting from the activities of the current year. Intergovernmental revenues primarily support governmental activities.

In the government-wide Statement of Net Position, only one column of numbers has presented for total governmental activities. The numbers are presented on a 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.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation of the Basic Financial Statements (Continued)

The government-wide Statement of Activities reports both the gross and net cost of each Council's functions and significant programs. Many functions and programs are general government revenues such as intergovernmental revenues and unrestricted support, particularly if the function or program has a net cost. The Statement of begins by presenting gross direct and indirect expenses that include depreciation and amortization, and then reduces the expenses by related program revenues, such as services, operating and capital grants, and restricted contributions, to derive the net cost each function or program. Program revenues must be directly associated with the program to be used to directly offset its cost. Operating grants include operating-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 a specific function or program, whereas, the Council allocates its indirect expenses various functions and programs in accordance with OMB Circular A-87, *Cost States, Local, and Indian Tribal Governments*. The Statement of Activities shows this allocation in a separate column labeled "indirect expenses."

In the Statement of Activities, charges for services represent program revenues obtained Council when it renders services provided by a specific function or program to people or entities. Unrestricted contributions, unrestricted grants, interest income, and revenues that are not included among program revenues are reported instead as general revenues in this statement. Special items, if any, are significant transactions within the management that are either unusual in nature or infrequent in occurrence and are reported below general revenues. The Council did not have any material special items this year.

Fund Financial Statements:

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

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

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation of the Basic Financial Statements (Continued)

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of the 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 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 in that category or type. In addition, management may also choose to report any other governmental fund as a major fund if it believes the fund is particularly important to financial statement users. The nonmajor funds are summarized by category or fund type into a single column in the fund financial

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

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

The General Fund is the primary operating fund of the Council and is used to account for all the financial resources except those required to be accounted for in another fund. The following is a brief description of the programs or funding sources that comprise the Council's General Fund:

Local Programs and Funding

The Council receives revenues that are not required to be accounted for in a specific program or fund. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds are mostly unrestricted, which means they may be at management's discretion. Expenditures to acquire fixed assets and expenditures for costs not allowed by another program due to budget limitations or the nature of the expenditures, are charged to the local program. Because of their unrestricted nature, local funds are often transferred to other programs to eliminate deficits in cases where expenditures of the other programs exceeded their revenues. In addition, capital outlay expenditures are usually made with local funds to minimize restrictions on the use and disposition of fixed assets.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation of the Basic Financial Statements (Continued)

PCOA Funding

PCOA funds are appropriated annually for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council's management may use these "Act 735" funds at its discretion to fund any of its programs provided the program is benefiting elderly people (those who are at least 60 years old). In FY 2018, the Council received this grant money into its General Fund and management transferred \$37,500 of the PCOA funds to the IIIB Supportive Services Fund to help pay for that fund's program expenditures.

Senior Center and Supplemental Senior Center Funding

Senior Center and Supplemental Senior Center grant funds are also appropriated annually for the Council and remitted to the Council via GOEA. These grant funds can be used at management's discretion to pay for costs of any program involving elderly who are at least 60 years old. To obtain supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community, the elderly person will come to a "senior center." During year, management transferred \$27,771 of its Senior Center Funds and \$7,813 of its Supplemental Senior Center Funds to the C-1 Fund to subsidize that program's cost of providing services to elderly persons who used the senior centers. Management transferred \$3,100 of its Supplemental Senior Center funds to the IIIB Supportive Services Fund to subsidize that program's services to the elderly.

Audit Funding

The Council did not receive funding to help pay the costs of the audit for 2018.

Transportation Program Services

The Council provides various transportation services to the residents of Bienville Parish who are at least 60 years old, which are accounted for in the "Elderly Transportation" program of the Title III B Fund.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation of the Basic Financial Statements (Continued)

NonMajor Governmental Funds:

Title III B Fund

The Title III B Fund is used to account for funds used to provide various types of supportive social services to the elderly. GOEA has established the criteria for a qualifying unit of service for each Title III program. Specific supportive services, along with the number of units provided during the fiscal year, are as follows:

<u>Type of Service Provided</u>	<u>Units</u>
Information and Assistance	418
Outreach	126
Homemaker	2,379
Legal	39
Transportation for persons age 60 or older	7,179

There were four main sources of revenues received this year that form the basis of this fund: Special Programs for the Aging - Title III, Part B - Grants for Supportive Services (\$51,040), restricted voluntary contributions from those persons who received supportive services (\$15,218), PCOA funds (\$37,500) and local sources (\$150,570).

Title III C-1 Fund

The Title III C-1 Fund accounts for funds used to provide nutritional congregate meals persons age 60 or older in strategically located centers throughout Bienville Parish. During the year, the Council provided 23,384 meals to persons eligible to participate in this program. There were four main sources of revenues received this year that form the basis of this fund: Special Programs for the Aging - Title III, Part C-1 - Nutrition Services grant funds (\$65,258, restricted voluntary contributions from those persons who received congregate meals (\$25,491), NSIP funds (\$20,375) and local funds of \$37,892.

Title III C-2 Fund

The Title III C-2 Fund accounts for funds that are used to provide nutritional meals to homebound persons who are age 60 or older. During the year the Council provided 37,121 home-delivered meals.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation of the Basic Financial Statements (Continued)

There were four main sources of revenue received this year that form the basis of this fund: Special Programs for the Aging - Title III, Part C-2 - Nutrition Services grant (\$74,054); NSIP funds (\$29,313); restricted voluntary contributions from the public (\$8,606), including those persons actually receiving home-delivered meal services, and local funds (\$105,707).

Title III D Fund

The Title III D Fund is used to account for funds used for disease prevention and health promotion (wellness) activities. During the year the Council provided 344 units of service of wellness services to eligible participants. The main source of the revenue forming the basis for this fund is a grant the Council received from GOEA via Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services.

Title III E Fund

The Title III E Fund is used to account for funds that are used to provide support for family caregivers and for grandparents or older individuals who are relative. During the year, the Council provided 451 units of respite under this program. The source of the revenue forming the basis for this fund is a grant the Council received from GOEA for the Title III, Part E - National Family Caregivers Support Program.

Utility Assistance Fund

This fund is used to account for the administration of the utility assistance 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 throughout the year to provide assistance to the elderly for the payment of utility bills.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation of the Basic Financial Statements (Continued)

EFSP Fund

The EFSP Fund is used to account for the administration of the Emergency Food and Shelter National Board Program (EFSP), the purpose of which is to supplement food shelter assistance to individuals. Funds are provided by the U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) to the United Way of America, which in turn "passes through" the funds to the Council. The Council did not receive EFSP Funds in FY 2018.

d. 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.

• **Government-Wide Financial Statements - Accrual Basis**

The government-wide financial statements are prepared using the economic measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows.

• **Fund Financial Statements - Modified Accrual Basis**

Governmental fund level financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. A current financial resources measurement focus means that only current assets and current liabilities are generally included on the fund balance sheet. The operating statements of the funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Council considers revenues to be "available" if they are collected sixty days of the current fiscal year end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred, if measurable, except for the following: (1) unmatured principal and interest on long-term debt, if any, are recorded when due, and (2) claims, judgments, and compensated absences are recorded as expenditures when paid with expendable

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus and Basis of Accounting (Continued)

available financial resources. Depreciation and amortization are costs that are not recognized in the governmental funds.

e. Interfund Activity

In the fund financial statement, 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.

f. Cash

Cash includes not only currency on hand, but demand deposits with banks or other financial institutions.

For the purpose of the Statement of Net Position, restricted cash are amounts 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. At year end, there was no restricted cash.

g. Receivables

The financial statements for the Council do not contain an allowance for uncollectible receivables because management believes all amounts will be collected. However, if management becomes aware of information that would change its assessment about the collectability of any receivable, management would write off the receivable as a bad at that time.

h. Investments

GASB Statement 31 requires the Council to report its investments at fair value in the balance sheet, except for investments in non-participating interest-earning contracts, as non-negotiable certificates of deposit with redemption terms that do not consider market rates. This type of investment is reported using a cost-based measure, provided the fair market value of the contract is not significantly affected by the impairment of credit standing of the issuer or other factors.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Investments (Continued)

Investments, which include securities traded on a national or international exchange, are valued based on their last reported sales price. Investments that do not have an established market value are reported at estimated fair value. The Council did not own any investments of this type at year-end.

i. Prepaid Expenses/Expenditures

Prepaid expenses include amounts paid in advance for goods and services. Prepaid expense are shown as either current or other assets on the government-wide Statement Net Position, depending on when management expects to realize their benefits.

In the fund financial statements, management has elected not to include amounts paid future goods and services as expenditures until those services are consumed. This method of accounting for prepaid expenditures helps assure management that costs incurred will be reported in accordance with the Council's cost reimbursement grants. These types of grants do not permit the Council to obtain reimbursement for qualified expenditures until the goods and services relating to them are consumed. As a result, prepaid expenditures are shown as an asset on the balance sheet of the fund financial statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been classified as nonspendable to reflect the amount of fund balance not currently available for expenditure.

For purposes of presenting prepaid expenses in the government-wide statements, the Council will follow the same policy it uses to record prepaid expenditures in the fund financial statements with one exception. Disbursements made as "matching" payments acquire vehicles that will be titled to another government are recorded as prepaid expense and amortized in the Statement of Net Position to better present the economies this type of transaction and to keep from distorting the Council's transportation expenses in the Statement of Activities. In contrast, 100% of the "matching" payments are in the fund financial statements as intergovernmental expenditures when the vehicles are received.

j. Capital Assets

The accounting and reporting treatment used for property, vehicles, and equipment (capital assets) depends on whether the capital assets are reported in the government-wide financial statements or the fund financial statements.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets (Continued)

Government-Wide Financial Statements

Capital assets are long-lived assets purchased or acquired with an original cost of at least \$1,000 and have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the government-wide Statement of Net Assets. 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. Capital assets will also include major repairs to equipment and vehicles that significantly extend the asset's useful life. Routine repairs and maintenance are as incurred.

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 Council follows a guideline issued by the State of Louisiana's Office of Statewide Reporting and Accounting to establish the useful lives of the various types of capital assets that are depreciated and the method used to calculate annual depreciation.

Using this guideline, the estimated useful lives of the various classes of depreciable assets are as follows:

Office equipment - other than computers	6 years
Vehicles	5 years
Computer equipment	5 years
Leasehold improvements	20 years
Nutrition equipment	10 years

When calculating depreciation, the State's guideline assumes that capital assets will not have any salvage value and that a full year's worth of depreciation will be taken in the year the capital assets are placed in service or disposed.

k. Non-Current (Long-Term) Liabilities

The accounting treatment of non-current liabilities depends on whether they are reported in the government-wide or fund financial statements. In the government-wide financial statements, all non-current liabilities that will be repaid from governmental resources reported as liabilities. In the fund financial statements, non-current liabilities for governmental funds are not reported as liabilities or presented elsewhere in these statements.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Unpaid Compensated Absences

The Council's policy for vacation time does not allow its employees to accumulate but unused vacation leave. Accordingly, no liability for unpaid vacation leave has been recorded in the Government-Wide Statements.

m. Advances from Funding Agency

Advances from funding agency represent unexpected balances of grants awarded to the Council that are required to be returned to the funding agency at the end of the grant period. Grant funds due back to the funding agency are recorded as a liability when the amount due becomes known, normally when a final accounting is submitted to the funding agency. Advances from funding agencies at year end totalled \$-0-.

n. Deferred Revenue

The Council reports deferred revenues on both the Statement of Net Position (government-wide) and the Balance Sheet (fund financial statements). Deferred revenues arise when the Council receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the Statement of Net Position and the Fund Balance Sheet, whichever the case might be; and the revenue is recognized. The Council did not have any deferred revenue at year end.

o. Net Position in the Government-Wide Financial Statements

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

- Invested in capital assets - This component consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. At year end the Council did not have any borrowings that were related to capital assets.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Net Position in the Government-Wide Financial Statements (Continued)

- Restricted net position - This component consists of net position with constraints 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 or enabling legislation.
- Unrestricted net position - This component consists of all other net position that do meet the definition of "restricted" or "invested in capital" assets.

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first to finance its activities.

p. Fund Equity - Fund Financial Statements

Governmental fund equity is classified as fund balance. Beginning with FY 2010, the Council's management implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance 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 purposes for which resources can be used:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of resources that 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.

Management has classified fund balance for utility assistance as being restricted due to constraints on the use of the money.

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Fund Equity - Fund Financial Statements (Continued)

- **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-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 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 resources as of year end.
- **Assigned:** This classification includes amounts that are constrained by the intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the Council's (1) board of directors, (2) its finance committee, or (3) an official, such as the executive director, to which the board of directors has delegated the authority to assign amounts to be used for a specific purpose. The Council has no assigned fund balance at year end.
- **Unassigned:** This classification is the residual fund balance for the General Fund. 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.

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

q. Management's Use of Estimates

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

Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. 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. The net cost of the Administration function is allocated using formula based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect expense allocation according to their grant or contract restrictions.

s. Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

t. Accounting Pronouncement

Management has adopted the provisions of Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The main financial statement effects relating to this accounting standard are with how components of the Council's fund balances will be presented on the fund balance sheet and on the presentation of special revenue funds on the statement of revenues, expenditures and changes in fund balances. The number of special revenue funds will less than in previous years because of the new definition of what constitutes a special revenue fund.

Note 2 - REVENUE RECOGNITION

Revenues are recorded in the government-wide financial statements when they are earned using 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 must be both measurable and available. However, the timing and amounts of the receipts of public and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

Note 3 - CASH

The Council maintains a consolidated operating bank account at a bank, which is available use by all funds to deposit revenues and pay expenses. The purpose of this 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.

At year end, the book balance of the Council's cash deposits was \$ 684,229 (including \$566,630 of investments) whereas, the bank balances totalled \$702,859 The difference in the book and bank balances for cash balances relates primarily to outstanding deposits and checks at year end. All bank balances were collateralized by FDIC insurance.

Note 4 - IN-KIND CONTRIBUTIONS

The Council received a variety of in-kind contributions during the year; but it does not record the fair value of them in its government-wide and fund financial statements, except for the donation of capital assets. In the case of a donation of a capital asset, accounting principles for governmental entities require the fair value of a donated capital asset be recorded in the Statement of Activities at the time of acquisition. However, these same principles do not permit the recording of the fair value of capital assets (or other in-kind contributions) in the fund financial statements because of the measurement focus of such statements.

NOTE 5 - INVESTMENTS

Investments consist of the following:

	Cost	Market
Cash and Cash Equivalents	\$ 568,522	\$ 566,631
Bonds	156,993	159,129
Total	<u>\$ 725,515</u>	<u>\$ 725,760</u>

Net unrealized losses were \$18,059.

FASB Codification Topic 820, *Fair Market Value Measurements and Disclosure* requires disclosures that stratify balance sheet amounts measured at fair value based on the inputs used to derive fair value measurements. These strata included:

Level 1 valuations, where the valuation is based on quoted market prices for identical assets or liabilities traded in active markets (which include exchanges and over-the-counter markets with sufficient volume),

Level 2 valuations, where the valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market, and

Level 3 valuations are based on observable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

All investments are Level 1 valuations.

Note 6 - CHANGES IN CAPITAL ASSETS AND ACCUMULATED DEPRECIATION

A summary of changes in capital assets and accumulated depreciation is as follows:

Capital Assets	Balance 7/1/2017	Increase	Decrease	Balance 6/30/2018
Building Improvements	\$ -	\$ -	\$ -	\$ -
Land	41,151	-	-	41,151
Van	-	19,331	-	19,331
Furniture and Equipment	24,850	-	-	24,850
Subtotal	<u>66,001</u>	<u>19,331</u>	<u>-</u>	<u>85,332</u>
Accumulated Depreciation:				
Building Improvements	-	-	-	-
Van	-	644	-	644
Furniture and Equipment	10,645	3,139	-	13,784
Subtotal	<u>10,645</u>	<u>3,783</u>	<u>-</u>	<u>14,428</u>
Net Assets	<u>\$ 55,356</u>	<u>\$ 15,548</u>	<u>\$ -</u>	<u>\$ 70,904</u>

Depreciation was charged to governmental activities as follows:

IIIB	\$ 644
Administration	<u>3,139</u>
Total	<u>\$ 3,783</u>

Note 7 - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

Note 8 - INCOME TAX STATUS

The Council, a non-profit corporation, is exempt from federal income taxes under 501 (c) (3) of the Internal Revenue Code of 1986, and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. The Council is also from Louisiana income tax. The Council is subject to income tax examinations for the years ended June 30, 2016, 2017, and 2018.

Note 9 - RISK MANAGEMENT

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

The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God.

Note 10- JUDGMENTS, CLAIMS AND SIMILAR CONTINGENCIES

As of the end of this fiscal year, the Council's management has no knowledge of any pending litigation, lawsuits or claims against the Council, except as described in the next paragraph. Furthermore, the Council's management believes that any unexpected lawsuits or claims that might be filed against the Council would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

Note 11 - CONTINGENCIES - GRANT PROGRAMS

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

Note 12 - INTERFUND RECEIVABLES AND PAYABLES

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans in the Fund Financial Statements. A summary of those interfund loans at year end is as follows:

	Due from Other Funds	Due to Other Funds
General Fund	\$ -	\$ -
Special Revenue	-	-
Total	\$ -	\$ -

These loans have been eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

Note 13 - INTERFUND TRANSFERS

Interfund transfers are listed by fund for the fiscal year as follows:

Transfer To	Fund Transferred From					Total
	Local	PCOA	NSIP	Supplemental Senior Ctr	Senior Center	
General Fund	\$ -					\$ -
Total General	-	-	-	-	-	-
Case Management	-	-	-	-	-	-
Special Revenue Funds:						
MIPPA	-	-	-	-	-	-
AAA	1,344	-	-	-	-	1,344
III-B	150,570	37,500	-	3,100	-	191,170
C-1	37,892	-	20,375	7,813	27,771	93,851
C-2	105,707	-	29,313	-	-	135,020
III-D	2,186	-	-	-	-	2,186
III-E	2,445	-	-	-	-	2,445
Total Special Revenue	300,144	37,500	49,688	10,913	27,771	426,016
Total All	<u>\$300,144</u>	<u>\$ 37,500</u>	<u>\$ 49,688</u>	<u>\$ 10,913</u>	<u>\$ 27,771</u>	<u>\$ 426,016</u>

Note 14 - ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from other governments in the form of intergovernmental revenues. Intergovernmental type revenues are appropriated each year by the federal, state, and local governments. If significant budget cuts are made at the federal, state and/or local level, the amount of 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 fiscal 2019 relating to its usual sources of intergovernmental revenues.

Note 15 - RELATED PARTY TRANSACTIONS

There were no related party transactions during the fiscal year.

Note 16 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 23, 2018 which is the date the financial statements were available to be issued, and determined no additional disclosures are necessary.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Original	GAAP Basis	Favorable (Unfavorable)
REVENUES				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 95,510	\$ 95,510	\$ 95,604	\$ 94
Louisiana Department of Transportation and Development	196,010	196,010	204,189	8,179
Health & Hospitals	94,736	94,736	102,963	8,227
Ad Valorem Tax Revenue	312,053	312,053	334,397	22,344
Contributions	-	-	-	-
Miscellaneous	20,948	20,948	28,580	7,632
Total Revenues	<u>719,257</u>	<u>719,257</u>	<u>765,733</u>	<u>46,476</u>
EXPENDITURES				
Current:				
Personnel	122,008	122,008	192,487	(70,479)
Fringe	5,904	5,904	15,866	(9,962)
Travel	5,492	5,492	6,273	(781)
Operating Services	46,916	46,916	87,068	(40,152)
Operating Supplies	42,173	42,173	71,204	(29,031)
Other Costs	5,962	5,962	18,059	(12,097)
Capital Outlay	-	-	19,331	(19,331)
Total Expenditures	<u>228,455</u>	<u>228,455</u>	<u>410,288</u>	<u>(181,833)</u>
Excess (deficiency) of revenues over expenditures	<u>490,802</u>	<u>490,802</u>	<u>355,445</u>	<u>(135,357)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,014	1,014	1,344	330
Transfers out	(575,267)	(575,267)	(376,328)	198,939
Total other financing sources and uses	(574,253)	(574,253)	(374,984)	199,269
Net increase (decrease) in fund balances	(83,451)	(83,451)	(19,539)	63,912
FUND BALANCES				
Beginning of year	<u>889,272</u>	<u>889,272</u>	<u>889,272</u>	<u>-</u>
End of year	<u>\$ 805,821</u>	<u>\$ 805,821</u>	<u>\$ 869,733</u>	<u>\$ 63,912</u>

The Council had no approved amended budget.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - Supportive Services Fund

For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Original</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
REVENUES				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 51,040	\$ 51,040	\$ 51,040	\$ -
Public Support	22,595	22,595	15,218	(7,377)
Total Revenues	<u>73,635</u>	<u>73,635</u>	<u>66,258</u>	<u>(7,377)</u>
EXPENDITURES				
Current:				
Personnel	162,306	162,306	151,908	10,398
Fringe	13,847	13,847	12,673	1,174
Travel	5,946	5,946	7,018	(1,072)
Operating Services	50,545	50,545	56,271	(5,726)
Operating Supplies	23,427	23,427	26,968	(3,541)
Other Costs	3,600	3,600	2,590	1,010
Total Expenditures	<u>259,671</u>	<u>259,671</u>	<u>257,428</u>	<u>2,243</u>
Excess (deficiency) of revenues over expenditures	<u>(186,036)</u>	<u>(186,036)</u>	<u>(191,170)</u>	<u>(5,134)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	186,036	186,036	191,170	5,134
Transfers out	-	-	-	-
Total other financing sources and uses	<u>186,036</u>	<u>186,036</u>	<u>191,170</u>	<u>5,134</u>
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Council had no approved amended budget.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - Title III C-1 Fund

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Original	GAAP Basis	Favorable (Unfavorable)
REVENUES				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 65,258	\$ 65,258	\$ 65,258	\$ -
Public Support	19,800	19,800	25,491	5,691
Total Revenues	85,058	85,058	90,749	5,691
EXPENDITURES				
Current:				
Personnel	76,102	76,102	73,163	2,939
Fringe	6,493	6,493	6,370	123
Travel	1,446	1,446	1,584	(138)
Operating Services	15,620	15,620	15,559	61
Operating Supplies	2,128	2,128	2,452	(324)
Meal Costs	85,760	85,760	84,712	1,048
Other Costs	760	760	760	-
Total Expenditures	188,309	188,309	184,600	3,709
Excess (deficiency) of revenues over expenditures	(103,251)	(103,251)	(93,851)	9,400
OTHER FINANCING SOURCES (USES)				
Transfers in	103,251	103,251	93,851	9,400
Transfers out	-	-	-	-
Total other financing sources and uses	103,251	103,251	93,851	9,400
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

The Council had no approved amended budget.

BIEVNILLE VOLUNTARY COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - Title III C-2 Fund

For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Original</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
REVENUES				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 74,054	\$ 74,054	\$ 74,054	\$ -
Public Support	<u>10,785</u>	<u>10,785</u>	<u>8,606</u>	<u>(2,179)</u>
Total Revenues	<u>84,839</u>	<u>84,839</u>	<u>82,660</u>	<u>(2,179)</u>
EXPENDITURES				
Current:				
Personnel	60,487	60,487	42,822	17,665
Fringe	5,160	5,160	3,988	1,172
Travel	35,636	35,636	20,887	14,749
Operating Services	16,418	16,418	16,195	223
Operating Supplies	1,587	1,587	1,742	(155)
Meal Costs	152,760	152,760	131,286	21,474
Other Costs	<u>760</u>	<u>760</u>	<u>760</u>	<u>-</u>
Total Expenditures	<u>272,808</u>	<u>272,808</u>	<u>217,680</u>	<u>55,128</u>
Excess (deficiency) of revenues over expenditures	<u>(187,969)</u>	<u>(187,969)</u>	<u>(135,020)</u>	<u>52,949</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	187,969	187,969	135,020	52,949
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>187,969</u>	<u>187,969</u>	<u>135,020</u>	<u>52,949</u>
Net increase (decrease) in fund balances	-	-	-	-
FUND BALANCES				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Council had no approved amended budget.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combining Statement of Program Revenues, Expenditures
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2018

	MIPPA	Title IIID	Title IIIE	NSIP	La. 2016 Disaster	Totals
<u>REVENUES</u>						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ 3,600	\$ 3,574	\$19,056	\$ 49,688	\$ -	\$ 75,918
FEMA	-	-	-	-	-	-
Public Support:						
Restricted - Utility Programs	-	-	-	-	-	-
Client Contributions	-	-	-	-	-	-
Total Revenues	3,600	3,574	19,056	49,688	-	75,918
<u>EXPENDITURES</u>						
Salaries	-	-	15,105	-	-	15,105
Fringe	-	-	1,261	-	-	1,261
Travel	-	-	2,038	-	-	2,038
Operating Services	3,600	-	2,787	-	-	6,387
Operating Supplies	-	-	310	-	-	310
Other Costs	-	5,760	-	-	-	5,760
Meals	-	-	-	-	-	-
Utility Assistance	-	-	-	-	-	-
Grants to Subrecipients	-	-	-	-	-	-
	3,600	5,760	21,501	-	-	30,861
Excess (deficiency) of revenues over expenditures	-	(2,186)	(2,445)	49,688	-	45,057
<u>OTHER FINANCING SERVICES (U)</u>						
Operating transfers in	-	2,186	2,445	-	-	4,631
Operating transfers out	-	-	-	(49,688)	-	(49,688)
Excess (deficiency) of revenues and sources over expenditures and other	-	-	-	-	-	-
<u>FUND BALANCES</u>						
Beginning of year	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Comparative Statement of General Fixed Assets
and Changes in General Fixed Assets

Year Ended June 30, 2018

	<u>Balance</u> <u>June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
General Fixed Assets, at cost:				
Building and Improvements	\$ -	\$ -	\$ -	\$ -
Land	41,151	-	-	41,151
Van	-	19,331	-	19,331
Furniture and equipment	24,850	-	-	24,850
Total	<u>\$ 66,001</u>	<u>\$ 19,331</u>	<u>\$ -</u>	<u>\$ 85,332</u>
Investment in General Fixed Assets:				
ACT 735 (PCOA)	\$ 20,732	\$ -	\$ -	\$ 20,732
Local	45,269	19,331	-	64,600
Total	<u>\$ 66,001</u>	<u>\$ 19,331</u>	<u>\$ -</u>	<u>\$ 85,332</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended June 30, 2018

Agency Head: Ann Chapman, Executive Director

Salary	<u>\$ 54,000</u>
Payroll Taxes	<u>\$ 4,307</u>
Reimbursements	<u>\$ 5,334</u>
Travel	<u>\$ 1,754</u>



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, 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 Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 2018, and related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated October 23, 2018.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation 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 Council's financial statements will not be prevented, or detected 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 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 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 Bienville Volunteer Council on Aging, Inc.'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*.

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FAX: (318) 221-4641

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 Council'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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Marsha D. Milkcan

Certified Public Accountant

October 23, 2018

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Findings

For the Year Ended June 30, 2018

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. No significant deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statement were disclosed during the audit.

FINDING/NONCOMPLIANCE:

There were no findings for the year ended June 30, 2018.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Summary Schedule of Prior Year Findings

June 30, 2018

FINDING #2017 -1:

The Council is not in compliance with the budget requirements of the Governor's Office of Elderly Affairs.

STATUS: Resolved. The Governor's Office of Elderly Affairs requires the Council to explain budget variances of 10% or more. The Council provided explanations for the budget variances of 10% or more.



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

To the Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Board of Directors of Bienville Voluntary Council on Aging, Inc. (the Council) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) the fiscal period July 1, 2017 and June 30, 2018. The Council's management is responsible for those control and compliance areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My procedures and associated findings are enumerated below.

Written Policies and Procedures

1. I obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

a) ***Budgeting***, including preparing, adopting, monitoring and amending the budget.

The entity has written policies and procedures that adequately address the budget function.

b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

The entity has written policies and procedures that adequately address purchasing.

c) ***Disbursements***, including processing, reviewing and approving.

The entity has written policies and procedures that adequately address the disbursements function.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

The entity has written policies and procedures that adequately address receipts and collections.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

The entity has written policies and procedures that adequately address the payroll function.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The entity has written policies and procedures that adequately address contracting.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

The entity has written policies and procedures that adequately address credit card usage.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

The entity has written policies and procedures that adequately address travel and expense reimbursements.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

The entity has written policies and procedures that adequately address ethics.

- j) **Debt Service**, including (1) debt insurance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable. The entity has no debt.

Board (or Finance Committee, if applicable)

Not applicable because of no exceptions in previous year.

Bank Reconciliations

Not applicable because of no exceptions in previous year.

Collections

5. I obtained a listing of cash/check/money order (cash) collection locations and management's that the listing is complete.
6. Using the listing provided by management, I selected all of the entity's cash collection locations (if five less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each collection location selected:
 - I obtained existing written documentation (e.g. insurance policy, policy manual, job description) and determined whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transactions, or reconciling the related bank (report if there are compensating controls performed by an outside party), and (3) not required to the same cash register or drawer with another employee.
 - I obtained existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and determined whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash location selected.
 - I selected the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

Using entity collection documentation, deposit slips, and bank statements, traced daily collections to the deposit date on the corresponding bank statement and determined whether the the deposits were made within one day of collection. If deposits were not made within one day of collection, I determined the number of days from receipt to deposit for each day at each collection location.

Using sequentially numbered receipts, system reports, or other related collection documentation, I verified that daily cash collections are completely supported by documentation and noted any exceptions.
7. I obtained written documentation (e.g. policy manual, written procedure) and determined whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.
 - a) Procedure Results - I noted that the Council does not make deposits of monies collected from program participants on a daily basis; however, they have written policy governing these collections. The longest time lapse between collection date and deposit date noted was eighteen business days.

- b) Management's Response - Daily collections at site locations are small, often as low as \$1. Site locations are also remote from the main business office. Daily deposits would not be cost effective.

Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

Not applicable because of no exceptions in previous year.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

Not applicable because of no exceptions in previous year.

Travel and Expense Reimbursement

Not applicable because of no exceptions in previous year.

Contracts

Not applicable because of no exceptions in previous year.

Payroll and Personnel

Not applicable because of no exceptions in previous year.

Ethics (excluding nonprofits)

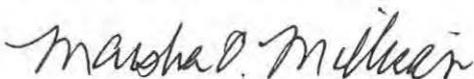
Not applicable because of no exceptions in previous year.

Debt Service (excluding nonprofits)

Not applicable because the entity has no debt.

I was not engaged and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Statewide Agreed-Upon Procedures. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:514, this report is distributed by the LLA as a public document.



Certified Public Accountant
October 23, 2018