

OUACHITA COUNCIL ON AGING, INC.

Monroe, Louisiana

FINANCIAL STATEMENTS

June 30, 2018

Marsha O. Millican  
A Professional Accounting Corporation  
Shreveport, Louisiana

OUACHITA COUNCIL ON AGING, INC.

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OUACHITA COUNCIL ON AGING, INC.

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# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

## Independent Auditor's Report

Board of Directors  
Ouachita Council on Aging, Inc.  
Monroe, 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 Ouachita 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 Ouachita 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 44 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 45 through 47 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 9, 2018 on my consideration of Ouachita 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 Ouachita Council on Aging, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Marsha D. Millean". The signature is written in a cursive style with a large initial 'M'.

Certified Public Accountant

October 9, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Ouachita Council on Aging, Inc.

June 30, 2018

The following discussion and analysis of Ouachita 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 an increase in overall net position of \$16,738 this year.
- Net Capital Assets of the Council decreased by \$74,349 this year.
- The Council's revenue, on a modified accrual basis, decreased by \$22,378 this year.
- Expenditures, on a modified accrual basis, decreased by \$95,669 this year.
- The unassigned fund balance for the Council's General Fund was \$517,868 at year-end, which is an \$81,832 increase from the prior year.
- No deficit fund balances existed at year-end.
- The Council has no long term debt.

#### 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Ouachita Council on Aging, Inc.

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 them. The Council has restricted net position of \$-0- which must be used for specific purposes, whereas \$518,925 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 is 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Ouachita Council on Aging, Inc.

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 are 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 the general and three special revenue 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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Ouachita Council on Aging, Inc.

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 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.

Management's Discussion and Analysis is also required supplementary information (RSI) by GASB 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Ouachita Council on Aging, Inc.**

**June 30, 2018**

(Continued)

	2018	2017	Increase (Decrease)
Current and Other Assets:			
Current Assets	\$ 626,481	\$ 608,333	\$ 18,148
Other Assets	-	-	-
Capital Assets, net of depreciation	1,898,091	1,972,440	(74,349)
Total Assets	2,524,572	2,580,773	(56,201)
 Current and Other Liabilities	 107,556	 180,495	 (72,939)
Total Liabilities	107,556	180,495	(72,939)
 Net Position			-
Invested in Capital Assets	1,898,091	1,972,440	(74,349)
Restricted	-	-	-
Unrestricted	518,925	427,838	91,087
Total net position	\$ 2,417,016	\$ 2,400,278	\$ 16,738

As of June 30, 2018 the Council "as a whole" had assets greater than its liabilities of \$2,417,016 whereas at June 30, 2017 net position was \$2,400,278. This is an increase of \$16,738.

About 21% and 18% of the Council's total net position are unrestricted as of June 30, 2018 and 2017, respectively. Unrestricted net position are 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 net position that have been invested in capital assets are presented net of any related outstanding debt incurred to acquire them. For 2018, no debt 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Ouachita Council on Aging, Inc.**

**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>
<b><u>Revenues</u></b>				
Program Revenues:				
Charges for Services	\$ -	0.00%	\$ -	0.00%
Operating Grants & Contributions	1,423,112	84.93%	1,436,499	84.37%
Capital Grants & Contributions	-	0.00%	-	0.00%
General Revenues				
Unrestricted Grants & Contributions	199,785	11.92%	262,918	15.44%
Other General Revenues	52,668	3.14%	3,119	0.18%
<b>Total Revenues</b>	<u>1,675,565</u>	<u>100.00%</u>	<u>1,702,536</u>	<u>100.00%</u>
<b><u>Direct Program Expenses for the Health Welfare and Social Services Function:</u></b>				
Supportive Services:				
Transportation for the Elderly	206,614	12.46%	216,604	13.10%
Other Supportive Services	128,776	7.76%	117,988	7.14%
Nutrition Services:				
Congregate Meals	308,896	18.62%	299,901	18.14%
Home-delivered Meals	372,582	22.46%	403,892	24.43%
Other Social Service Programs and Activities	204,652	12.34%	204,084	12.34%
<b>Direct Administrative Expenses</b>	<u>437,307</u>	<u>26.36%</u>	<u>410,821</u>	<u>24.85%</u>
<b>Total Expenses</b>	<u>1,658,827</u>	<u>100.00%</u>	<u>1,653,290</u>	<u>100.00%</u>
<b>Increase (Decrease) in Net Position</b>	<u>\$ 16,738</u>		<u>\$ 49,246</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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Ouachita Parish Council on Aging, Inc.

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 an \$16,738 increase in its net position for YE 2018, whereas the increase in net position for YE 2017 was \$49,246. 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 Ouachita 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 \$437,307 or 26% of total expenses. For 2017, total administrative expenses were \$410,821 or 25% of total expenses. Administration expenses include indirect type costs, meaning these are costs that are not specifically

## MANAGEMENT'S DISCUSSION & ANALYSIS

### Ouachita Parish Council on Aging, Inc.

June 30, 2018

(Continued)

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

##### Fund Balances

The Council presents a combined governmental fund balance of \$527,444 (as shown on the Fund Financial Statement's Balance Sheet) at the end of this year, which is an increase of \$91,408 from 2017. When you look at the funds individually, you will see that the Council's General Fund increased by \$91,408 this year, while the Special Revenue Funds had a combined fund balance decrease of \$-0-.

Also note that the Council has implemented the provisions of Governmental Accounting Standards Board Statement 34, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement will cause the components of the Fund Balance to be presented differently when compared to prior years.

##### Revenues

The combined fund revenues increased by \$45,065 this year versus last year, as shown in the table below.

	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>Percent</u>
Intergovernmental	\$ 1,158,634	\$ 1,170,653	\$ (12,019)	-1.03%
Public Support	464,263	486,264	(22,001)	-4.52%
Miscellaneous	57,261	45,619	11,642	25.52%
Total Revenues	<u>\$ 1,680,158</u>	<u>\$ 1,702,536</u>	<u>\$ (22,378)</u>	<u>-1.31%</u>

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 \$1,158,634 (2018) and \$1,170,653 (2017) and represent about 69% and 70% 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 \$464,263 (\$486,264 for 2017) and represented about 28% and 29% of the total revenues for 2018 and 2017, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Ouachita Council on Aging, Inc.

June 30, 2018

(Continued)

Expenditures

Total expenditures decreased by \$95,669 this year, as shown in the table that follows.

	<u>2018</u>	<u>2017</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Personnel	\$ 416,735	\$ 419,293	\$ (2,558)	-0.61%
Fringe	44,237	46,372	(2,135)	-4.60%
Travel	24,087	23,633	454	1.92%
Operating Services	232,560	263,804	(31,244)	-11.84%
Operating Supplies	46,056	48,106	(2,050)	-4.26%
Other Costs	109,399	86,935	22,464	25.84%
Meals	527,351	525,183	2,168	0.41%
Utility Assistance	-	-	-	#DIV/0!
Subrecipients	147,027	147,026	1	0.00%
Capital Outlay	41,298	124,067	(82,769)	100.00%
Total	<u>\$ 1,588,750</u>	<u>\$ 1,684,419</u>	<u>\$ (95,669)</u>	<u>-5.68%</u>

AN ANALYSIS OF THE GENERAL FUND BUDGET

Over the course of the past fiscal year, the budget was amended one time. 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 GOEA.

A schedule of the original and amended budgets for the General Fund can be found in the Supplementary Financial Information Required by GASB Statement 34 section of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Ouachita Council on Aging, Inc.

June 30, 2018

(Continued)

#### ANALYSIS OF CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets, Net of Depreciation

	<u>2018</u>	<u>2017</u>	<u>Increase/ Decrease</u>
Vehicles	\$ 110,668	\$ 111,105	\$ (437)
Office furniture and equipment	13,622	21,031	(7,409)
Building	1,599,447	1,665,950	(66,503)
Land	174,354	174,354	-
	<u>\$ 1,898,091</u>	<u>\$ 1,972,440</u>	<u>\$ (74,349)</u>

The net decrease in capital assets in 2018 is a result of depreciation expense of \$111,054, additions of \$41,298, and retirements of \$4,593.

At year end, the Council had no long term debt.

#### 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.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Ouachita Council on Aging, Inc.**

**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. Lynda McGehee, the Council's Executive Director, at the Council's main office located at 2407 Ferrand Street, Monroe Louisiana, or by phone at (318) 387-0535.

OUACHITA COUNCIL ON AGING, INC.

Government Wide Statement of Net Position

June 30, 2018

	<u>Governmental Activities</u>
Assets	
Cash	\$ 614,877
Grants and contracts receivable	2,028
Capital assets, net of accumulated depreciation	1,898,091
Deposit on vans	<u>9,576</u>
Total assets	<u>2,524,572</u>
Deferred outflows of resources	<u>-</u>
Liabilities	
Accounts payable	\$ 58,292
Wages payable	27,876
Accrued payroll liabilities	12,869
Accrued compensated absences	<u>8,519</u>
Total liabilities	<u>107,556</u>
Deferred inflows of resources	<u>-</u>
Net position	
Invested in Capital Assets, net of debt	1,898,091
Unrestricted	<u>518,925</u>
Total net position	<u><u>\$ 2,417,016</u></u>

The accompanying notes are an integral part of this statement.

OUACHITA COUNCIL ON AGING, INC.

GOVERNMENT WIDE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2018

Functions/Programs	Direct Expenses	Indirect Expenses	Program Revenues			Capital Grants and Contributions	Net (Expenses) Revenues and Increases (Decreases) in Net Assets
			Charges for Services	Operating Grants and Contributions			Total Governmental Activities
Governmental Activities							
Health, Welfare & Social Services:							
Supporting Services:							
Homemaker	\$ 59,356	\$ 17,526	\$ -	\$ 55,996	\$ -	\$ -	\$ (20,886)
Information and Assistance	6,956	2,289	-	6,552	-	-	(2,693)
Outreach	40,096	11,675	-	37,826	-	-	(13,945)
Legal Assistance	6,552	-	-	6,552	-	-	-
Transportation	206,614	61,277	-	194,238	-	-	(73,653)
Other Priority Services	15,816	4,604	-	14,930	-	-	(5,490)
Nutrition Services:							
Congregate Meals	308,896	127,104	-	360,842	-	-	(75,158)
Home Delivered Meals	372,582	148,531	-	489,505	-	-	(31,608)
Utility Assistance	-	-	-	-	-	-	-
Disease Prevention and Health Promotion	6,638	752	-	6,638	-	-	(752)
National Family Caregiver Support	50,967	11,510	-	50,967	-	-	(11,510)
Grants to Subrecipients	147,047	-	-	147,027	-	-	(20)
Administration	437,307	(385,268)	-	52,039	-	-	-
Total Governmental activities	<u>\$ 1,658,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,423,112</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(235,715)</u>
General Revenues:							
Grants and contributions not restricted to specific programs							199,785
Miscellaneous							52,668
Total general revenues and special items							<u>252,453</u>
Increase (Decrease) in net position							16,738
Net position - beginning of year							2,400,278
Net position - end of the year							<u>\$ 2,417,016</u>

The accompanying notes are an integral part of this statement.

OUACHITA COUNCIL ON AGING, INC.

Balance Sheet  
Governmental Funds  
June 30, 2018

	General Fund	Title IIIB	Title IIIC-1	Title IIIC-2	Non-Major Funds	Total
<b>Assets</b>						
Cash	\$ 614,877	\$ -	\$ -	\$ -	\$ -	\$ 614,877
Grants and contracts receivable	1,728	-	-	-	300	2,028
Due from other funds	300	-	-	-	-	300
Deposit on vans	9,576	-	-	-	-	9,576
<b>Total Assets</b>	<b>\$ 626,481</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300</b>	<b>\$ 626,781</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 58,292	\$ -	\$ -	\$ -	\$ -	\$ 58,292
Wages payable	27,876	-	-	-	-	27,876
Accrued payroll liabilities	12,869	-	-	-	-	12,869
Due to other funds	-	-	-	-	300	300
Due to subrecipients	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>99,037</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>99,337</b>
<b>Fund Balances:</b>						
<b>Nonspendable:</b>						
Deposit on vans	9,576	-	-	-	-	9,576
Unassigned	517,868	-	-	-	-	517,868
<b>Total Fund Balances</b>	<b>527,444</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>527,444</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 626,481</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300</b>	<b>\$ 626,781</b>

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

Notes payable are not included in the governmental funds	\$ -
Compensated absences are not paid for out of current financial resources and therefore are not reported in the funds	(8,519)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	1,898,091

Net Position of Governmental Activities \$ 2,417,016

The accompanying notes are an integral part of this statement.

OUACHITA 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
<u>REVENUES</u>						
Intergovernmental:						
Governor's Office of						
Elderly Affairs	\$ 204,472	\$ 144,751	\$ 203,974	\$ 215,355	\$ 316,455	\$ 1,085,007
Monroe Housing Authority	25,000	-	-	-	-	25,000
City of Monroe	15,000	-	-	-	-	15,000
DOTD	33,627	-	-	-	-	33,627
Public Support:						
Unrestricted	261,135	-	-	-	-	261,135
Restricted	30,612	-	-	-	-	30,612
Fundraising	32,988	-	-	-	-	32,988
Client Contributions	-	5,332	66,345	22,584	270	94,531
Donated Meals	-	-	-	44,997	-	44,997
Rentals	38,720	-	-	-	-	38,720
Miscellaneous	18,541	-	-	-	-	18,541
Total Revenues	<u>660,095</u>	<u>150,083</u>	<u>270,319</u>	<u>282,936</u>	<u>316,725</u>	<u>1,680,158</u>
<u>EXPENDITURES</u>						
Health, Welfare & Social Services						
Current:						
Salaries	28,478	163,627	96,844	99,864	27,922	416,735
Fringe	2,803	17,806	10,195	10,286	3,147	44,237
Travel	210	6,497	1,082	15,919	379	24,087
Operating services	20,702	61,189	54,842	41,881	53,946	232,560
Operating supplies	1,938	25,891	2,712	8,601	6,914	46,056
Other costs	63,073	3,771	3,377	3,270	35,908	109,399
Meals	-	-	230,485	296,866	-	527,351
Grants to Subrecipients	-	-	-	-	147,027	147,027
Capital outlay	41,298	-	-	-	-	41,298
Total expenditures	<u>158,502</u>	<u>278,781</u>	<u>399,537</u>	<u>476,687</u>	<u>275,243</u>	<u>1,588,750</u>
						-
Excess (deficiency) of revenues over expenditures	501,593	(128,698)	(129,218)	(193,751)	41,482	91,408
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	114	128,698	129,218	193,751	69,811	521,592
Operating transfers out	(410,299)	-	-	-	(111,293)	(521,592)
						-
Excess (deficiency) of revenues and other sources over expenditures and other uses	91,408	-	-	-	-	91,408
<u>FUND BALANCES (DEFICIT)</u>						
Beginning of year	436,036	-	-	-	-	436,036
End of year	<u>\$ 527,444</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 527,444</u>

The accompanying notes are an integral part of this statement.

OUACHITA 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	\$ 91,408
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 depreciation (\$ 111,054) exceeds capital outlay (\$41,298)	(69,756)
Other transactions involving fixed assets	(4,593)
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	<u>(321)</u>
Increase (Decrease) of net position of governmental activities	<u>\$ 16,738</u>

The accompanying notes are an integral part of this statement.

OUACHITA 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 Ouachita Council on Aging (the Council) 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 Ouachita 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 Ouachita 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.

Ouachita 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 on June 28, 1967.

A board of directors, consisting of 15 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 Ouachita Parish who have reached the age of majority, and who express an interest in Council and wish to contribute to or share in its programs. Membership fees are not charged.

**Note 1 -**

**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 are reported in three parts - invested in 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 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 \$66,415 of the PCOA funds to the IIIB, C-1 and C-2 Funds to help pay for those 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 received \$147,072 in Senior Center Funds and \$84,018 in Supplemental Senior Center Funds that were utilized to fund the costs of providing services to elderly persons who used the senior centers.

**Audit Funding**

The Council received no audit funding in 2018.

**Transportation Program Services**

The Council provides various transportation services to the residents of Ouachita 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	790
Outreach	413
Homemaker	2,255
Legal	94
Transportation for persons age 60 or older	9,311

There were three 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 (\$144,751, restricted, voluntary contributions from those persons who received supportive services (\$5,332), and local funds (\$96,042).

**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 Ouachita Parish. During the year, the Council provided 60,089 meals to persons eligible to participate in this program. There were two 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 (\$203,974) and restricted, voluntary contributions from those participating in the program (\$66,345), PCOA funds (\$23,984), NSIP funds (\$55,589), and local funds (\$49,645).

**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 83,812 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 three 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 (\$215,358), NSIP funds (\$55,589), restricted voluntary contributions from the public (\$22,584), PCOA funds (\$23,983), and local funds (\$114,179).

**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 408 units of service of wellness to eligible participants. The main source or 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 1,528 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. The Council provided 61 units of service under this program.

**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 received no FEMA funds for 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. The Council did not own any investments of this type at year end.

**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 expenses 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 of 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 reported 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 allows its employees to accumulate earned but unused vacation leave. Accordingly, a liability for unpaid vacation leave has been recorded in the Government-Wide Statements. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year.

**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. The Council had no advances from funding agencies at year end.

**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.

**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 not 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 carrying amount of the Council's cash balances was \$614,877, whereas, the bank balances totaled \$622,534. The difference in the book and bank balances for cash balances relates primarily to outstanding deposits and checks at year end. Bank balances of \$535,470 were collateralized by FDIC insurance and deposits of \$87,064 were collateralized by securities held by the bank pledged in the name of the Council.

**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. St. Francis Medical Center and Glenwood Regional Medical Center donated 18,144 meals to the Council for delivery to home bound elderly. These donated meals have been recorded as donated meals with a fair market value of \$44,997.

**Note 5 - 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
Vehicles	\$ 270,246	\$ 41,298	\$ (99,785)	\$ 211,759
Furniture and Equipment	63,733	-	(1,662)	62,071
Building	2,564,794	-	-	2,564,794
Land	174,354	-	-	174,354
Subtotal	<u>3,073,127</u>	<u>41,298</u>	<u>(101,447)</u>	<u>3,012,978</u>
Accumulated Depreciation:				
Vehicles	159,141	37,227	(95,277)	101,091
Furniture and Equipment	42,702	7,324	(1,577)	48,449
Building	898,844	66,503	-	965,347
Subtotal	<u>1,100,687</u>	<u>111,054</u>	<u>(96,854)</u>	<u>1,114,887</u>
Net Assets	<u>\$ 1,972,440</u>	<u>\$ (69,756)</u>	<u>\$ (4,593)</u>	<u>\$ 1,898,091</u>

Depreciation was charged to governmental activities as follows:

Administration	\$ 66,503
Title IIIB, Supportive Services	44,551
Total	<u>\$ 111,054</u>

**Note 6 - BOARD OF DIRECTORS' COMPENSATION**

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

**Note 7 - INCOME TAX STATUS**

The Council, a non-profit corporation, is exempt from federal income taxes under Section 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 exempt from Louisiana income tax. The Council is in compliance with the filing requirements of the Internal Revenue Service. Returns are subject to examination by the IRS, generally for three years after they are filed. As of June 30, the Council is not aware of any uncertain tax positions that could cause future tax liabilities. Returns for years ended June 30, 2016 and later are subject to review by the Internal Revenue Service.

**Note 8 - 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 9 - 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 10 - 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 11 - 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	\$	300	\$	-
Special Revenue		-		300
<b>Total</b>	<b>\$</b>	<b>2,659</b>	<b>\$</b>	<b>300</b>

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

**Note 12 - INTERFUND TRANSFERS**

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

Transfer To	Fund Transferred From						Total
	Local	PCOA	NSIP	Senior Ctr/ Supplemental Senior Ctr	MIPPA		
General Fund	\$ -				\$ -		\$ -
Total General	-	-	-	-	-	-	-
Case Management	-	-	-	-	-	-	-
Special Revenue Funds:							
MIPPA	-	-	-	-	115	-	115
AAA	-	-	-	-	-	-	-
III-B	96,042	18,448	-	14,207	-	-	128,697
C-1	49,645	23,984	55,589	-	-	-	129,218
C-2	114,179	23,983	55,589	-	-	-	193,751
Senior Center	-	-	-	69,811	-	-	69,811
III-D	-	-	-	-	-	-	-
Total Special Revenue	259,866	66,415	111,178	84,018	115	-	521,592
Total All	\$259,866	\$ 66,415	\$111,178	\$ 84,018	\$ 115	-	\$ 521,592

**Note 13 - 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 14 - RELATED PARTY TRANSACTIONS**

There were no related party transactions during the fiscal year.

**Note 15 - GRANTS TO SUBRECIPIENTS**

Grants to subrecipients consisted of the following:

West Ouachita Senior Center	\$ 84,063
SCORE	<u>62,964</u>
Total	<u><u>\$ 147,027</u></u>

**Note 15 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 9, 2018, which is the date the financial statements were available to be issued, and determined no additional disclosures are necessary.

OUACHITA COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
			GAAP	Favorable
			Basis	(Unfavorable)
<b>REVENUES</b>				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 204,472	\$ 204,472	\$ 204,472	-
DOTD	-	-	33,627	33,627
Monroe Housing Authority	-	-	-	-
City of Monroe	10,000	15,000	15,000	-
SCORE	-	-	-	-
Rentals	45,800	38,550	38,720	170
Fundraising	40,000	40,000	32,988	(7,012)
Contributions	324,810	257,500	316,747	59,247
Miscellaneous	2,420	15,232	18,541	3,309
Total Revenues	<u>627,502</u>	<u>570,754</u>	<u>660,095</u>	<u>89,341</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	26,101	25,829	28,478	(2,649)
Fringe	2,905	2,814	2,803	11
Travel	70	69	210	(141)
Operating Services	20,652	20,980	20,702	278
Operating Supplies	2,611	2,547	1,938	609
Other Costs	40,000	40,000	63,073	(23,073)
Meals	-	-	-	-
Capital Outlay	-	15,510	41,298	(25,788)
Total Expenditures	<u>92,339</u>	<u>107,749</u>	<u>158,502</u>	<u>(50,753)</u>
Excess (deficiency) of revenues over expenditures	<u>535,163</u>	<u>463,005</u>	<u>501,593</u>	<u>38,588</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(493,142)</u>	<u>(414,242)</u>	<u>(410,185)</u>	<u>4,057</u>
Total other financing sources and uses	<u>(493,142)</u>	<u>(414,242)</u>	<u>(410,185)</u>	<u>4,057</u>
Net increase (decrease) in fund balances	42,021	48,763	91,408	42,645
<b>FUND BALANCES</b>				
Beginning of year	<u>436,036</u>	<u>436,036</u>	<u>436,036</u>	<u>-</u>
End of year	<u>\$ 478,057</u>	<u>\$ 484,799</u>	<u>\$ 527,444</u>	<u>\$ 42,645</u>

OUACHITA COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - Title III B 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>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 144,751	\$ 144,751	\$ 144,751	\$ -
Public Support	6,000	5,300	5,332	32
Total Revenues	<u>150,751</u>	<u>150,051</u>	<u>150,083</u>	<u>32</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	163,434	164,998	163,627	1,371
Fringe	18,193	17,977	17,806	171
Travel	6,383	6,385	6,497	(112)
Operating Services	60,411	57,736	61,189	(3,453)
Operating Supplies	25,326	25,832	25,891	(59)
Meals	-	-	-	-
Other Costs	10,152	10,152	3,771	6,381
Capital Outlay	-	-	-	-
Total Expenditures	<u>283,899</u>	<u>283,080</u>	<u>278,781</u>	<u>4,299</u>
Excess (deficiency) of revenues over expenditures	<u>(133,148)</u>	<u>(133,029)</u>	<u>(128,698)</u>	<u>4,331</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	133,148	133,029	128,698	(4,331)
Transfers out	-	-	-	-
Total other financing sources and uses	<u>133,148</u>	<u>133,029</u>	<u>128,698</u>	<u>(4,331)</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OUACHITA COUNCIL ON AGING, INC.

Budgetary Comparison Schedule - Title III C-1 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>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 203,974	\$ 203,974	\$ 203,974	\$ -
Public Support	63,200	65,400	66,345	945
Total Revenues	<u>267,174</u>	<u>269,374</u>	<u>270,319</u>	<u>945</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	89,815	90,352	96,844	(6,492)
Fringe	9,997	9,845	10,195	(350)
Travel	977	975	1,082	(107)
Operating Services	54,917	56,930	54,842	2,088
Operating Supplies	7,912	7,763	2,712	5,051
Meals	261,220	236,389	230,485	5,904
Other Costs	3,000	3,000	3,377	(377)
Capital Outlay	-	-	-	-
Total Expenditures	<u>427,838</u>	<u>405,254</u>	<u>399,537</u>	<u>5,717</u>
Excess (deficiency) of revenues over expenditures	<u>(160,664)</u>	<u>(135,880)</u>	<u>(129,218)</u>	<u>6,662</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	160,664	135,880	129,218	(6,662)
Transfers out	-	-	-	-
Total other financing sources and uses	<u>160,664</u>	<u>135,880</u>	<u>129,218</u>	<u>(6,662)</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OUACHITA 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>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
			<u>GAAP</u>	<u>Favorable</u>
			<u>Basis</u>	<u>(Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 215,355	\$ 215,355	\$ 215,355	\$ -
Donated Meals	-	-	44,997	44,997
Public Support	20,000	23,900	22,584	(1,316)
Total Revenues	<u>235,355</u>	<u>239,255</u>	<u>282,936</u>	<u>43,681</u>
<b>EXPENDITURES</b>				
Current:				
Personnel	104,490	106,272	99,864	6,408
Fringe	11,631	11,579	10,286	1,293
Travel	16,031	15,832	15,919	(87)
Operating Services	37,691	43,285	41,881	1,404
Operating Supplies	8,797	11,154	8,601	2,553
Meals	261,220	236,388	296,866	(60,478)
Other Costs	3,000	3,000	3,270	(270)
Capital Outlay	-	-	-	-
Total Expenditures	<u>442,860</u>	<u>427,510</u>	<u>476,687</u>	<u>(49,177)</u>
Excess (deficiency) of revenues over expenditures	<u>(207,505)</u>	<u>(188,255)</u>	<u>(193,751)</u>	<u>(5,496)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	207,505	188,255	193,751	5,496
Transfers out	-	-	-	-
Total other financing sources and uses	<u>207,505</u>	<u>188,255</u>	<u>193,751</u>	<u>5,496</u>
Net increase (decrease) in fund balances	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OUACHITA 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

	<u>MIPPA</u>	<u>Title IIID</u>	<u>Title IIIE</u>	<u>NSIP</u>	<u>Senior Center</u>	<u>Totals</u>
<b><u>REVENUES</u></b>						
Intergovernmental:						
Governor's Office of Elderly Affairs:	\$ 600	\$ 6,638	\$50,967	\$ 111,178	\$147,072	\$316,455
FEMA	-	-	-	-	-	-
Public Support:						
Restricted - Utility Programs	-	-	-	-	-	-
Client Contributions	-	-	-	-	270	270
Total Revenues	<u>600</u>	<u>6,638</u>	<u>50,967</u>	<u>111,178</u>	<u>147,342</u>	<u>316,725</u>
<b><u>EXPENDITURES</u></b>						
Salaries	-	-	19,094	-	8,828	27,922
Fringe	-	-	2,098	-	1,049	3,147
Travel	-	-	313	-	66	379
Operating Services	485	-	2,329	-	51,132	53,946
Operating Supplies	-	-	188	-	6,726	6,914
Other Costs	-	6,638	26,945	-	2,325	35,908
Meals	-	-	-	-	-	-
Utility Assistance	-	-	-	-	-	-
Grants to Subrecipients	-	-	-	-	147,027	147,027
Total Expenditures	<u>485</u>	<u>6,638</u>	<u>50,967</u>	<u>-</u>	<u>217,153</u>	<u>275,243</u>
Excess (deficiency) of revenues over expenditure before other financing sources	115	-	-	111,178	(69,811)	41,482
<b><u>OTHER FINANCING SERVICES (U</u></b>						
Operating transfers in	-	-	-	-	69,811	69,811
Operating transfers out	(115)	-	-	(111,178)	-	(111,293)
Excess (deficiency) of revenues and expenditures	-	-	-	-	-	-
<b><u>FUND BALANCES</u></b>						
Beginning of year	-	-	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OUACHITA COUNCIL ON AGING, INC.

Statement of General Fixed Assets  
and Changes in General Fixed Assets  
For the 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:				
Automotive	\$ 267,609	\$ 41,298	\$ (99,785)	\$ 209,122
Furniture and equipment	66,370	-	(1,662)	64,708
Recreation equipment	-	-	-	-
Building	2,564,794	-	-	2,564,794
Land	174,354	-	-	174,354
Total	<u>\$ 3,073,127</u>	<u>\$ 41,298</u>	<u>\$ (101,447)</u>	<u>\$ 3,012,978</u>
Investment in General Fixed Assets:				
PCOA	\$ 45,811	\$ -	\$ -	\$ 45,811
Local	2,060,844	7,671	(16,630)	2,051,885
Ouachita Parish Police Jury	50,000	-	-	50,000
State of La - CDBG	750,000	-	-	750,000
Federal Transit Administration	166,472	33,627	(84,817)	115,282
Total	<u>\$ 3,073,127</u>	<u>\$ 41,298</u>	<u>\$ (101,447)</u>	<u>\$ 3,012,978</u>

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

Agency Head: Lynda McGehee, Executive Director

Salary	<u>\$ 40,723</u>
Payroll Taxes	<u>\$ 3,115</u>
Insurance	<u>\$ 1,222</u>
Retirement	<u>\$ 1,222</u>
Reimbursements	<u>\$ 70</u>
Travel	<u>\$ 590</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  
Ouachita Council on Aging, Inc.  
Monroe, 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 Ouachita 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 9, 2018.

### Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Ouachita 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 Ouachita 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*.

810 WILKINSON  
SHREVEPORT, LA 71104-3036  
(318) 221-3881  
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.



Certified Public Accountant  
October 9, 2018

OUACHITA 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 statements were disclosed during the audit.

FINDING/NONCOMPLIANCE

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

OUACHITA COUNCIL ON AGING, INC.

Schedule of Prior Year Findings

For the Year Ended June 30, 2018

There were no findings for the year ended June 30, 2017.



**Marsha O. Millican**  
A PROFESSIONAL ACCOUNTING CORPORATION

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

To the Board of Directors  
Ouachita Council on Aging

I have performed the procedures enumerated below, which were agreed to by the Board of Directors of Ouachita 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) for 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***

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*Not applicable because of no exceptions in previous year.*

***Board (or Finance Committee, if applicable)***

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*Not applicable because of no exceptions in previous year.*

***Bank Reconciliations***

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*Not applicable because of no exceptions in previous year.*

***Collections***

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*Not applicable because of no exceptions in previous year.*

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

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*Not applicable because of no exceptions in previous year.*

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

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*Not applicable because of no exceptions in previous year.*

***Travel and Expense Reimbursement***

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*Not applicable because of no exceptions in previous year.*

***Contracts***

---

*Not applicable because of no exceptions in previous year.*

***Payroll and Personnel***

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*Not applicable because of no exceptions in previous year.*

***Ethics (excluding nonprofits)***

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2. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, I obtained ethics compliance documentation from management and determined whether the entity maintained documentation to demonstrate that required ethics training was completed.
3. I inquired of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, I reviewed documentation that demonstrates whether management investigate alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. I determined whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.
  - a) Procedure Results - I noted no exceptions.

***Debt Service (excluding nonprofits)***

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*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.

*Marsha D. Mullican*

Certified Public Accountant  
October 9, 2018