

AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)

FINANCIAL STATEMENTS

SEPTEMBER 30, 2018
(With Independent Auditor's Report Thereon)

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Revenue, Expenses and Changes in Unrestricted Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	8
Notes to Financial Statements	9
ACCOMPANYING INFORMATION	
Schedule of Expenditures of Federal Awards	25
Notes to Schedule of Expenditures of Federal Awards.....	26
Schedule of Funded Service Categories by Source.....	27

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Area Agency on Aging 1-B
(A Nonprofit Organization)

Report on the Financial Statements

We have audited the accompanying financial statements of the Area Agency on Aging 1-B (a Nonprofit Organization), which comprise the statements of financial position as of September 30, 2018 and 2017, and the related statements of revenue, expenses and changes in unrestricted net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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

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

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

Auditor's Responsibility (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Area Agency on Aging 1-B (a Nonprofit Organization) as of September 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards on page 25 as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Additionally, the accompanying Schedule of Funded Service Categories by Source on pages 27 and 28 is also presented for purposes of additional analysis as required by the State of Michigan, Department of Health and Human Services and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and Schedule of Funded Service Categories by Source are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2019, on our consideration of the Area Agency on Aging 1-B's (a Nonprofit Organization) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Area Agency on Aging 1-B's internal control over financial reporting and compliance.

Doeren Mayhew

Troy, Michigan
January 21, 2019

AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)

STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2018 AND 2017

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 5,370,208	\$ 3,297,328
Accounts receivable	4,757,814	4,721,081
Investments (note 3)	494,035	934,426
Prepaid expenses and other	191,677	208,229
Investment in not-for-profit organization	390,000	780,000
Equipment and leasehold improvements, at cost, less accumulated depreciation of \$464,804 in 2018 and \$449,658 in 2017 (note 4)	<u>246,529</u>	<u>251,175</u>
Total assets	<u>\$ 11,450,263</u>	<u>\$ 10,192,239</u>

<u>Liabilities and Net Assets</u>	<u>2018</u>	<u>2017</u>
Liabilities:		
Accounts payable	\$ 2,481,225	\$ 1,968,720
Liability for pension benefits (note 9)	866,748	1,553,772
Other employee liabilities	782,531	832,302
Due to State of Michigan	1,010,233	172,000
Deferred revenue	66,625	192,429
Total liabilities	5,207,362	4,719,223
Net assets:		
Unrestricted:		
Undesignated net assets	6,242,901	5,473,016
Total liabilities and net assets	<u>\$ 11,450,263</u>	<u>\$ 10,192,239</u>

See accompanying notes to financial statements

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN
UNRESTRICTED NET ASSETS
YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Changes in unrestricted net assets:		
Revenue and support:		
Federal grants	\$ 11,601,611	\$ 10,368,511
State grants	33,713,453	32,467,871
Integrated care program	6,136,050	3,816,582
Local support	1,740,534	2,330,624
Local - county contributions	657,564	569,664
Program income	756,708	2,620,887
SameAddress program	509,655	843,764
Other income	1,820,922	2,230,807
Interest income	98,321	83,992
Total revenue and support	57,034,818	55,332,702
Program services:		
HCBS Medicaid Waiver	25,217,668	23,745,634
Aging and Adult Services	21,257,460	23,846,727
MI Health Link	6,389,760	5,007,948
SameAddress program	1,020,586	1,575,460
MMAP programs	596,956	298,402
Other programs	1,246,029	1,149,481
Total program services	55,728,459	55,623,652
Supporting services:		
Management and general	3,520,688	3,353,263
Administration expense allocation	(2,464,308)	(3,349,179)
Total supporting services	1,056,380	4,084
Total expenses	56,784,839	55,627,736
Increase (decrease) in unrestricted net assets before effect of pension liability adjustment	249,979	(295,034)
Effect of pension liability adjustment (note 9)	519,906	412,998
Increase in unrestricted net assets	769,885	117,964
Unrestricted net assets - beginning	5,473,016	5,355,052
Unrestricted net assets - ending	<u>\$ 6,242,901</u>	<u>\$ 5,473,016</u>

See accompanying notes to financial statements

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2018**

	Program Services						Supporting Services		Totals
	HCBS Medicaid Waiver	Aging and Adult Services Program	MI Health Link Program	Same Address	MMAP Programs	Other Programs	Total	Management and General	
Salaries	\$ 3,218,369	\$ 2,240,928	\$ 481,722	\$ 291,293	\$ 202,459	\$ 116,866	\$ 6,551,637	\$ 1,325,756	\$ 7,877,393
Fringe benefits	596,208	334,342	84,525	36,025	11,971	8,238	1,071,309	480,235	1,551,544
Payroll taxes	240,526	163,156	34,752	27,036	14,256	8,163	487,889	97,667	585,556
Total salaries and related expenses	4,055,103	2,738,426	600,999	354,354	228,686	133,267	8,110,835	1,903,658	10,014,493
Service contracts	19,253,455	15,758,943	5,305,078	431,939	-	989,767	41,739,182	-	41,739,182
In-kind	-	1,904,893	-	-	231,709	-	2,136,602	610	2,137,212
Rent	(5,335)	5,330	-	28,059	-	-	28,054	322,600	350,654
Property tax	-	-	-	-	-	-	-	1,419	1,419
Telephone	385	1,823	54	6,810	2,239	19	11,330	227,556	238,886
Utilities	-	-	-	-	-	-	-	14,564	14,564
Supplies	1,539	86,191	2,399	7,940	6,404	629	105,102	39,925	145,027
Meals	892	5,328	86	31	1,475	35	7,847	5,308	13,155
Printing and publications	3,725	54,594	223	391	4,310	58	63,301	18,644	81,945
Postage	862	53,462	18	212	2,104	201	56,859	6,021	62,880
Travel	77,011	32,665	5,090	13,320	9,162	2,377	139,625	5,245	144,870
Conferences	232	18,757	-	150	5,719	35	24,893	6,509	31,402
Recruiting	-	-	-	-	-	-	-	2,160	2,160
Technology services	(137)	8,093	-	9,120	568	(4)	17,640	591,824	609,464
Accounting services	-	-	40,000	-	-	-	40,000	76,155	116,155
Legal services	39,557	-	4,044	12,146	-	-	55,747	53,007	108,754
Temp services	2,524	-	9,197	-	-	19,954	31,675	12,404	44,079
Professional services	62,696	104,744	55,000	4,959	7,346	-	234,745	60,226	294,971
Bad debts	4,948	6,085	-	-	-	-	11,033	-	11,033
Repairs and maintenance	-	-	-	1,729	177	-	1,906	2,095	4,001
Equipment	-	711	-	-	-	-	711	1,443	2,154
Insurance	-	-	-	-	-	-	-	61,795	61,795
Memberships	-	4,186	-	-	-	-	4,186	18,813	22,999
Equipment lease	2,954	-	-	237	2,231	-	5,422	48,921	54,343
Total this page	23,500,411	20,784,231	6,022,188	871,397	502,130	1,146,338	52,826,695	3,480,902	56,307,597

See accompanying notes to financial statements

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2018**

	Program Services						Supporting Services		Totals
	HCBS Medicaid Waiver	Aging and Adult Services Program	MI Health Link Program	Same Address	MMAP Programs	Other Programs	Total	Management and General	
Total previous page	\$ 23,500,411	\$ 20,784,231	\$ 6,022,188	\$ 871,397	\$ 502,130	\$ 1,146,338	\$ 52,826,695	\$ 3,480,902	\$ 56,307,597
Special events	-	65,846	-	20	25,398	-	91,264	14,517	105,781
Bank service fees	-	-	-	8,463	-	-	8,463	10,175	18,638
Miscellaneous	(2,869)	822	-	(120)	-	-	(2,167)	(13,192)	(15,359)
Sponsorship	-	5,781	-	1,495	-	-	7,276	-	7,276
Advertising	-	180,079	-	82,581	35,537	-	298,197	1,700	299,897
Training	1,395	23,028	-	6,750	3,250	-	34,423	11,200	45,623
Admin. exp. alloc.	1,718,731	197,673	367,572	50,000	30,641	99,691	2,464,308	(2,464,308)	-
Unrealized gain on investments	-	-	-	-	-	-	-	239	239
Depreciation expense	-	-	-	-	-	-	-	15,147	15,147
Total expenses and transfers	<u>\$ 25,217,668</u>	<u>\$ 21,257,460</u>	<u>\$ 6,389,760</u>	<u>\$ 1,020,586</u>	<u>\$ 596,956</u>	<u>\$ 1,246,029</u>	<u>\$ 55,728,459</u>	<u>\$ 1,056,380</u>	<u>\$ 56,784,839</u>

See accompanying notes to financial statements

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2017**

	Program Services						Supporting Services		Totals
	HCBS Medicaid Waiver	Aging and Adult Services Program	MI Health Link Program	Same Address	MMAF Programs	Other Programs	Total	Management and General	
Salaries	\$ 2,857,182	\$ 1,908,522	\$ 410,568	\$ 455,809	\$ 135,679	\$ 78,749	\$ 5,846,509	\$ 1,110,080	\$ 6,956,589
Fringe benefits	559,937	362,504	87,174	61,351	4,586	7,751	1,083,303	504,597	1,587,900
Payroll taxes	183,136	144,360	33,351	36,367	11,086	6,279	414,579	83,371	497,950
Total salaries and related expenses	3,600,255	2,415,386	531,093	553,527	151,351	92,779	7,344,391	1,698,048	9,042,439
Service/nutrition expense	18,008,427	14,693,660	3,792,369	555,188	-	934,317	37,983,961	-	37,983,961
In-kind	-	4,582,520	-	-	-	-	4,582,520	5,500	4,588,020
Rent	81,618	135,245	23,947	33,524	6,118	-	280,452	101,781	382,233
Property tax	41	-	27	-	-	-	68	142	210
Telephone	52,706	74,920	4,995	10,232	8,519	1,203	152,575	29,517	182,092
Supplies	1,719	38,937	1,221	986	2,728	36	45,627	47,547	93,174
Meals	507	11,039	127	916	2,134	-	14,723	2,711	17,434
Printing and publications	2,335	43,163	151	423	939	-	47,011	18,854	65,865
Postage	933	45,078	143	367	1,725	117	48,363	18,141	66,504
Travel	67,979	35,435	6,455	14,493	5,929	1,406	131,697	9,788	141,485
Conferences	330	1,672	-	-	170	-	2,172	2,062	4,234
Consultants and other professional services	279,077	447,655	311,788	90,451	81,679	40,362	1,251,012	897,388	2,148,400
Repairs and maintenance	-	-	27	-	-	-	27	5,726	5,753
Equipment lease	-	-	-	4,100	-	-	4,100	27,569	31,669
Insurance	-	-	-	986	-	-	986	90,815	91,801
Memberships	-	1,648	3,043	-	-	-	4,691	34,601	39,292
Equipment	-	-	-	-	-	-	-	8,525	8,525
Special events	-	28,534	-	-	5,751	-	34,285	21,212	55,497
Bank service fees	-	-	-	8,233	-	-	8,233	11,545	19,778
Miscellaneous	24,493	6,659	-	1,215	-	7,260	39,627	278,734	318,361
Sponsorship	-	2,275	-	585	-	-	2,860	-	2,860
Advertising	-	31,931	-	240,134	2,359	-	274,424	-	274,424
Training	1,325	10,693	79	100	8,471	-	20,668	3,536	24,204
Admin. exp. alloc.	1,623,889	1,240,277	332,483	60,000	20,529	72,001	3,349,179	(3,349,179)	-
Unrealized loss on investments	-	-	-	-	-	-	-	3,775	3,775
Depreciation expense	-	-	-	-	-	-	-	35,746	35,746
Total expenses and transfers	\$ 23,745,634	\$ 23,846,727	\$ 5,007,948	\$ 1,575,460	\$ 298,402	\$ 1,149,481	\$ 55,623,652	\$ 4,084	\$ 55,627,736

See accompanying notes to financial statements

AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)

STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Increase (decrease) in unrestricted net assets	\$ 249,979	\$ (295,034)
Adjustments:		
Depreciation	15,147	35,746
Unrealized (gain) loss on investments	(16,639)	7,047
Bad debt expense	11,033	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(47,766)	795,852
Decrease in prepaid expenses and other	16,552	50,729
Increase (decrease) in accounts payable	512,505	(555,450)
Decrease in liability for pension benefits, net of adjustment to apply pension liability	(167,118)	(49,201)
Decrease in other employee liabilities	(49,771)	(1,065,461)
Increase in due to state of Michigan	838,233	172,000
Decrease in deferred revenue	(125,804)	(24,402)
Decrease in other accrued liabilities	-	-
Total adjustments	<u>986,372</u>	<u>(633,140)</u>
Net cash provided from (used in) operating activities	1,236,351	(928,174)
Cash flows from investing activities:		
Acquisition of property and equipment	(10,500)	-
Sales of investments	457,029	1,247,133
Sale of investment in not-for-profit organization	390,000	390,000
Net cash provided from investing activities	<u>836,529</u>	<u>1,637,133</u>
Net increase in cash and cash equivalents	2,072,880	708,959
Cash and cash equivalents - beginning	<u>3,297,328</u>	<u>2,588,369</u>
Cash and cash equivalents - ending	<u>\$ 5,370,208</u>	<u>\$ 3,297,328</u>

See accompanying notes to financial statements

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 1 - Nature of Business and Significant Accounting Policies

Nature of Business

The Area Agency on Aging 1-B, (“the Agency”) is a 501(c)(3), not-for-profit organization. The Agency provides, through contract and direct service purchase, home care support and nutrition services to persons age 60 and above, and to persons with disabilities who are age 18 and older residing in the Michigan counties of Livingston, Macomb, Monroe, Oakland, St. Clair, and Washtenaw. The reported revenues and expenses include all amounts received and expended directly by the Agency and contractor organizations in connection with the provision of programs contracted with them by the Agency. The accounts are maintained on the accrual basis of accounting.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with generally accepted accounting principles in the United States.

Net Assets

In accordance with generally accepted accounting principles, the Agency’s net assets are categorized and reported as follows:

Unrestricted Net Assets

This portion of the Agency’s net assets is available for general obligations and is not subject to any donor-imposed restrictions. Revenues earned from unrestricted contributions, investment income available for general operations and all operating expenses are reported in this category. As needed, the Board may designate net assets to be allocated for specific actions.

Temporarily Restricted Net Assets

This portion of the Agency’s net assets is limited to uses specified by donor-imposed restrictions. When donor restrictions expire, or the nature and purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of revenue, expenses and changes in unrestricted net assets as net assets released from restrictions. There were no temporarily restricted net assets received or held by the Agency in 2018 or 2017.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Net Assets (Continued)

Permanently Restricted Net Assets

This portion of the Agency's net assets is limited by donor-imposed restrictions which require that the gift be maintained in perpetuity. The Agency did not receive or hold any permanently restricted net assets during 2018 or 2017.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed stipulations. Expenses are recorded as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or law. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Area Agency on Aging 1-B (a Nonprofit Organization) considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The total cash balances on deposit in the United States in non-interest bearing accounts are insured by the Federal Deposit Insurance Corporation (FDIC) with up to \$250,000 per bank. The Agency's cash balance in excess of the FDIC limit at September 30, 2018 and 2017 was \$2,917,572 and \$3,175,856, respectively.

Accounts Receivable

Accounts receivable are stated at invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. At September 30, 2018 and 2017, the Agency had an allowance for doubtful accounts in the amount of \$43,606 and \$175,000, respectively. All amounts deemed uncollectible are charged against the allowance for doubtful accounts in the period that determination is made.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Grant Revenue/Refundable Advances

Grant revenue received for grants determined to be exchange transactions is recognized as services are provided.

The Michigan Department of Health and Human Services (MDCH) changed its MI Choice grant from an expense reimbursement to a capitated rate plan in 2015. Under this plan, the Agency is paid a monthly fee for each eligible participant enrolled in the plan at the end of each month. The fee is based on participant age and the level of need for support services. These payments are reconciled each month to determine overpayments (money due back to the State) or underpayments (money due to the Agency). As of September 30, 2018, overpayments were \$1,010,233 and underpayments were \$653,805. As of September 30, 2017, overpayments were \$172,000 and underpayments were \$269,000.

Deferred Revenue

Deferred revenue represents non-federal grant funds received in advance of grant expenditures for non-exchange transactions and foundation funding.

Contributions

Contributions received are recorded as unrestricted or temporarily restricted support depending on the existence and/or nature of any donor restrictions. All contributions are considered to be for unrestricted use unless specifically restricted by the donor.

Risks and Uncertainties

The Agency's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Recognition of Donor Restrictions

Support that is restricted by the donor or grantor is reported as an increase in temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Equipment and Leasehold Improvements

Equipment and leasehold improvements with a cost greater than \$5,000 are recorded when purchased. The fair market value of donated fixed assets at the time of donation is similarly capitalized. Equipment is depreciated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are depreciated using the straight-line method over the lesser of the estimated useful life or life of the lease. Costs of maintenance and repairs are charged to expense when incurred. Expenditures for major repairs and betterments are capitalized.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

Functional expenses are allocated among the programs and supporting services based on specific identification of costs to programs, as well as various time studies and estimates made by the Agency's management. The Agency had no fundraising expense for the years ended September 30, 2018 and 2017.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Cost Method of Accounting for Investments

The Agency's investment of 6.67% in the membership interest of The Washtenaw PACE, Inc. d/b/a Huron Valley PACE is carried at cost because the Agency does not exercise significant influence over its operating and financial activities. Dividends received from this company are included in other income, if applicable.

On September 1, 2017, the Agency sold a portion of its 20% membership interest in The Washtenaw PACE, Inc. d/b/a Huron Valley PACE, a 501(c)(3) not-for-profit organization that promotes the wellness, dignity and independence of older adults by providing health care and support services, primarily to low income individuals. The Agency's interest was sold for \$1,373,706 to be paid in three equal annual installments starting June 1, 2017. The Agency recognized a gain on sale from this investment totaling \$77,262 for both of the years ended September 30, 2018 and 2017. The investment has been recorded at cost. The total investment as of September 30, 2018 and 2017 amounted to \$390,000 and \$780,000, respectively. There were no dividends received for the years ended September 30, 2018 and 2017.

Reclassification

Certain prior year amounts in the September 30, 2017 financial statements have been reclassified to conform to the presentation of the September 30, 2018 financial statements. These reclassifications had no net effect on the September 30, 2017 net assets, net earnings, or cash flows as previously reported.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including January 21, 2019, which is the date the financial statements were available to be issued.

Note 2 - Tax Status

The Area Agency on Aging 1-B is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Agency's income tax filings are subject to audit by various taxing authorities. The Agency's open audit periods are for the fiscal years ended September 30, 2015 - 2018.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 3 - Investments and Fair Value Measurements

Investments consist of the following at September 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Certificates of deposit	\$ 494,035	\$ 934,426

Generally accepted accounting principles (GAAP) establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurements

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 3 - Investments and Fair Value Measurements (Continued)

Disclosures concerning assets measured at fair value on a recurring basis are as follows:

	Fair Value Based on			
Assets Measured at Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobserv- able Inputs (Level 3)	
At September 30, 2018:				
Brokered certificates of deposit	<u>\$ 494,035</u>	<u>\$ 494,035</u>	<u>\$ -</u>	<u>\$ -</u>
At September 30, 2017:				
Brokered certificates of deposit	<u>\$ 934,426</u>	<u>\$ 934,426</u>	<u>\$ -</u>	<u>\$ -</u>

The certificates of deposit have been classified as Level 1 using quoted market prices and other relevant information generated by market transactions.

Note 4 - Equipment and Leasehold Improvements

The cost of equipment and leasehold improvements is summarized as follows:

	2018	2017
Equipment	\$ 356,860	\$ 346,360
Leasehold improvements	354,473	354,473
Less accumulated depreciation	(464,804)	(449,658)
Undepreciated cost	<u>\$ 246,529</u>	<u>\$ 251,175</u>

Depreciation and amortization expense was \$15,147 and \$35,746 for the years ended September 30, 2018 and 2017, respectively.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 5 - Matching Funds, Donated Services and Materials

A majority of the intergovernmental grants that the Agency participates in require local support efforts in terms of cash contributions, donated services or donated facilities. The donated services are valued at the fair market value or at the value for which the contractors would pay if the donated services were not available. These amounts have been reported in the financial statements as local support funds because they meet the following criteria:

- a. The services are significant and form an integral part of the efforts of the contractors; the services require specialized skill and would be performed by salaried personnel if the donated services were not available to accomplish its purpose; and the contractors would continue the programs.
- b. The contractors control the employment of the service donors and the Agency monitors this function.
- c. The Agency has a clearly measurable basis for the amounts.

There were no material amounts of donated services recognized for grant reporting purposes that did not meet the criteria for inclusion in the financial statements. The composition of total donated services recorded for the years ended September 30, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Matching funds	\$ 396,678	\$ 584,708
Donated services	<u>1,740,534</u>	<u>4,003,312</u>
Total donated services	<u>\$ 2,137,212</u>	<u>\$ 4,588,020</u>

AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017

Note 6 - Program Expenses

For the statements of revenue, expenses and changes in unrestricted net assets for the years ended September 30, 2018 and 2017, support programs included are: Title III - Federal Admin, Title III - Part B, Services, Title III - Part C, Nutrition, Title III - Part D, Preventative Health, Title III - Part E, National Family Caregivers Support Program, Title VII - Elder Abuse Prevention, Title VII/A - LTC Ombudsman, American Recovery and Reinvestment Act, State Respite, State Alternative Care, State Access, State In-Home Services, State Aging Network, Community Care Services, and Ombudsman programs. Other programs include MMAP, Medicaid Ombudsman, Medicaid Waiver, Targeted Care Management, Integrated Care, Michigan Health Endowment Fund, SameAddress and other resources.

Note 7 - Facility Operating Leases

The Agency has entered into various operating lease agreements for office space which expire on various dates through September 2021. The Agency is also obligated under various operating leases for copiers, postage meters, telephone equipment and an automobile. The annual minimum lease payments under these operating leases are as follows for the years ending September 30th:

Year Ending September 30th:

2019	\$ 300,844
2020	307,106
2021	<u>303,152</u>
Total	<u>\$ 911,102</u>

Total rent expense on these facility leases for 2018 and 2017 was \$350,654 and \$382,233, respectively. Copiers, postage meters, telephone equipment, and automobile lease expense for 2018 and 2017 was \$48,921 and \$27,569, respectively.

In addition, the Agency has an option to terminate the lease of its Southfield, Michigan office location at any time should the Agency stop receiving federal funds under Title III of the Older Americans Act or not receive other government funding satisfactory to the tenant. A six month written notice of termination is required. A termination fee equal to the sum of the unamortized cost of tenant modifications and leasing commissions, plus six months rent at the then current rate is also required.

AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017

Note 8 - Concentrations

Approximately \$20,280,000 and \$18,130,000 or 36% and 33% of revenues are federal and state funds received through the State of Michigan, Department of Health and Human Services at September 30, 2018 and 2017, respectively. Accounts receivable from the State of Michigan, Department of Health and Human Services accounted for approximately 48% and 68% of total accounts receivable at September 30, 2018 and 2017, respectively.

Note 9 - Retirement Plans

Defined Benefit Pension Plan

In 2006, the Area Agency on Aging 1-B assumed the full financial obligations of its participants from the former participation in the United Way Community Services and Affiliated Agencies (UWCS) plan. As a result, all assets allocated to the Agency were released in full by UWCS. At that time, the Agency had established its own fully qualified (now frozen) defined benefit pension plan (the Plan) to fund the benefits of these same participants.

The Agency has engaged PNC Bank as the Trustee and investment Custodian of the Plan as of September 30, 2018 and 2017. Watkins, Ross & Co. prepared the actuarial reports as of September 30, 2018 and 2017.

All retirement benefits under the Plan are insured by the Pension Benefit Guarantee Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees vested normal age retirement benefits, early retirement benefits and survivor's pensions. However, a statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 9 - Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

The following actuarial information in these notes that were prepared by Watkins, Ross & Co. sets forth the benefit obligation, the fair value of plan assets, and the funded status of the Agency's Plan; the amounts recognized in the Agency's financial statements; and the principal weighted-average assumptions used:

	<u>2018</u>	<u>2017</u>
Change in benefit obligation:		
Projected benefit obligation - beginning	\$ 5,830,201	\$ 6,014,223
Interest cost	193,891	191,064
Actuarial gain	(385,704)	(35,393)
Benefits paid	<u>(425,740)</u>	<u>(339,693)</u>
Projected benefit obligation - ending	<u>\$ 5,212,648</u>	<u>\$ 5,830,201</u>
Change in plan assets:		
Fair value of assets - beginning	\$ 4,276,429	\$ 3,998,252
Actual return on assets	311,455	514,992
Employer contributions	183,756	102,878
Benefits paid	<u>(425,740)</u>	<u>(339,693)</u>
Fair value of assets - ending	<u>\$ 4,345,900</u>	<u>\$ 4,276,429</u>
Funded status at end of year	<u>\$ (866,748)</u>	<u>\$ (1,553,772)</u>

The following sets forth the Plan's funded status accounted to the amounts included in the Agency's statements of financial position.

Actuarial present value of benefit obligations and funded status:

Accumulated benefit and projected obligations	<u>\$ (5,212,648)</u>	<u>\$ (5,830,201)</u>
Plan assets at fair value	<u>\$ 4,345,900</u>	<u>\$ 4,276,429</u>
Liability for pension benefits	<u>\$ (866,748)</u>	<u>\$ (1,553,772)</u>

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 9 - Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

Other comprehensive income recognized in unrestricted net assets consist of the following:

	2018	2017
Other loss	<u>\$ 1,467,250</u>	<u>\$ 1,987,156</u>

Components of net periodic postretirement benefit cost:

Interest cost	\$ 193,891	\$ 191,064
Expected return on plan assets	(228,196)	(208,786)
Recognized net actuarial loss	<u>50,943</u>	<u>71,399</u>
Net periodic postretirement benefit cost	<u>\$ 16,638</u>	<u>\$ 53,677</u>

Estimated amounts that will be amortized from unrestricted net assets over the next fiscal year consist of the following:

Actuarial gain	<u>\$ 37,659</u>	<u>\$ 52,807</u>
----------------	------------------	------------------

The following are weighted-average assumptions used to determine net periodic benefit cost at September 30, 2018 and 2017:

Discount rate	3.50%	3.23%
---------------	-------	-------

The following are weighted-average assumptions used to determine benefit obligations for the years ended September 30, 2018 and 2017:

Discount rate	4.00%	3.50%
Expected return on plan assets	5.50%	5.50%

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 9 - Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

In fiscal 2018 and 2017, the benefits paid by the Plan totaled \$425,740 and \$339,693, respectively. The Agency required minimum cash contribution for 2019 is expected to be \$71,572. The Agency expects the benefits paid by the Plan in the ensuing five fiscal years and thereafter to be as follows:

	Pension Benefits
2019	\$ 393,075
2020	383,293
2021	350,946
2022	475,228
2023	335,212
Thereafter	1,668,890

The Agency's Board of Directors has established an investment policy for the Plan. The general investment principles of the policy require that investments be made solely in the interest of the beneficiaries, that the Plan's funds be invested with care, skill, prudence, and diligence, that the plan investments be reasonably diversified to reduce the risk of large losses, that the Board may employ one or more investment managers to attain plan objectives, and that cash is to be employed productively at all times. The investment management policy of the Plan requires the investment managers to preserve capital, ensure that the risk is commensurate with the given investment style and objectives, and to adhere to the investment management styles for which the investment manager is hired. The goals of each investment manager are to meet or exceed the market index or benchmark selected by the Board and to display an overall level of risk in the portfolio that is consistent with the established benchmark.

AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017

Note 9 - Retirement Plans (Continued)

Defined Benefit Pension Plan (Continued)

The significant actuarial assumptions used in the valuations as of October 1, 2017 were: (a) life expectancy of participants (the RP 2014 adjusted to 2006 Total Dataset Mortality with Scale MP-2018 was used), (b) retirement age weighted-average of 65, (c) investment return assumed average rates of return of 5.50%, and (d) discount rate at October 1, 2017 of 4.00%.

The changes in the significant actuarial assumptions since the prior valuation were: (a) the discount rate was changed from 3.23% to 3.50%.

The Agency's weighted-average asset allocations at September 30, 2018 by asset category are as follows:

Asset category:

Fixed income	33%
Equity securities	65%
Cash and cash equivalents	<u>2%</u>
Total	<u>100%</u>

The pension investments noted above have been classified as Level 1 using quoted market prices and other relevant information generated by market transactions.

Defined Contribution 401(k) Plan

Additionally, the Agency sponsors a tax deferred profit sharing plan for eligible employees under Section 401(k) of the Internal Revenue Code. The Agency recognized \$121,019 and \$34,640 for its matched contributions to the Plan during 2018 and 2017, respectively.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 10 - Fringe Benefits

Fringe benefits consisted of the following for the years ended September 30, 2018 and 2017:

	2018	2017
Health benefits	\$ 1,171,850	\$ 1,194,101
Insurance (life and disability)	90,399	143,090
Retirement - pension	104,955	152,835
401(k) match	121,019	34,640
Other	63,321	63,234
Total	\$ 1,551,544	\$ 1,587,900

Note 11 - Commitments

Grants often require the fulfillment of certain conditions as set forth in the grant instrument. Failure to fulfill the conditions could result in the return of funds. However, management deems the contingency unlikely, since by accepting the grant monies and their terms it has accommodated the objectives of the Agency to the provisions of the grant. This audit was performed under the requirements established by *Government Auditing Standards*. However, the compliance audit performed under *Government Auditing Standards* has not yet been accepted by the granting agencies. Management expects disallowed costs, if any, as identified by the grantor agencies to be immaterial.

Note 12 - Contingencies

The Agency maintains a net asset balance or operating reserve to stabilize the Agency's finances by providing a source of funds to cushion against unexpected events such as sudden changes in funding, program elimination and associated restructuring expenses. In addition, the operating reserve could be used to support the Agency's defined benefit pension plan which currently shows an actuarially determined unfunded balance resulting from historically low interest rates.

In the ordinary course of business, the Agency has become involved in various legal matters. In the opinion of management and legal counsel, the outcome of these legal actions will not have a material adverse effect on the Agency's financial statements.

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

Note 13 - Revenue Diversification Activities

Management and the Board of Directors have initiated Business to Business and Business to Consumers contracts and operations.

The most significant of these diversification efforts was SameAddress, which is a one-source solution for seniors to live safely and independently in their homes. This program incurred approximately \$301,000 and \$424,000 in losses during the years ended September 30, 2018 and 2017, respectively. As of August 2018, the Agency entered into a management agreement with another company to alleviate the Agency from potential future liabilities related to SameAddress.

The other major initiative, which is a Business to Business initiative, is called Michigan Health Link (MHL). This program incurred \$306,000 and \$1.2 million in losses during the years ended September 30, 2018 and 2017, respectively. Management and the Board of Directors are taking measures with these programs to limit further losses to the Agency while meeting its obligations under the contracts.

*** * * End of Notes * * ***

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2018**

Federal Agency/Pass-Through Agency Program Title	Federal CFDA Number	Award Amount	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Health and Human Services - Passed-Through the State of Michigan</u>				
Special Programs for the Aging Cluster				
Title III - Federal Admin - FY 2018 AIP	93.044	\$ 299,086	\$ -	\$ 299,086
Title III - Part B, Services - FY 2018 AIP	93.044	2,637,694	-	2,348,062
Title III - Federal Admin - FY 2018 AIP	93.045	568,263	-	568,263
Title III - Part C, Nutrition - FY 2018 AIP	93.045	5,105,835	-	4,708,617
Title III - Federal Admin - FY 2018 AIP	93.052	129,603	-	129,603
Nutrition Services Incentive Program - FY 2018 AIP	93.053	1,663,653	-	1,663,653
Total Special Programs for the Aging Cluster		10,404,134	-	9,717,284
Other Federal Awards				
Title III - Part D, Preventative Health - FY 2018 AIP	93.043	226,198	-	226,198
Title III - Part E, National Family Caregivers Support Program - FY 2018 AIP	93.052	1,636,452	-	1,191,830
Title VII - Elder Abuse Prevention - FY 2018 AIP	93.041	40,665	-	40,665
Title VII/A - LTC Ombudsman - FY 2018 AIP	93.042	74,502	-	52,502
Total Other Federal Awards		1,977,817	-	1,511,195
<u>U.S. Department of Health and Human Services - Centers for Medicare and Medicaid Services</u>				
<u>Passed-Through MMAP, Inc.:</u>				
MMAP Ship Core 90SAPG0010-01-00	93.324	242,201	-	242,201
MMAP SMP - 90MP0218-03-02	93.049	44,465	-	44,465
MMAP MHL Counseling - 1N1CMS331416	93.048	42,107	-	42,107
MMAP MIPPA - 1701MIMISH, 1701MIMIAA	93.628	6,600	-	6,600
MMAP MHEF	93.324	37,759	-	37,759
Total Passed through MMAP, Inc.		373,132	-	373,132
Total Federal Expenditures		<u>\$ 12,755,083</u>	<u>\$ -</u>	<u>\$ 11,601,611</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SEPTEMBER 30, 2018**

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Area Agency on Aging 1-B (a Nonprofit Organization) under programs of the federal government for the year ended September 30, 2018. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Area Agency on Aging 1-B, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Area Agency on Aging 1-B.

Note B - Summary of Significant Accounting policies

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the Cost Principles for Nonprofit Organizations or the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as well as cost principles in accordance with the State of Michigan. The Area Agency on Aging 1-B has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

Note C - Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

*** * * End of Notes * * ***

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**SCHEDULE OF FUNDED SERVICE CATEGORIES BY SOURCE
SEPTEMBER 30, 2018**

	Administration	Title III-B	Title IIIC-1	Title IIIC-2	Title III-D	Title III-E	Title VII-EAP	Title VII-A	NSIP	Program Income	Cash Match	In-Kind Match	Total
Administration	\$ 996,952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,596	\$ 83,763	\$ 1,177,311
Care Management	-	-	-	-	-	-	-	-	-	-	-	-	-
Case Coord./Support	-	56,693	-	-	-	171,939	-	-	-	-	-	26,105	254,737
Disaster Advocacy	-	-	-	-	-	-	-	-	-	-	-	-	-
Inform & Assist	-	299,643	-	-	-	-	-	-	-	-	-	33,994	333,637
Education	-	-	-	-	-	41,372	-	-	-	-	-	5,297	46,669
Outreach	-	429,814	-	-	-	-	-	-	-	5,681	-	48,458	483,953
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Chore	-	637,195	-	-	-	-	-	-	-	-	-	71,500	708,695
Home Care Assist	-	-	-	-	-	341,301	-	-	-	-	-	38,623	379,924
Home Injury Control	-	125,001	-	-	-	22,600	-	-	-	-	-	17,101	164,702
Homemaker	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Health Aide	-	-	-	-	-	-	-	-	-	-	-	-	-
Medication Mgmt.	-	-	-	-	-	-	-	-	-	-	-	-	-
Personal Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Pers-Assistive Devices	-	-	-	-	-	-	-	-	-	-	-	-	-
Respite Care	-	-	-	-	-	47,362	-	-	-	-	-	5,963	53,325
Friendly Reassurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal Assist	-	240,967	-	-	-	-	-	-	-	-	-	27,475	268,442
Community Svc.	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult Day Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Dementia ADC	-	-	-	-	-	-	-	-	-	-	-	-	-
Disease Prevention	-	-	-	-	226,198	-	-	-	-	1,847	-	25,834	253,879
Evidence Based Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Health Screening	-	-	-	-	-	-	-	-	-	-	-	-	-
Assist to Deaf	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Repair	-	-	-	-	-	-	-	-	-	-	-	-	-
LTC Ombudsman	-	27,167	-	-	-	-	-	52,502	-	-	-	3,719	83,388
Sr. Ctr. Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Sr. Ctr. Staffing	-	-	-	-	-	-	-	-	-	-	-	-	-
Vision Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Elder Abuse Prev.	-	72,498	-	-	-	-	40,665	-	-	-	-	8,756	121,919
Counseling	-	-	-	-	-	-	-	-	-	-	-	-	-
In Home Respite Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Creating Confident CG	-	-	-	-	-	8,000	-	-	-	-	-	1,589	9,589
Kinship Support	-	-	-	-	-	-	-	-	-	-	-	-	-
Caregiver Outreach	-	-	-	-	-	559,256	-	-	-	-	-	62,840	622,096
Program Devel.	-	459,084	-	-	-	-	-	-	-	-	-	51,710	510,794
Region Specific	-	-	-	-	-	-	-	-	-	-	-	-	-
CLP	-	-	-	-	-	-	-	-	-	-	-	-	-
Cong. Meals	-	-	1,275,370	-	-	-	-	-	176,647	-	-	142,408	1,594,425
HDM	-	-	-	3,433,247	-	-	-	-	1,487,006	-	-	382,172	5,302,425
NSIP	-	-	-	-	-	-	-	-	-	-	-	-	-
Res. Advocacy	-	-	-	-	-	-	-	-	-	-	-	-	-
Vol. Caregiver	-	-	-	-	-	-	-	-	-	-	-	-	-
OHR	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 996,952	\$ 2,348,062	\$ 1,275,370	\$ 3,433,247	\$ 226,198	\$ 1,191,830	\$ 40,665	\$ 52,502	\$ 1,663,653	\$ 7,528	\$ 96,596	\$ 1,037,307	\$ 12,369,910

**AREA AGENCY ON AGING 1-B
(A Nonprofit Organization)**

**SCHEDULE OF FUNDED SERVICE CATEGORIES BY SOURCE
SEPTEMBER 30, 2018**

	State Admin	State Access	State In-Home	State Cong.	State HDM	State NHO	State Alt. Care	State MSO	State Care Mgmt.	Merit Award Trust Fund	State CG Support	Respite Escheat	State Aging	Program Income	Cash Match	In-Kind Match	Total
Administration	\$ 170,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,761	\$ 9,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,460
Care Management	-	-	-	-	-	-	-	-	209,600	-	-	-	-	-	-	23,989	233,589
Case Coord./Support	-	-	-	-	-	-	-	-	654,053	-	-	-	-	-	46,148	73,373	773,574
Disaster Advocacy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inform & Assist	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outreach	-	178,323	-	-	-	-	-	-	-	-	-	-	-	-	-	20,514	198,837
Transportation	-	-	-	-	-	-	-	-	-	30,807	-	-	-	-	-	-	30,807
Chore	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Care Assist	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Injury Control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Homemaker	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Health Aide	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medication Mgmt.	-	-	6,847	-	-	-	-	-	-	-	-	-	-	-	-	1,461	8,308
Personal Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pers-Assistive Devices	-	-	244,272	-	-	-	-	-	-	-	-	-	-	-	-	27,842	272,114
Respite Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Friendly Reassurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community Svc.	-	-	2,220,120	-	-	-	263,928	-	-	164,718	-	325,163	-	245,151	415,330	276,706	3,911,116
Adult Day Care	-	-	-	-	-	-	374,655	-	-	414,693	-	-	278,077	-	-	73,227	1,140,652
Dementia ADC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disease Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health Screening	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assist to Deaf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Repair	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LTC Ombudsman	-	-	-	-	-	73,035	-	27,308	-	-	-	-	-	-	-	11,851	112,194
Sr. Ctr. Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sr. Ctr. Staffing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vision Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Elder Abuse Prev.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Counseling	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Respite Care	-	-	-	-	-	-	63,939	-	-	-	-	-	-	-	-	7,805	71,744
In Home Respite Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kinship Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Caregiver EST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Devel.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Region Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cong. Meals	-	-	-	59,742	-	-	-	-	-	-	-	-	-	-	-	7,338	67,080
HDM	-	-	-	-	2,986,687	-	-	-	-	-	-	-	-	-	-	332,555	3,319,242
Res. Advocacy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vol. Respite Care	-	-	-	-	-	-	-	-	-	135,588	92,018	-	-	-	-	10,925	238,531
OHR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 170,598	\$ 178,323	\$ 2,471,239	\$ 59,742	\$ 2,986,687	\$ 73,035	\$ 702,522	\$ 27,308	\$ 863,653	\$ 819,567	\$ 101,119	\$ 325,163	\$ 278,077	\$ 245,151	\$ 461,478	\$ 867,586	\$ 10,631,248