

Midland County
Council on Aging
Midland, MI



Year Ended
September 30,
2016

Financial
Statements and
Supplementary
Information

MIDLAND COUNTY COUNCIL ON AGING

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INDEPENDENT AUDITORS' REPORT

February 13, 2017

To the Board of Directors
Midland County Council on Aging
Midland, Michigan

We have audited the accompanying financial statements of *Midland County Council on Aging*, a Michigan not-for-profit corporation, which comprise the statement of financial position as of September 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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 auditor 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.

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 *Midland County Council on Aging* as of September 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Rehmann Lobson LLC

MIDLAND COUNTY COUNCIL ON AGING

Statement of Financial Position

September 30, 2016

Assets	
Cash and cash equivalents	\$ 1,940,251
Investments	5,962,826
Accounts receivable:	
Region VII Area Agency on Aging	57,203
Customer	98,343
Inventory	31,773
Prepaid expenses	72,091
Property and equipment, net	<u>4,719,062</u>
Total assets	<u><u>\$ 12,881,549</u></u>
Liabilities	
Accounts payable	\$ 53,195
Accrued payroll, vacation and sick pay	138,043
Client deposits	6,672
Unearned revenue	<u>8,038</u>
Total liabilities	<u><u>205,948</u></u>
Net assets	
Unrestricted:	
Investment in property and equipment	4,718,968
Board designated	7,393,721
Undesignated	<u>500,001</u>
Total unrestricted	<u><u>12,612,690</u></u>
Temporarily restricted:	
Coleman Center	2,743
Technology and Training	32,534
Advanced Care Planning	25,454
Meals on Wheels of America	2,086
Investment in property and equipment purchased with federal and state funds	<u>94</u>
Total temporarily restricted	<u><u>62,911</u></u>
Total net assets	<u><u>12,675,601</u></u>
Total liabilities and net assets	<u><u>\$ 12,881,549</u></u>

The accompanying notes are an integral part of these financial statements.

MIDLAND COUNTY COUNCIL ON AGING

Statement of Activities

For the Year Ended September 30, 2016

	Unrestricted	Temporarily Restricted	Total
Support, revenues, and gains			
Midland County Millage	\$ 2,948,472	\$ -	\$ 2,948,472
Grants:			
Older Americans Act	-	332,636	332,636
Nutritional Services Incentive Program (NSIP)	-	131,717	131,717
Other grants through Area Agency on Aging (AAA)	-	69,701	69,701
Office of Services to the Aging (OSA)	-	125,065	125,065
Program income	1,191,746	-	1,191,746
United Way	-	93,964	93,964
Interest and investment income	120,665	-	120,665
Unrealized investment gain	269,265	-	269,265
Private contributions and grants	31,607	81,232	112,839
Other revenue	12,562	-	12,562
Total support, revenues, and gains	4,574,317	834,315	5,408,632
Net assets released from restrictions	782,615	(782,615)	-
Total support, revenue, gains, and reclassifications	5,356,932	51,700	5,408,632
Expenses			
Program services:			
Access	1,395,701	-	1,395,701
In home	384,977	-	384,977
Nutrition	1,204,887	-	1,204,887
Adult day	1,065,748	-	1,065,748
Other	164,436	-	164,436
Total program services	4,215,749	-	4,215,749
Supporting services:			
Management and general	935,917	-	935,917
Computer network	12,462	-	12,462
Building occupancy	80,400	-	80,400
Fund Development	10,703	-	10,703
Total supporting services	1,039,482	-	1,039,482
Total expenses	5,255,231	-	5,255,231
Change in net assets	101,701	51,700	153,401
Net assets, beginning of year	12,510,989	11,211	12,522,200
Net assets, end of year	\$ 12,612,690	\$ 62,911	\$ 12,675,601

The accompanying notes are an integral part of these financial statements.

MIDLAND COUNTY COUNCIL ON AGING

Statement of Functional Expenses

For the Year Ended September 30, 2016

	Program Services					Total
	Access	In Home	Nutrition	Adult Day	Other	
Salaries and related expenses						
Salaries	\$ 707,922	\$ 289,392	\$ 506,491	\$ 577,473	\$ 82,350	\$ 2,163,628
Payroll taxes and insurance	60,572	29,385	45,822	50,741	6,910	193,430
Employee benefits - health and retirement	101,947	25,763	74,678	79,276	10,386	292,050
Total salaries and related expenses	870,441	344,540	626,991	707,490	99,646	2,649,108
Other expenses						
Professional services and fees	43,978	2,554	-	719	24,612	71,863
Supplies	63,904	1,332	56,362	17,949	10,798	150,345
Communications	28,658	468	1,095	4,477	950	35,648
Rent	35,224	-	-	-	-	35,224
Travel and vehicle expense	82,908	27,099	65,992	438	4,265	180,702
Repair and maintenance	22,957	-	-	3,299	30	26,286
Conferences and meetings	3,609	1,145	911	3,499	(263)	8,901
Assistance	25,276	-	-	-	-	25,276
Food	955	22	443,960	9,980	-	454,917
Utilities	26,066	-	-	-	-	26,066
Other	21,600	3,099	-	1,308	16,789	42,796
Total other expenses	355,135	35,719	568,320	41,669	57,181	1,058,024
Total expenses before depreciation	1,225,576	380,259	1,195,311	749,159	156,827	3,707,132
Allocations:						
Occupancy and network	82,039	4,124	34,357	124,499	6,977	251,996
Food and labor	-	-	(36,388)	36,388	-	-
Depreciation	88,086	594	11,607	155,702	632	256,621
Total expenses	\$ 1,395,701	\$ 384,977	\$ 1,204,887	\$ 1,065,748	\$ 164,436	\$ 4,215,749

The accompanying notes are an integral part of these financial statements.

Supporting Services					
Management and General	Computer Network	Building Occupancy	Fund Development	Total	Total
\$ 434,797	\$ 19,977	\$ 102,875	\$ 7,300	\$ 564,949	\$ 2,728,577
34,654	1,565	9,504	664	46,387	239,817
80,515	3,946	20,587	1,443	106,491	398,541
549,966	25,488	132,966	9,407	717,827	3,366,935
33,573	4,918	49,881	-	88,372	160,235
23,504	5,559	7,562	12	36,637	186,982
9,520	-	2,512	81	12,113	47,761
-	-	-	-	-	35,224
1,649	8	318	65	2,040	182,742
4,844	1,474	6,096	-	12,414	38,700
2,706	-	-	324	3,030	11,931
-	-	-	-	-	25,276
116	-	660	-	776	455,693
-	-	101,691	-	101,691	127,757
43,133	10,140	4,789	322	58,384	101,180
119,045	22,099	173,509	804	315,457	1,373,481
669,011	47,587	306,475	10,211	1,033,284	4,740,416
21,316	(47,587)	(226,075)	350	(251,996)	-
-	-	-	-	-	-
245,590	12,462	-	142	258,194	514,815
\$ 935,917	\$ 12,462	\$ 80,400	\$ 10,703	\$ 1,039,482	\$ 5,255,231

MIDLAND COUNTY COUNCIL ON AGING

Statement of Cash Flows

For the Year Ended September 30, 2016

Cash flows from operating activities	
Change in net assets	\$ 153,401
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	514,815
Unrealized gain on investments	(269,265)
Changes in operating assets and liabilities which provided (used) cash:	
Accounts receivable	6,249
Inventory	(6,166)
Prepaid expenses	(12,402)
Accounts payable	(15,784)
Accrued payroll, vacation and sick pay	(101,790)
Client deposits	(692)
Unearned revenue	(35,765)
Net cash provided by operating activities	<u>232,601</u>
Cash flows from investing activities	
Purchases of investments	(596,922)
Purchases of property and equipment	(131,391)
Net cash used in investing activities	<u>(728,313)</u>
Net decrease in cash and cash equivalents	(495,712)
Cash and cash equivalents, beginning of year	<u>2,435,963</u>
Cash and cash equivalents, end of year	<u>\$ 1,940,251</u>

The accompanying notes are an integral part of these financial statements.

MIDLAND COUNTY COUNCIL ON AGING

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activity

Midland County Council on Aging (the “Council”) was organized as a not-for-profit organization for the purpose of providing information on services and programs available to seniors. The Council also determines the needs of older citizens, informs the public of those needs, performs general advocacy, and develops and coordinates programs and projects to meet the needs of the senior citizens of Midland County, Michigan.

Funding for the Council is received through a property tax, United Way allocation, program income, contributions and various grants, including the Region VII Area Agency on Aging (“Agency”) under Title III. The Council has an agreement with the Agency whereby the Council agrees to obtain a specified percentage of local matching revenue to qualify for funding.

Descriptions of the various programs are as follows:

Access Services - Includes information, referral, transportation and care coordination services and provides clients with an avenue to other community services.

In Home Services - Encompasses such services as homemaking, personal care and respite services provided to clients within their own homes.

Nutrition Services - Provides well-balanced meals to senior citizens at Council centers or delivered to clients’ homes.

Seasons Adult Day Services - Provides a warm and secure daytime environment that enhances the cognitive, social, and emotional needs of those with Alzheimer’s disease and related illnesses, while providing respite for family caregivers.

Other Services - These services include caregiver training, marketing, home repair, handyman services, fitness center and education resource development.

Basis of Presentation

The Council reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Temporarily restricted net assets result from donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements. Permanently restricted net assets result from donor-imposed restrictions that require the related assets to be maintained in perpetuity. At September 30, 2016, the Council had no permanently restricted net assets.

Cash and Cash Equivalents

The Council considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk

The Council maintains all of its cash, cash equivalents and certificates of deposit balances in four financial institutions located in Midland, Michigan. The balances are collateralized or insured by the U.S. Government and the Federal Deposit Insurance Corporation up to \$250,000 per institution. At September 30, 2016, the Council’s uninsured deposit balance was \$708,572. Management believes the Council is not exposed to any significant interest rate or other financial risk on these deposits.

MIDLAND COUNTY COUNCIL ON AGING

Notes to Financial Statements

Investments

Investments are reported at their fair values as determined by quoted market prices. Realized gains and losses on sales of investments are determined using the average cost method. Unrealized investment gains and losses are included in the change in unrestricted net assets.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Accounts Receivable

Accounts receivable consists of amounts due from Region VII Area Agency on Aging and from senior citizens for services provided and are stated at the amount management expects to collect from outstanding balances. Based on their assessment of the credit history with clients having outstanding balances and current relationships with them, management has concluded that realized losses on balances outstanding at year-end will not be significant, and thus no allowance is required.

Fair Value Measurements

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data such as the Council's own data. The Council utilizes fair value measurements to record fair value adjustments to its investments securities and to determine fair value disclosures. These assets are recorded at fair value on a recurring basis. For further discussion on Fair Value Measurements, refer to Note 2.

Income Taxes

The Council is a not-for-profit organization, exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and exempt from similar state and local taxes, and is classified as an organization other than a private foundation, as described in section 509(a). Although the Council was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." Such income, pursuant to the Internal Revenue Code and related regulations, includes investment income such as interest received from sources other than directly from the service.

The Council analyzes its filing positions in the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions. The Council also treats interest and penalties attributable to income taxes, and reflects any charges for such, to the extent they arise, as a component of its management and general expenses.

The Council has evaluated its income tax filing positions for the years 2013 through 2016, the years which remain subject to examination by major tax jurisdiction as of September 30, 2016. The Council concluded that there are no significant uncertain tax positions requiring recognition in the Council's financial statements. The Council does not expect the total amount of unrecognized tax benefits ("UTB") (e.g., tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next 12 months. The Council does not have any amounts accrued for interest penalties related to UTBs at September 30, 2016, and it is not aware of any claims for such amounts by federal or state income tax authorities.

MIDLAND COUNTY COUNCIL ON AGING

Notes to Financial Statements

Inventory

Inventory consists of items for the Council's Nutrition Services program and is stated at cost, determined by first-in, first-out method.

Property and Equipment and Depreciation

Property and equipment are stated at cost. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management annually reviews these assets to determine whether carrying values have been impaired.

The Council follows the practice of capitalizing all expenses for land, buildings, and equipment in excess of \$1,000; donated property and equipment are capitalized at estimated acquisition cost at date of the donation.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 40 years.

The Council holds title to all property and equipment presented in the financial statements, although certain property and equipment has been funded by County, State and Federal sources.

The land at 4700 Dublin Avenue is being leased from the City of Midland for an annual rent of one dollar, through August 28, 2050, self-renewing every 5 years thereafter for an additional term of 25 years.

Revenue Recognition

Program income is recognized as services are rendered.

County voted millage revenues are recognized on a monthly basis as allocations are received from Midland County.

Grant revenue is recognized and earned when actual expenditures are incurred which meet the specific terms of each grant.

Investment income is recognized as earned.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose for restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Donated Services

No amounts have been reflected in the accompanying financial statements for donated services, as these services do not meet the criteria for recognition in the financial statements. The Council pays for most services requiring specific expertise. However, many individuals volunteer significant amounts of time in the Council's program services.

MIDLAND COUNTY COUNCIL ON AGING

Notes to Financial Statements

Functional Allocation of Expenses

Salaries and related expenses are allocated to the various programs and supporting services based on staff time spent on particular functions. Direct costs are allocated, where possible, to specific functions. Occupancy costs for the Dublin Avenue Building are allocated to applicable programs based on square footage.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the year. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to September 30, 2016, the most recent statement of financial position presented herein, through February 13, 2017, the date these financial statements were available to be issued. No such significant events or transactions have been identified.

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The fair value framework provides 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in an active market that the Council has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- 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.

The asset's or liability's fair value measurement 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

MIDLAND COUNTY COUNCIL ON AGING

Notes to Financial Statements

The following is a description of the valuation methodologies used for certain assets recorded at fair value at September 30, 2016.

Certificates of deposit: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer. All such investments are considered Level 2.

Mutual funds: Fair value measurement for the Council’s mutual funds are based upon quoted prices for identical instruments traded in active markets; accordingly, all such investments are considered Level 1.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Council believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The table below presents the recorded amount of assets measured at fair value on a recurring basis as of September 30, 2016.

	Level 1	Level 2	Total
Investments			
Mutual funds	\$ 4,849,826	\$ -	\$ 4,849,826
Certificates of deposit	-	1,113,000	1,113,000
Total investments	<u>\$ 4,849,826</u>	<u>\$ 1,113,000</u>	<u>\$ 5,962,826</u>

3. PROPERTY AND EQUIPMENT, NET

Property and equipment and related accumulated depreciation as of September 30, 2016, are as follows:

Land	\$ 430,169
Buildings	8,408,580
Equipment	791,680
Software	46,008
Furniture and fixtures	768,712
Vehicles	<u>437,360</u>
Total	10,882,509
Less accumulated depreciation	<u>(6,163,447)</u>
Property and equipment, net	<u>\$ 4,719,062</u>

Depreciation expense charged to operations for the year ended September 30, 2016 amounted to \$514,815.

MIDLAND COUNTY COUNCIL ON AGING

Notes to Financial Statements

4. NET ASSETS RESTRICTIONS/DESIGNATIONS

Portions of net assets are segregated for future use, and are, therefore, not considered available for current appropriation or expenditure. Board designations of unrestricted net assets indicate the Council's tentative plans for use of financial resources in a future period. Temporarily restricted net assets represents resources that are donor restricted for a specific purpose or for a specific time period.

Board designated net assets at September 30, 2016, are designated for the following purposes:

Future building maintenance	\$ 4,762,797
Care management program match for out of county services	82,424
Strategic initiative reserve	100,000
Operations reserve	2,441,000
Future bus for Seasons Adult Day Care	<u>7,500</u>
Total	<u>\$ 7,393,721</u>

5. COUNTY VOTED MILLAGE

The voted maximum allowable millage of .9000 mills is effective for the period of January 1, 2014 to December 31, 2017. The current levy as of September 30, 2016 is .8750 mills. The property tax revenue and related expenses are subject to review and audit by the County of Midland.

6. FEDERAL AND STATE GRANTS

The Council has received various federal and state grants through the Region VII Area Agency on Aging and Office of Services to the Aging, which are subject to review and audit by the grantor agencies. While such audits could generate expenditure disallowance under terms of the grants, management believes that any disallowed expenditures, if any, and required grant reimbursements would not be material.

7. OPERATING LEASES

The Council rents office space and other facilities under various agreements which are accounted for as operating leases. All lease agreements are cancelable with either ninety (90) or sixty (60) days notice. Net rental expense was \$35,224 for the year ended September 30, 2016.

8. RETIREMENT PLAN

The Council maintains a deferred compensation plan qualifying under Internal Revenue Code Section 401(k). The 401(k) plan covers employees who have completed one year of service with a minimum of 1,000 hours per year. Employees are permitted to contribute into the retirement plan up to a maximum determined by the Internal Revenue Code. The Council makes contributions based on a percentage of eligible wages as defined in the plan. Employer contributions for the year ended September 30, 2016, were \$155,017.



**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION**

February 13, 2017

To the Board of Directors
Midland County Council on Aging
Midland, Michigan

We have audited the financial statements of *Midland County Council on Aging* as of and for the year ended September 30, 2016, and have issued our report thereon dated February 13, 2017, which expressed an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

A handwritten signature in black ink that reads "Rehmann Robson LLC".

SUPPLEMENTARY INFORMATION

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Functional Expenses - Access Services

For the Year Ended September 30, 2016

	Senior Volunteers and Community Outreach	Senior News	Transportation
Salaries and related expenses			
Salaries	\$ 50,364	\$ 27,117	\$ 64,876
Payroll taxes and insurance	4,059	2,262	5,400
Employee benefits - health and retirement	14,003	3,177	10,430
Total salaries and related expenses	68,426	32,556	80,706
Other expenses			
Professional services and fees	90	-	-
Supplies	1,481	13,465	2,220
Communications	455	11,482	4,671
Rent	-	-	-
Travel and vehicle expense	5,093	8	50,018
Repair and maintenance	-	-	-
Conferences and meetings	270	-	-
Assistance	-	-	-
Food	-	-	930
Utilities	-	-	-
Other	4,671	300	570
Total other expenses	12,060	25,255	58,409
Total expenses before allocations and depreciation	80,486	57,811	139,115
Allocations:			
Occupancy and network	3,599	2,752	19,568
Depreciation	142	144	26,224
Total expenses	\$ 84,227	\$ 60,707	\$ 184,907

See independent auditors' report on supplementary information.



Care Coordination	Senior Centers	Total Access Services
\$ 415,754	\$ 149,811	\$ 707,922
35,086	13,765	60,572
69,867	4,470	101,947
<hr/>	<hr/>	<hr/>
520,707	168,046	870,441
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24,769	19,119	43,978
4,110	42,628	63,904
4,104	7,946	28,658
-	35,224	35,224
25,878	1,911	82,908
-	22,957	22,957
3,121	218	3,609
25,276	-	25,276
-	25	955
-	26,066	26,066
2,220	13,839	21,600
<hr/>	<hr/>	<hr/>
89,478	169,933	355,135
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610,185	337,979	1,225,576
<hr/>	<hr/>	<hr/>
20,198	35,922	82,039
3,713	57,863	88,086
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\$ 634,096	\$ 431,764	\$ 1,395,701
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MIDLAND COUNTY COUNCIL ON AGING

Schedule of Functional Expenses - In Home Services

For the Year Ended September 30, 2016

	Respite Care	Homemaking	Personal Care	Total In Home Services
Salaries and related expenses				
Salaries	\$ 43,431	\$ 210,298	\$ 35,663	\$ 289,392
Payroll taxes and insurance	4,475	21,407	3,503	29,385
Employee benefits - health and retirement	3,697	18,226	3,840	25,763
Total salaries and related expenses	51,603	249,931	43,006	344,540
Other expenses				
Professional services and fees	-	2,554	-	2,554
Supplies	1	1,330	1	1,332
Communications	27	414	27	468
Travel and vehicle expense	3,218	20,944	2,937	27,099
Conferences and meetings	32	1,068	45	1,145
Food	-	22	-	22
Other	-	3,099	-	3,099
Total other expenses	3,278	29,431	3,010	35,719
Total expenses before allocations and depreciation	54,881	279,362	46,016	380,259
Allocations:				
Occupancy and network	328	2,678	1,118	4,124
Depreciation	-	594	-	594
Total expenses	\$ 55,209	\$ 282,634	\$ 47,134	\$ 384,977

See independent auditors' report on supplementary information.

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Functional Expenses - Nutrition Services

For the Year Ended September 30, 2016

	Senior Lunches	Home Delivered Meals	Total Nutrition Services
Salaries and related expenses			
Salaries	\$ 218,306	\$ 288,185	\$ 506,491
Payroll taxes and insurance	19,573	26,249	45,822
Employee benefits - health and retirement	33,532	41,146	74,678
Total salaries and related expenses	271,411	355,580	626,991
Other expenses			
Supplies	16,285	40,077	56,362
Communications	356	739	1,095
Travel and vehicle expense	2,133	63,859	65,992
Conferences and meetings	525	386	911
Food	154,275	289,685	443,960
Total other expenses	173,574	394,746	568,320
Total expenses before allocations and depreciation	444,985	750,326	1,195,311
Allocations:			
Occupancy and network	9,553	24,804	34,357
Food and labor	(38,778)	2,390	(36,388)
Depreciation	3,876	7,731	11,607
Total expenses	\$ 419,636	\$ 785,251	\$ 1,204,887

See independent auditors' report on supplementary information.

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Functional Expenses - Adult Day Services For the Year Ended September 30, 2016

Salaries and related expenses	
Salaries	\$ 577,473
Payroll taxes and insurance	50,741
Employee benefits - health and retirement	<u>79,276</u>
Total salaries and related expenses	<u>707,490</u>
Other expenses	
Professional services and fees	719
Supplies	17,949
Communications	4,477
Travel and vehicle expense	438
Repairs and maintenance	3,299
Conferences and meetings	3,499
Food	9,980
Other	<u>1,308</u>
Total other expenses	<u>41,669</u>
Total expenses before allocations and depreciation	749,159
Allocations:	
Occupancy and network	124,499
Food and labor	36,388
Depreciation	<u>155,702</u>
Total expenses	<u>\$ 1,065,748</u>

See independent auditors' report on supplementary information.

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Functional Expenses - Other Services

For the Year Ended September 30, 2016

	Caregiver Training	Marketing	Home Repair
Salaries and related expenses			
Salaries	\$ 16,543	\$ 11,430	\$ -
Payroll taxes and insurance	1,304	953	-
Employee benefits - health and retirement	3,651	1,321	-
Total salaries and related expenses	21,498	13,704	-
Other expenses			
Professional services and fees	-	3,236	20,255
Supplies	-	839	-
Communications	68	81	-
Travel and vehicle expense	19	4	-
Repair and maintenance	-	-	-
Conferences and meetings	-	-	-
Other	586	14,557	-
Total other expenses	673	18,717	20,255
Total expenses before allocations and depreciation	22,171	32,421	20,255
Allocations:			
Occupancy and network	1,450	1,324	-
Depreciation	-	-	-
Total expenses	\$ 23,621	\$ 33,745	\$ 20,255

See independent auditors' report on supplementary information.



Handyman Services	Fitness Center	Education Resource Development	Total Other Services
\$ -	\$ -	\$ 54,377	\$ 82,350
-	-	4,653	6,910
-	-	5,414	10,386
-	-	64,444	99,646
-	-	1,121	24,612
7,654	-	2,305	10,798
6	81	714	950
2,454	-	1,788	4,265
-	30	-	30
-	-	(263)	(263)
38	377	1,231	16,789
10,152	488	6,896	57,181
10,152	488	71,340	156,827
-	1,072	3,131	6,977
-	-	632	632
\$ 10,152	\$ 1,560	\$ 75,103	\$ 164,436

MIDLAND COUNTY COUNCIL ON AGING

Combining Schedule of Assets and Liabilities

Federal/State Grant Funds

September 30, 2016

	Title IIIB Funds	Title IIIC-1 and Title IIIC-2 Funds	Title IIIE Funds
Assets			
Accounts receivable:			
Region VII Area Agency on Aging	\$ 8,244	\$ 33,610	\$ 2,765
Liabilities			
Accounts payable	\$ 3,298	\$ 13,444	\$ 1,106
Due to other programs	4,946	20,166	1,659
Total liabilities	\$ 8,244	\$ 33,610	\$ 2,765

See independent auditors' report on supplementary information.



Care Management Funds	Adult Day Care Funds	Total Federal/ State Grant Funds
<u>\$ 7,809</u>	<u>\$ 4,775</u>	<u>\$ 57,203</u>
\$ 3,124	\$ 1,910	\$ 22,881
<u>4,685</u>	<u>2,865</u>	<u>34,322</u>
<u>\$ 7,809</u>	<u>\$ 4,775</u>	<u>\$ 57,203</u>

MIDLAND COUNTY COUNCIL ON AGING

Combining Schedule of Revenues, Expenses and Changes in Net Assets

Federal/State Grant Funds

For the Year Ended September 30, 2016

	Title IIIB Funds	Title IIIC-1 and Title IIIC-2 Funds	Title IIIE Funds
Revenues			
Federal/State	\$ 92,198	\$ 240,438	\$ 21,504
Federal - NSIP	-	72,567	-
Program income	3,246	139,084	-
Targeted case management	-	-	-
Local match	10,244	26,715	2,389
Other resources	48,674	38,681	727
Total revenues	154,362	517,485	24,620
Expenses			
Salaries	103,200	135,978	15,896
Fringe benefits	22,883	24,225	4,927
Travel	8,006	28,814	-
Supplies	200	30,235	2,518
Occupancy	5,705	26,085	829
Communications	710	-	-
Other	13,658	881	450
Food	-	271,267	-
Total expenses	154,362	517,485	24,620
Change in net assets	\$ -	\$ -	\$ -

See independent auditors' report on supplementary information.



Care Management Funds	Adult Day Care Funds	Total Federal/State/Local Grant Funds
\$ 125,065	\$ 48,197	\$ 527,402
-	-	72,567
62	-	142,392
18,104	-	18,104
13,896	5,356	58,600
12,870	2,581	103,533
<u>169,997</u>	<u>56,134</u>	<u>922,598</u>
112,909	38,338	406,321
31,833	6,725	90,593
15,950	-	52,770
2,006	4,929	39,888
2,022	6,142	40,783
1,746	-	2,456
3,531	-	18,520
-	-	271,267
<u>169,997</u>	<u>56,134</u>	<u>922,598</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Revenues and Expenses - Budget and Actual

Title IIIB - Transportation, Case Coordination and Support,
Homemaking, and Respite Care
For the Year Ended September 30, 2016

	Transportation		
	Budget	Actual	Actual Over (Under) Budget
Revenues			
Federal/State	\$ 14,001	\$ 14,001	\$ -
Program income	200	251	51
Local match	1,556	1,556	-
Other resources	17,074	17,023	(51)
Total revenues	<u>\$ 32,831</u>	<u>\$ 32,831</u>	<u>\$ -</u>
Expenses			
Salaries	\$ 11,019	\$ 11,019	\$ -
Fringe benefits	3,416	3,416	-
Travel	616	616	-
Supplies	200	200	-
Occupancy	3,212	3,212	-
Communications	710	710	-
Other	13,658	13,658	-
Total expenses	<u>\$ 32,831</u>	<u>\$ 32,831</u>	<u>\$ -</u>

See independent auditors' report on supplementary information.

Care Coordination and Support			Homemaking		
Budget	Actual	Actual Over (Under) Budget	Budget	Actual	Actual Over (Under) Budget
\$ 33,635	\$ 33,635	\$ -	\$ 29,124	\$ 29,124	\$ -
100	-	(100)	300	1,126	826
3,737	3,737	-	3,236	3,236	-
24,669	24,669	-	5,806	4,980	(826)
<u>\$ 62,141</u>	<u>\$ 62,041</u>	<u>\$ (100)</u>	<u>\$ 38,466</u>	<u>\$ 38,466</u>	<u>\$ -</u>
\$ 44,980	\$ 44,980	\$ -	\$ 30,900	\$ 30,900	\$ -
13,944	13,944	-	3,517	3,517	-
1,471	1,371	(100)	3,620	3,620	-
-	-	-	-	-	-
1,746	1,746	-	429	429	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 62,141</u>	<u>\$ 62,041</u>	<u>\$ (100)</u>	<u>\$ 38,466</u>	<u>\$ 38,466</u>	<u>\$ -</u>

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MIDLAND COUNTY COUNCIL ON AGING

Schedule of Revenues and Expenses - Budget and Actual

Title IIIB - Transportation, Case Coordination and Support,
Homemaking, and Respite Care
For the Year Ended September 30, 2016

	Respite Care		
	Budget	Actual	Actual Over (Under) Budget
Revenues			
Federal/State	\$ 15,438	\$ 15,438	\$ -
Program income	800	1,869	1,069
Local match	1,715	1,715	-
Other resources	3,071	2,002	(1,069)
Total revenues	\$ 21,024	\$ 21,024	\$ -
Expenses			
Salaries	\$ 16,301	\$ 16,301	\$ -
Fringe benefits	2,006	2,006	-
Travel	2,399	2,399	-
Supplies	-	-	-
Occupancy	318	318	-
Communications	-	-	-
Other	-	-	-
Total expenses	\$ 21,024	\$ 21,024	\$ -

See independent auditors' report on supplementary information.



Total Title IIIB

Budget	Actual	Actual Over (Under) Budget
\$ 92,198	\$ 92,198	\$ -
1,400	3,246	1,846
10,244	10,244	-
50,620	48,674	(1,946)
<u>\$ 154,462</u>	<u>\$ 154,362</u>	<u>\$ (100)</u>

\$ 103,200	\$ 103,200	\$ -
22,883	22,883	-
8,106	8,006	(100)
200	200	-
5,705	5,705	-
710	710	-
13,658	13,658	-
<u>\$ 154,462</u>	<u>\$ 154,362</u>	<u>\$ (100)</u>

concluded

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Revenues and Expenses - Budget and Actual

Title IIIC - Congregate Meals and Home Delivered Meals

For the Year Ended September 30, 2016

	Congregate Meals		
	Budget	Actual	Actual Over (Under) Budget
Revenues			
Federal/State	\$ 61,714	\$ 61,714	\$ -
Federal - NSIP	17,804	17,804	-
Program income	37,800	38,192	392
Local match	6,857	6,857	-
Other resources	12,407	12,015	(392)
Total revenues	<u>\$ 136,582</u>	<u>\$ 136,582</u>	<u>\$ -</u>
Expenses			
Salaries	\$ 46,680	\$ 46,680	\$ -
Fringe benefits	7,671	7,671	-
Travel	-	-	-
Supplies	3,054	3,054	-
Occupancy	9,465	9,465	-
Other	381	381	-
Food	69,331	69,331	-
Total expenses	<u>\$ 136,582</u>	<u>\$ 136,582</u>	<u>\$ -</u>

See independent auditors' report on supplementary information.

Home Delivered Meals			Total Title IIIC Funds		
Budget	Actual	Actual Over (Under) Budget	Budget	Actual	Actual Over (Under) Budget
\$ 178,724	\$ 178,724	\$ -	\$ 240,438	\$ 240,438	\$ -
54,763	54,763	-	72,567	72,567	-
90,000	100,892	10,892	127,800	139,084	11,284
19,858	19,858	-	26,715	26,715	-
37,558	26,666	(10,892)	49,965	38,681	(11,284)
<u>\$ 380,903</u>	<u>\$ 380,903</u>	<u>\$ -</u>	<u>\$ 517,485</u>	<u>\$ 517,485</u>	<u>\$ -</u>
\$ 89,298	\$ 89,298	\$ -	\$ 135,978	\$ 135,978	\$ -
16,554	16,554	-	24,225	24,225	-
28,814	28,814	-	28,814	28,814	-
27,181	27,181	-	30,235	30,235	-
16,620	16,620	-	26,085	26,085	-
500	500	-	881	881	-
201,936	201,936	-	271,267	271,267	-
<u>\$ 380,903</u>	<u>\$ 380,903</u>	<u>\$ -</u>	<u>\$ 517,485</u>	<u>\$ 517,485</u>	<u>\$ -</u>

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Revenues and Expenses - Budget and Actual

Title III E - Caregiver Training

For the Year Ended September 30, 2016

	Budget	Actual	Actual Over (Under) Budget
Revenues			
Federal/State	\$ 21,504	\$ 21,504	\$ -
Program income	50	-	(50)
Local match	2,389	2,389	-
Other resources	727	727	-
Total revenues	\$ 24,670	\$ 24,620	\$ (50)
Expenses			
Salaries	\$ 15,896	\$ 15,896	\$ -
Fringe benefits	4,927	4,927	-
Supplies	2,518	2,518	-
Occupancy	829	829	-
Other	500	450	(50)
Total expenses	\$ 24,670	\$ 24,620	\$ (50)

See independent auditors' report on supplementary information.

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Revenues and Expenses - Budget and Actual

State Funds - Care Management

For the Year Ended September 30, 2016

	Budget	Actual	Actual Over (Under) Budget
Revenues			
Federal/State	\$ 125,065	\$ 125,065	\$ -
Program income	-	62	62
Targeted case management revenue	16,000	18,104	2,104
Local match	13,896	13,896	-
Other resources	10,266	12,870	2,604
Total revenues	\$ 165,227	\$ 169,997	\$ 4,770
Expenses			
Salaries	\$ 110,224	\$ 112,909	\$ 2,685
Fringe benefits	30,503	31,833	1,330
Travel	15,000	15,950	950
Supplies	1,096	2,006	910
Occupancy	2,754	2,022	(732)
Communications	2,200	1,746	(454)
Other	3,450	3,531	81
Total expenses	\$ 165,227	\$ 169,997	\$ 4,770

See independent auditors' report on supplementary information.

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Revenues and Expenses - Budget and Actual

State Funds - Adult Day Care

For the Year Ended September 30, 2016

	Budget	Actual	Actual Over (Under) Budget
Revenues			
Federal/State	\$ 48,197	\$ 48,197	\$ -
Program income	150	-	(150)
Local match	5,356	5,356	-
Other resources	2,581	2,581	-
Total revenues	<u>\$ 56,284</u>	<u>\$ 56,134</u>	<u>\$ (150)</u>
Expenses			
Salaries	\$ 38,338	\$ 38,338	\$ -
Fringe benefits	6,725	6,725	-
Supplies	5,079	4,929	(150)
Occupancy	6,142	6,142	-
Total expenses	<u>\$ 56,284</u>	<u>\$ 56,134</u>	<u>\$ (150)</u>

See independent auditors' report on supplementary information.

MIDLAND COUNTY COUNCIL ON AGING

Schedule of Unit Costs

For the Year Ended September 30, 2016

	Transportation	Sanford Meals on Wheels
Program expenses (including depreciation)	\$ 184,907	\$ 108,102
General and administrative expense allocation	40,626	26,959
Sanford Center / Kitchen Expense Allocation	-	47,241
Nutrition Management Expense Allocation	-	19,616
Total expenses	\$ 225,533	\$ 201,918
Units	190,717	18,901
Cost per unit	\$ 1.18	\$ 10.68
	Per Mile Driven	Per Meal

See independent auditors' report on supplementary information.