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October 9, 2018

Board of Directors  
White County Council on Aging, Inc.  
116 E. Marion St.  
Monticello, IN 47960

We have reviewed the report prepared by White County Council on Aging, Inc. and opined upon by Cullar & Associates, PC, Independent Public Accountants, for the period January 1, 2017 to December 31, 2017. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of White County Council on Aging, Inc. as of December 31, 2017 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Cullar & Associates, PC prepared all required independent auditor's reports in accordance with generally accepted auditing standards and guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

*FINANCIAL REPORT*

**WHITE COUNTY COUNCIL ON AGING, INC.**

December 31, 2017 and 2016

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
White County Council on Aging, Inc.  
Monticello, Indiana

We have audited the accompanying financial statements of White County Council on Aging, Inc., which comprise the statements of assets, liabilities, and net assets – modified cash basis as of December 31, 2017 and 2016, and the related statements of revenues, expenses, and changes in net assets – modified cash basis, functional expenses – modified cash basis, and cash flows – modified cash basis for the years then ended, and the related notes to 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 the modified cash basis of accounting as described in Note 1 to financial statements; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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. 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 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.

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 assets, liabilities, and net assets of White County Council on Aging, Inc. as of December 31, 2017 and

2016, and its revenues, expenses, and changes in net assets and its cash flows for the years then ended in accordance with the modified cash basis of accounting as described in Note 1 to financial statements.

***Basis of Accounting***

We draw attention to Note 1 to financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of federal, state, and local awards, as required by *Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources*, issued by the Indiana State Board of Accounts, is presented for purposes of additional analysis 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 audit 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Cullen & Associates, P.C.*

South Bend, Indiana  
September 25, 2018

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS**  
December 31, 2017 and 2016

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<b>Assets:</b>	<u>2017</u>	<u>2016</u>
Current Assets:		
Cash and cash equivalents	\$ 104,046	\$ 74,213
Cash held for others as agent	<u>1,313</u>	<u>1,289</u>
<i>Total current assets</i>	<u>105,359</u>	<u>75,502</u>
Non-Current Assets:		
Property and Equipment	89,838	115,910
Beneficial interest in assets held by Community Foundation	<u>8,227</u>	<u>7,177</u>
<i>Total non-current assets</i>	<u>98,065</u>	<u>123,087</u>
 <i>Total assets</i>	 <u>\$ 203,424</u>	 <u>\$ 198,589</u>
 <b>Liabilities and Net Assets:</b>		
Current Liabilities:		
Accrued payroll liabilities	\$ 6,371	\$ 6,565
Agency obligations	<u>1,313</u>	<u>1,289</u>
<i>Total current liabilities</i>	<u>7,684</u>	<u>7,854</u>
Net Assets:		
Unrestricted:		
Board designated endowment	8,227	7,177
General operating	<u>176,513</u>	<u>183,558</u>
<i>Total unrestricted net assets</i>	184,740	190,735
Temporarily restricted	<u>11,000</u>	<u>-</u>
<i>Total net assets</i>	<u>195,740</u>	<u>190,735</u>
 <i>Total liabilities and net assets</i>	 <u>\$ 203,424</u>	 <u>\$ 198,589</u>

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

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS**  
**Years Ended December 31, 2017 and 2016**

	2017			2016		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
<b>Revenues, Gains, and Other Support:</b>						
Transportation grants	\$ 167,864	\$ -	\$ 167,864	\$ 172,589	\$ -	\$ 172,589
White County United Way grant	41,687	-	41,687	39,960	-	39,960
Other grants and contributions	49,034	40,000	89,034	58,508	27,911	86,419
Contributed facilities and services	11,504	-	11,504	11,116	-	11,116
Program service fees	26,981	-	26,981	33,366	-	33,366
Rents and other income	10,302	-	10,302	15,759	-	15,759
Interest income	30	-	30	14	-	14
Change in value of beneficial interest in assets held by Community Foundation	1,050	-	1,050	648	-	648
Net assets released from restrictions	29,000	(29,000)	-	27,911	(27,911)	-
<i>Total revenues, gains, and other support</i>	<u>337,452</u>	<u>11,000</u>	<u>348,452</u>	<u>359,871</u>	<u>-</u>	<u>359,871</u>
<b>Expenses:</b>						
Transportation	236,156	-	236,156	244,530	-	244,530
Senior services	42,989	-	42,989	38,328	-	38,328
<i>Total program services</i>	279,145	-	279,145	282,858	-	282,858
Management and general	64,302	-	64,302	61,523	-	61,523
<i>Total expenses</i>	<u>343,447</u>	<u>-</u>	<u>343,447</u>	<u>344,381</u>	<u>-</u>	<u>344,381</u>
<b>Change in net assets</b>	(5,995)	11,000	5,005	15,490	-	15,490
Net assets, beginning of year	190,735	-	190,735	175,245	-	175,245
<i>Net assets, end of year</i>	<u>\$ 184,740</u>	<u>\$ 11,000</u>	<u>\$ 195,740</u>	<u>\$ 190,735</u>	<u>\$ -</u>	<u>\$ 190,735</u>

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

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES -MODIFIED CASH BASIS**  
Years Ended December 31, 2017 and 2016

	2017				2016			
	<u>Transportation</u>	<u>Senior Services</u>	<u>Management and General</u>	<u>Totals</u>	<u>Transportation</u>	<u>Senior Services</u>	<u>Management and General</u>	<u>Totals</u>
Personnel	\$ 144,267	\$ 30,588	\$ 46,803	\$ 221,658	\$ 140,367	\$ 22,720	\$ 44,494	\$ 207,581
Vehicle operating expenses	30,860	-	-	30,860	30,685	-	-	30,685
Insurance	11,941	100	152	12,193	19,154	1,299	2,543	22,996
Purchased occupancy	13,866	2,940	4,499	21,305	15,756	2,550	4,994	23,300
Contributed occupancy	2,200	5,500	1,646	9,346	2,400	6,000	540	8,940
Office supplies and expenses	2,398	509	778	3,685	3,346	542	1,060	4,948
Postage	301	64	97	462	213	34	68	315
Communications	-	-	-	-	101	16	32	149
Purchased professional and contracted services	1,651	-	5,000	6,651	2,966	-	4,900	7,866
Contributed professional services	-	2,142	-	2,142	-	2,145	-	2,145
Advertising and promotion	295	-	513	808	-	-	366	366
Dues and subscriptions	484	58	201	743	501	46	194	741
Vehicle lease	1,534	1,001	800	3,335	1,541	1,005	803	3,349
Travel	469	-	-	469	-	-	-	-
Contributed travel	-	15	-	15	-	31	-	31
Depreciation	25,890	72	110	26,072	27,500	140	275	27,915
Other	-	-	3,703	3,703	-	1,800	1,254	3,054
<i>Totals</i>	<u>\$ 236,156</u>	<u>\$ 42,989</u>	<u>\$ 64,302</u>	<u>\$ 343,447</u>	<u>\$ 244,530</u>	<u>\$ 38,328</u>	<u>\$ 61,523</u>	<u>\$ 344,381</u>

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

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS**  
Years Ended December 31, 2017 and 2016

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	<u>2017</u>	<u>2016</u>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 5,005	\$ 15,490
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	26,072	27,915
(Increase) in beneficial interest in assets held by Community Foundation	(1,050)	(648)
Increase (decrease) in accrued payroll liabilities	(194)	280
<i>Net cash provided by operating activities</i>	<u>29,833</u>	<u>43,037</u>
<b>Net change in cash and cash equivalents</b>	29,833	43,037
Cash and cash equivalents, beginning of year	<u>74,213</u>	<u>31,176</u>
<i>Cash and cash equivalents, end of year</i>	<u>\$ 104,046</u>	<u>\$ 74,213</u>
 <i>Supplemental Cash Flows Information:</i>		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>
Change in cash held for others and agency obligation	<u>\$ 24</u>	<u>\$ (26)</u>

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

**WHITE COUNTY COUNCIL ON AGING, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016

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**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

White County Council on Aging, Inc. (the "Organization") is an Indiana nonprofit corporation organized to serve older adults in White County, Indiana. The Organization provides transportation services and personal support to older adults. Its operations are supported primarily by grants from governmental agencies and other nonprofit organizations and contributions from the public.

Significant Accounting Policies:

*Basis of accounting:*

The Organization's accounts are maintained, and these statements are prepared, on a modified cash basis of accounting, under which only revenues collected, costs and expenses paid, assets and net assets arising from cash transactions, a provision for depreciation, and contributed support are recognized. Consequently, accounts receivable, prepaid expenses, deferred revenues, accounts payable, and accrued liabilities, which may be material, are not reflected, and the financial statements are not intended to present financial position and activities in conformity with accounting principles generally accepted in the United States of America.

*Use of estimates:*

The process of preparing financial statements in conformity with the modified cash basis of accounting requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts. Significant estimates used in the accompanying financial statements include:

- Revenue received from cost-reimbursement awards. The majority of the Organization's revenue is earned from such awards from governmental agencies that are governed by federal and State cost principles and other administrative and programmatic regulations and are subject to audit by regulatory authorities. It is at least reasonably possible that revenue earned under such awards will be adjusted upon audit.
- The allocations of expenses among programs and the supporting service, which are based on time and facility usage studies and other methods of cost allocation. In addition, because the Organization receives the majority of its support from grants and contracts awarded through competitive bidding, fund raising costs are not material and are not separately presented in the accompanying financial statements.
- The valuation of contributed facilities and services, which are based on estimated fair values.

*Net asset classes:*

The Organization reports its activities and financial position by the following classes of net assets:

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017 and 2016

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- *Unrestricted net assets* are those currently available for use by the Organization.
- *Temporarily restricted net assets* are those received with donor stipulations that limit the use of the donated assets. When stipulated time restrictions expire or purpose restrictions are accomplished, these net assets are reclassified to unrestricted net assets and reported in the statements of revenues, expenses, and changes in net assets – modified cash basis as net assets released from restrictions.

*Cash and cash equivalents:*

The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. However, cash and cash equivalents held for others in separate accounts under agency agreements are excluded from cash and cash equivalents.

*Property and equipment:*

Property and equipment is generally stated at cost, if acquired, or at fair value at the date of receipt, if donated, less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, which are generally as follows:

Leasehold improvements .....	10 years
Vehicles .....	7-10 years
Office equipment .....	3-5 years

All of the Organization's program vehicles have been purchased with governmental grant funds. Title to these vehicles is held in the funding source's name for the first five years after acquisition, during which they must be used in the program for which they were purchased or in other future authorized programs. Disposition of these vehicles, as well as the ownership of any sale proceeds, during this time is subject to funding source and other regulatory directives. Because management expects such vehicles to be used in accordance with the funding source's directives, the cost of the vehicles is recorded as an asset when they are acquired.

*Beneficial interest in assets held by others:*

The Organization recognizes its beneficial rights in assets held by others unless the donor has granted the recipient organization variance power. However, if the Organization is both the donor and the beneficiary of the assets, those rights are recognized even if the recipient organization has been granted variance power.

The beneficial interest in assets held by others is stated at fair value, based on the value of the underlying assets, as provided by the Community Foundation that holds the assets, which approximates the present value of expected future distributions. Changes in the value of the beneficial interest are included in revenues in the statements of revenues, expenses, and changes in net assets – modified cash basis.

*Gifts and grants:*

The Organization reports gifts and grants of cash and other assets as revenue when

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017 and 2016

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received, and considers such gifts to be available for unrestricted use unless specifically restricted by donor. When a donor restriction expires (that is, when a purpose restriction is accomplished or a time restriction expires), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of revenues, expenses, and changes in net assets – modified cash basis as net assets released from restrictions.

Contributed facilities, materials, and equipment are recorded at estimated fair value. Contributed services are recorded at estimated fair value if the services create or enhance non-financial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The Organization receives a substantial amount of contributed services from volunteers in carrying out its program and supporting services that have not been recorded in the accompanying financial statements because the criteria for recognition have not been met. Included in revenues and expenses in the accompanying financial statements are the following contributed facilities and services for the years ended December 31, 2017 and 2016, respectively:

	<u>2017</u>	<u>2016</u>
Contributed facilities	\$ 9,347	\$ 8,940
Contributed nursing services	2,142	2,145
Contributed travel	<u>15</u>	<u>31</u>
<i>Total contributed facilities and services</i>	<u>\$ 11,504</u>	<u>\$ 11,116</u>

*Advertising:*

Advertising costs are expensed when incurred. Advertising expense was \$808 and \$366 for the years ended December 31, 2017 and 2016, respectively.

*Income taxes:*

The Organization is exempt from income tax under Internal Revenue Code Section 501(c)(3) and a similar section of the Indiana Code, except for taxes on unrelated business income. Consequently, the accompanying financial statements generally contain no provision for income taxes. The Organization is classified by the Internal Revenue Service as other than a private foundation under Internal Revenue Code Section 509(a)(1).

The Organization recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Examples of tax positions include the tax-exempt status of the Organization and positions related to the potential sources of unrelated business taxable income. Management has not identified any uncertain tax positions taken or expected to be taken in a tax return, and there are no unrecognized tax benefits recorded as liabilities in the accompanying financial statements. The Organization classifies interest and penalties, if any, associated with uncertain tax positions as a component of income tax expense. There was no accrued interest or any penalties related to unrecognized tax benefits at

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017 and 2016

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either December 31, 2017 or 2016, or any interest or penalties expense related to unrecognized tax benefits for the years then ended. The Organization is no longer subject to examination by the Internal Revenue Service or the State of Indiana for years prior to 2014.

*Subsequent events:*

The date through which events occurring subsequent to December 31, 2017 have been evaluated for possible adjustment to the financial statements or disclosure is September 25, 2018, the date on which the financial statements were available to be issued.

**NOTE 2. PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at December 31, 2017 and 2016, respectively:

	<u>2017</u>	<u>2016</u>
Leasehold improvements	\$ 14,587	\$ 14,587
Transportation program vehicles	301,899	301,899
Office equipment	<u>6,929</u>	<u>6,929</u>
	323,415	323,415
Less accumulated depreciation	<u>(233,577)</u>	<u>(207,505)</u>
<i>Net property and equipment</i>	<u>\$ 89,838</u>	<u>\$ 115,910</u>

**NOTE 3. BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION**

The Organization is the beneficiary of a fund held by White County Community Foundation (“Community Foundation”) to which both the Organization and others have donated. The Organization and the other donors have granted the Community Foundation variance power in the determination of annual distributions and transfer of the accounts to other community organizations in certain circumstances. Total accumulated contributions by the Organization to the fund are \$5,000, all of which were made in 2007. The value of the portion of the fund attributable to contributions by the Organization was \$8,227 and \$7,177 at December 31, 2017 and 2016, respectively, which is reported as beneficial interest in assets held by Community Foundation in the accompanying statements of assets, liabilities, and net assets – modified cash basis. The change in value of that portion of the fund was \$1,050 and \$648 for the years ended December 31, 2017 and 2016, respectively, which is included in revenues in the accompanying statements of revenues, expenses, and changes in net assets – modified cash basis. No distributions were received from that portion of the fund in either 2017 or 2016.

The value of the portion of the fund attributable to contributions by others at December 31, 2017 and 2016 was \$4,329 and \$3,726, respectively, which is not reported an asset in the accompanying financial statements. No distributions were received from that portion of the fund in either 2017 or 2016.

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017 and 2016

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**NOTE 4. NET ASSETS INFORMATION**

Net assets reported as Board designated endowment at both December 31, 2017 and 2016 represents the beneficial interest in assets held by others discussed in Note 3. Net assets reported as temporarily restricted at December 31, 2017 are restricted for purchase of vehicles. Net assets were released from restrictions for both 2017 and 2016 by incurring expenses satisfying restricted purposes for the Organization's transportation and senior services programs.

**NOTE 5. ENDOWMENT INFORMATION**

Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absences of donor-imposed restrictions.

The State of Indiana enacted the *Uniform Prudent Management of Institutional Funds Act of 2006* ("UPMIFA") effective July 1, 2007, the provisions of which apply to endowment funds existing on or established after that date. The Board of Directors and management have determined that certain net assets meet the definition of endowment funds under UPMIFA. These consist of the beneficial interest in assets held by the Community Foundation discussed in Note 3, which were funded by unrestricted net assets. Funds held at the Community Foundation are subject to the Community Foundation's investment and spending policies and are subject to variance power, as discussed in Note 3.

Changes in the endowment for the years ended December 31, 2017 and 2016, respectively, are as follows:

	<u>2017</u>	<u>2016</u>
Balance beginning of year	\$ 7,177	\$ 6,529
Change in value	<u>1,050</u>	<u>648</u>
<i>Balance end of year</i>	<u>\$ 8,227</u>	<u>\$ 7,177</u>

**NOTE 6. LEASE INFORMATION**

The Organization leases its facilities under a month-to-month agreement with the City of Monticello for free. For the years ended December 31, 2017 and 2016, rent expense imputed for this contributed occupancy was \$9,346 and \$8,940, respectively.

The Organization leases a vehicle under an operating lease that expires in 2020. Future minimum lease payments under this noncancelable lease at December 31, 2017 for each of the next three years and in the aggregate are as follows:

2018	\$ 3,136
2019	3,136
2020	<u>261</u>
<i>Total future minimum lease income</i>	<u>\$ 6,533</u>

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017 and 2016

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Total rent expense under this operating lease and a previous vehicle operating lease for the years ended December 31, 2017 and 2016 was \$3,335 and \$3,349, respectively.

**NOTE 7. FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States of America and the modified cash basis of accounting define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the entity's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Such principles establish a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of assets measured on a recurring basis at December 31, 2017 and 2016, respectively, is as follows:

<i>Beneficial interest in assets held by Community Foundation:</i>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
At December 31, 2017	\$ <u>8,227</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>8,227</u>
At December 31, 2016	\$ <u>7,177</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>7,177</u>

Fair value for the beneficial interest in assets held by Community Foundation is based on the fair value of the underlying assets, as provided by the Community Foundation that holds the assets, which approximates the present value of expected future distributions. Fair values for donated facilities are estimated using comparable rental rates. Fair values for donated services are estimated using comparable pay rates.

The following is a reconciliation of beginning and ending balances of the fair value of assets measured by Level 3 inputs for the years ended December 31, 2017 and 2016, respectively:

	<u>2017</u>	<u>2016</u>
Beneficial interests in assets held by others:		
Beginning fair value	\$ 7,177	\$ 6,529
Change in value	<u>1,050</u>	<u>648</u>
Ending fair value	<u>\$ 8,227</u>	<u>\$ 7,177</u>

The change in value of the beneficial interest in assets held by Community Foundation is included in revenues in the statements of revenues, expenses, and changes in net assets –

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2017 and 2016

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modified cash basis. All the above Level 3 changes in value are attributable to changes in the value of assets held by Community Foundation.

**NOTE 8. CONCENTRATIONS**

The Organization's activities and contributors are concentrated in White County, Indiana. Accordingly, its gifts, grants, and other sources of support and revenue may be affected by conditions in that area.

Of total revenues for the years ended December 31, 2017 and 2016, approximately 48% and 48%, respectively, was received from White County for programs funded by the Indiana Department of Transportation, and approximately 12% and 11%, respectively, was received from White County United Way.

**WHITE COUNTY COUNCIL ON AGING, INC.**  
**SCHEDULE OF FEDERAL, STATE, AND LOCAL AWARDS**  
Year Ended December 31, 2017

<u>Grantor/Pass-Through Grantor/Program/Title</u>	<u>Identifying Number</u>	<u>Beginning Balance</u>	<u>Award Received</u>	<u>Award Expended</u>	<u>Ending Balance</u>
<b>Federal Awards:</b>					
<i>United States Department of Transportation:</i>					
Passed Through State of Indiana Department of Transportation:					
Passed through White County Commissioners:					
Formula Grants for Other Than Urbanized Areas	18034580	\$ 25,207	\$ -	\$ 25,207	\$ -
Formula Grants for Other Than Urbanized Areas	18034580	-	124,298	91,335	32,963
<i>Total grant project</i>		<u>25,207</u>	<u>124,298</u>	<u>116,542</u>	<u>32,963</u>
<i>United States Department of Health and Human Services:</i>					
Passed Through State of Indiana Family and Social Services Administration:					
Passed through Area IV Agency on Aging and Community Action Programs, Inc.:					
Special Programs for the Aging - Title IIIB -					
Grants for Supportive Services and Senior Centers	AAA-4-160:17	4,856	-	4,856	-
Grants for Supportive Services and Senior Centers	AAA-4-160:17	-	13,830	10,999	2,831
<i>Total grant project</i>		<u>4,856</u>	<u>13,830</u>	<u>15,855</u>	<u>2,831</u>
<i>Total federal awards</i>		<u>30,063</u>	<u>138,128</u>	<u>132,397</u>	<u>35,794</u>
<b>State Awards:</b>					
<i>Indiana State Department of Transportation:</i>					
Passed through White County Commissioners:					
Section 5311 PMTF Allocation	18034580	12,179	-	12,179	-
Section 5311 PMTF Allocation	18034580	-	48,643	39,143	9,500
<i>Total state awards</i>		<u>12,179</u>	<u>48,643</u>	<u>51,322</u>	<u>9,500</u>
<b>Local Awards:</b>					
White County Commissioners	N/A	-	25,000	25,000	-
City of Monticello	N/A	-	6,000	6,000	-
Cass Township	N/A	-	10,000	10,000	-
Union Township	N/A	-	3,000	3,000	-
<i>Total local awards</i>		<u>-</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
<i>Total federal, state, and local awards</i>		<u>\$ 42,242</u>	<u>\$ 230,771</u>	<u>\$ 227,719</u>	<u>\$ 45,294</u>