

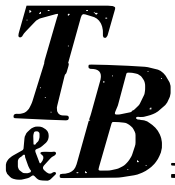
TAYLOR COUNTY SENIOR CITIZENS, INC.

**INDEPENDENT AUDITOR'S REPORT AND
RELATED FINANCIAL STATEMENTS**

SEPTEMBER 30, 2022

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Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Taylor County Senior Citizens, Inc.
Grafton, West Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Taylor County Senior Citizens, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Taylor County Senior Citizens, Inc. as of September 30, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Taylor County Senior Citizens, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Taylor County Senior Citizens, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Taylor County Senior Citizens, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Taylor County Senior Citizens, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 funds and schedule of state funds and notes to schedule of federal funds and state funds are presented for purposes of additional analysis and are 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 schedule of federal funds and schedule of state funds and notes to schedule of federal funds and state funds 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 June 4, 2023, on our consideration of Taylor County Senior Citizens, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of Taylor County Senior Citizens, Inc.'s 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 Taylor County Senior Citizens, Inc.'s internal control over financial reporting and compliance.

John A. Brink, PLLC

Clarksburg, West Virginia
June 4, 2023

TAYLOR COUNTY SENIOR CITIZENS, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2022

ASSETS

Current Assets

Cash	\$ 339,202
Property tax receivable	96,274
Grants receivable	<u>149,655</u>
Total current assets	<u>585,131</u>

Property and Equipment

Property and Equipment	1,021,491
Accumulated depreciation	<u>(594,700)</u>
Total property and equipment	<u>426,791</u>

TOTAL ASSETS

\$ 1,011,922

LIABILITIES AND NET ASSETS

Current Liabilities

Note payable (current portion)	\$ 15,040
Accounts payable	12,511
Accrued compensation and taxes	<u>32,349</u>
Total current liabilities	<u>59,900</u>

Long-Term Liabilities

Note payable (net of current portion)	<u>73,252</u>
Total long-term liabilities	<u>73,252</u>

Total liabilities

133,152

Net Assets

Without donor restrictions	<u>878,770</u>
Total net assets	<u>878,770</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 1,011,922

See accompanying notes and independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Changes in Net Assets Without Donor Restrictions

Revenues and Support

Federal financial assistance	\$ 222,916	
State grant allocations	403,501	
Local income	149,241	
Medicaid	473,830	
Veteran's Affairs	172,637	
Community service program	<u>70,879</u>	\$ 1,493,004

Expenses

Program expenses	1,245,660	
Management and general	<u>171,318</u>	<u>1,416,978</u>

Change in net assets without donor restrictions		76,026
Net assets without donor restrictions - beginning		<u>802,744</u>
Net assets without donor restrictions - ending		<u><u>\$ 878,770</u></u>

See accompanying notes and independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Program Expenses</u>						<u>Community Service Program</u>	<u>Total Program Expenses</u>	<u>Management and General</u>	<u>Total Expenses</u>
	<u>Title</u>	<u>Title</u>	<u>Title</u>	<u>In-Home Services</u>						
	<u>III-B</u>	<u>III-E</u>	<u>III-C</u>	<u>Fair</u>	<u>Lighthouse</u>	<u>Life</u>				
Salaries and related expenses	\$ 109,233	\$ 10,989	\$ 123,326	\$ 21,423	\$ 116,320	\$ 150,770	\$ 496,482	\$ 1,028,543	\$ 51,694	\$ 1,080,237
Food purchases	-	-	83,918	-	-	-	-	83,918	-	83,918
Occupancy	3,870	-	8,620	-	-	5,718	4,525	22,733	-	22,733
Travel and vehicle operations	8,941	1,112	5,256	1,954	14,663	3,331	21,759	57,016	204	57,220
Repairs and maintenance	-	-	2,488	-	-	850	1,176	4,514	-	4,514
Professional fees	-	-	-	-	-	7,010	-	7,010	-	7,010
Insurance	-	-	-	-	-	10,365	-	10,365	-	10,365
Supplies	1,297	-	489	-	-	5,493	6,492	13,771	-	13,771
Depreciation	-	-	-	-	-	-	-	-	37,816	37,816
Operating expenses	-	-	-	-	-	-	-	-	81,604	81,604
Miscellaneous	-	-	9,901	-	-	7,889	-	17,790	-	17,790
Total expenses	\$ 123,341	\$ 12,101	\$ 233,998	\$ 23,377	\$ 130,983	\$ 191,426	\$ 530,434	\$ 1,245,660	\$ 171,318	\$ 1,416,978

See accompanying notes and independent auditor's report.

TAYLOR COUNTY SENIOR CITIZENS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Cash Flows from Operating Activities

Change in net assets	\$	76,026
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		37,816
(Increase) decrease in:		
Accounts receivable		(7,734)
Grants receivable		30,416
Increase (decrease) in:		
Accounts payable		4,697
Accrued compensation and taxes		<u>(2,281)</u>
Net cash provided by operating activities		\$ 138,940

Cash Flows From Capital Investment Activities

Acquisition of property and equipment	<u>(91,789)</u>	
Net cash (used in) investing activities		<u>(91,789)</u>

Cash Flows from Financing Activities

Proceeds from long-term borrowing	65,159	
Repayment of long-term borrowing	<u>(18,903)</u>	
Net cash provided by financing activities		<u>46,256</u>

Net increase in cash		93,407
Cash at beginning of year		<u>245,795</u>
Cash at end of year		<u>\$ 339,202</u>

Supplemental Disclosure of Cash Flows Information

Cash paid during the year for interest	\$	<u>362</u>
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See accompanying notes and independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Entity

The Taylor County Senior Citizens, Inc. is a non-profit corporation located in Grafton, West Virginia. The Organization's operations consist of a variety of social services for the elderly of Taylor County. The Organization is funded by various federal and state grants and from funds obtained through local fund-raising projects.

Financial Statement Presentation

The financial statements are prepared in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, Not-for-Profit Entities, Presentation of Financial Statements. During 2018, the Organization adopted the provisions for Accounting Standards Updated ("ASU") 2016-14, Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities, which improves the current net asset classification and the related information presented in the financial statements and notes about the Organization's liquidity, financial performance, and cash flows.

Furthermore, the financial statements of the Organization have been prepared in accordance with generally accepted accounting principles. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restriction.

Net Assets Without Donor Restriction – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

See independent auditor's report.

TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition – Revenue from Exchange Transactions:

Taylor County Senior Citizens, Inc. recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Taylor County Senior Citizens, Inc. recorded the following exchange transactions revenue in its statement of activities:

Contributions and Grants – The Organization receives contributions and grants from various sources to assist in its operations. This revenue is recognized by the Organization when received.

Program Income – The Organization receives revenue from providing various services to senior citizens under Title III-B, III-D, Title III-E, Life programs, Lighthouse programs and other federal and state programs. This revenue is recognized by the Organization when received.

Summary of Significant Accounting Policies:

Basis of Accounting and Reporting

Taylor County Senior Citizens, Inc. prepares its annual financial statements on the accrual basis of accounting.

Cash

All cash accounts are with F.D.I.C. insured institutions. For the purpose of the statement of cash flows, the Organization considers both restricted and unrestricted cash as well as short-term, highly liquid investments which are convertible into cash within ninety (90) days of purchase to be cash and cash equivalents. The Organization does not have a policy regarding collateralization with regards to their repurchase agreements, although it is a treasury management agreement.

Cash and equivalents consist of the following:

Unrestricted Cash	\$ 339,202
Total Cash	\$ 339,202

See independent auditor's report.

TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

The Organization does not maintain an inventory. Supplies are purchased on an as needed basis.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the account and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred; all fixed assets are capitalized with an original cost of \$500 or more.

Revenue Recognition

Unconditional grants and promises to give are recorded when the grant or promise is made. Conditional grants and promises to give are recorded when the related condition is met. Project income is recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donor-imposed restrictions that are fulfilled in the same period they are received are recorded as unrestricted support.

Grants and Contracts

Support received under grants and contracts with the State of West Virginia and other government agencies that require revenues to be billed down is recorded as public support when the related direct costs are incurred. Grants and contracts receivable represent amounts due for expenditures incurred prior to year-end.

Functional Expenses

The operating expenses of the Organization have been classified in the Statement of Functional Expenses on a direct basis whenever possible. Other expenses have been allocated based on personnel time worked, space utilized or some other rational allocation method.

Donated Services

Donated services are recognized as contributions in accordance with FASB Standards Codification 958-605, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax – Exempt Status

The Taylor County Senior Citizens, Inc. has been determined to be an organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization's Forms 990 US income tax returns for the years ending 2020, 2021 and 2022 are subject to examination by the IRS, generally for three years after they are filed.

Income Taxes

The Taylor County Senior Citizens, Inc. is a not-for-profit organization and is exempt from income taxes under Section 501(C) (3) of the Internal Revenue Code of 1986. The Organization owed \$0 in unrelated business income taxes as of September 30, 2022.

Risks and Uncertainties

The majority of the funding for the operation of Taylor County Senior Citizens, Inc. comes from federal and state grants. A loss of or decrease in this funding could adversely affect the operation of the Organization.

Subsequent Events – Subsequent events have been evaluated through June 4, 2023, which is the date the financial statements were available to be issued.

See independent auditor's report.

TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 2 ACCOUNTING PRONOUNCEMENTS ADOPTED

The following accounting pronouncements were recently issued by the FASB:

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the consolidated statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the consolidated statement of activities and changes in net assets and the consolidated statement of cash flows will be substantially unchanged from the existing lease accounting guidance. The ASU is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost if purchased or fair market value at date of donation.

Property and equipment consisted of the following at September 30, 2022:

Buildings	\$ 657,943
Kitchen equipment	37,629
Office equipment	75,347
Sign	2,261
Vehicles	<u>248,311</u>
Total property and equipment	1,021,491
Less: accumulated depreciation	<u>(594,700)</u>
Net property and equipment	<u>\$ 426,791</u>

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 3 PROPERTY AND EQUIPMENT (CONTINUED)

Property and equipment are depreciated over their useful lives:

Building	10 – 20 years
Kitchen equipment	5 years
Office equipment	5 – 7 years
Vehicles	5 years
Sign	10 years

Depreciation expense was \$37,816 for the fiscal year ended September 30, 2022.

NOTE 4 CONCENTRATIONS

The Organization receives a majority of their monies from third party reimbursements. Any loss or decrease in this funding could be detrimental to the Organization's ongoing activities.

NOTE 5 ADVERTISING COSTS

The Organization expenses advertising costs as they are incurred.

NOTE 6 GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consist of the following:

LIFE	\$ 17,932
Title III - B	559
Title III - C	34,573
Veterans Administration	19,978
Medicaid and Medicaid Waiver	62,496
In Home Services	<u>14,117</u>
Total grants and contracts	<u>\$ 149,655</u>

See independent auditor's report.

TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 7 FAIR VALUE MEASUREMENTS

FASB Standards Codification 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That 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 the fair value hierarchy under FASB Accounting Standards Codifications 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

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

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2022.

Money Market Funds: Valued using the amortized cost, in accordance with rules under the Investment Company Act of 1940.

Common Stock: Valued at the most recent repurchase of outstanding shares as treasury stock.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the plan at year end.

The preceding method 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 organization 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 following table sets forth by level, within the fair value hierarchy, the Organization's financial assets at fair value on a recurring basis as of September 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Checking Accounts	\$ <u>339,202</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>339,202</u>
Total Assets at Fair Value	\$ <u>339,202</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>339,202</u>

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 8 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date. The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2022
Cash	\$ 339,202
Grants and Contracts Receivable	149,655
Property Tax Receivable	<u>96,274</u>
Total financial assets available within one year	\$ <u>585,131</u>

NOTE 9 PROPERTY TAXES

The residents of Taylor County passed an excess levy a portion of which is to support the Taylor County Senior Citizens Center. The levy expires in 2024.

NOTE 10 LONG-TERM DEBT

First Community Bank

5.45% installment obligation; dated May 11, 2022; payable in monthly installments of \$730; maturing May 11, 2028; secured by a vehicle \$ 42,655

Future debt retirement based on current financing arrangements is as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,604	\$ 2,161	\$ 8,765
2024	6,973	1,792	8,765
2025	7,363	1,403	8,766
2026	7,774	991	8,765
2027	8,209	557	8,766
2028	<u>5,732</u>	<u>112</u>	<u>5,844</u>
Total	<u>\$ 42,655</u>	<u>\$ 7,016</u>	<u>\$ 49,671</u>

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 10 LONG-TERM DEBT (CONTINUED)

First Community Bank

4.20% installment obligation; dated July 14, 2021; payable in monthly installments of \$528; maturing July 14, 2027; secured by a vehicle \$ 27,617

Future debt retirement based on current financing arrangements is as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 5,282	\$ 1,059	\$ 6,341
2024	5,508	833	6,341
2025	5,743	597	6,340
2026	5,989	351	6,340
2027	<u>5,095</u>	<u>97</u>	<u>5,192</u>
Total	<u>\$ 27,617</u>	<u>\$ 2,937</u>	<u>\$ 30,554</u>

First Community Bank

4.70% installment obligation; dated November 10, 2021; payable in monthly installments of \$328; maturing November 10, 2027; secured by a vehicle \$ 18,020

Future debt retirement based on current financing arrangements is as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,154	\$ 780	\$ 3,934
2024	3,306	628	3,934
2025	3,465	469	3,934
2026	3,631	303	3,934
2027	3,805	124	3,929
2028	<u>659</u>	<u>-</u>	<u>659</u>
Total	<u>\$ 18,020</u>	<u>\$ 2,304</u>	<u>\$ 20,324</u>

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 10 LONG-TERM DEBT (CONTINUED)

Total future debt retirement based on current financing arrangements is as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 15,040	\$ 4,000	\$ 19,040
2024	15,787	3,253	19,040
2025	16,571	2,469	19,040
2026	17,394	1,645	19,039
2027	17,109	778	17,887
2028	<u>6,391</u>	<u>112</u>	<u>6,503</u>
Total	<u>\$ 88,292</u>	<u>\$ 12,257</u>	<u>\$ 100,549</u>

NOTE 11 CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets consist of accounts receivable and grants receivable as follows:

Property Tax Receivable:

Beginning of year	\$ 88,541
End of year	\$ 96,274

Grants Receivable:

Beginning of year	\$ 180,072
End of year	\$ 149,655

Contract liabilities consist of accounts payable as follows:

Accounts Payable

Beginning of year	\$ 7,815
End of year	\$ 12,511

See independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 12 SUBSEQUENT EVENTS - COVID-19

The spread of the novel coronavirus (COVID-19) has severely impacted many local economies around the world. In many countries, businesses and organizations are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and financial institutions have responded with monetary and fiscal interventions to try to stabilize economic conditions. The organization has determined that these events are non-adjusting subsequent events. Accordingly, the financial net position and changes in net position as of and for the year ended September 30, 2022 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and financial responses remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial net position and results of the organization for future periods.

See independent auditor's report.

SCHEDULE OF FEDERAL AND STATE FUNDS

**TAYLOR COUNTY SENIOR CITIZENS, INC.
 SCHEDULE OF FEDERAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022**

<u>Federal Grantor Program</u>	<u>Federal Assistance Listing Number</u>	<u>Financial Awards Recognized</u>
<i>U.S. Department of Health and Human Services</i>		
Title III - B	93.044	\$ 33,797
Title III - E	93.052	10,137
Title III - C Nutrition	93.045	<u>178,982</u>
 Total Federal Funds		 <u>\$ 222,916</u>

See accompanying notes to the schedule and independent auditor's report.

TAYLOR COUNTY SENIOR CITIZENS, INC.
 SCHEDULE OF STATE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

<i>West Virginia Bureau of Senior Services</i> <u>Through the Upper Potomac Area Agency on Aging:</u>	<u>Financial</u> <u>Awards</u> <u>Recognized</u>
LIFE	\$ 186,648
Lighthouse	153,514
Fair	23,191
State Matching Funds	32,648
Shine	4,500
MIPPA	<u>3,000</u>
Total State Funds	<u>\$ 403,501</u>

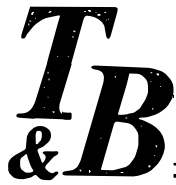
See accompanying notes to the schedule and independent auditor's report.

**TAYLOR COUNTY SENIOR CITIZENS, INC.
NOTES TO THE SCHEDULES OF FEDERAL AND STATE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Federal Funds and Schedule of State Funds are prepared on the accrual basis of accounting which is the same basis used in the preparation of the financial statements.

See independent auditor's report.



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

The Board of Directors
Taylor County Senior Citizens, Inc.
Grafton, West Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Taylor County Senior Citizens, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 4, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Taylor County Senior Citizens, Inc.'s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Taylor County Senior Citizens, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Taylor County Senior Citizens, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charges with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item #2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Taylor County Senior Citizens, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Taylor County Senior Citizens, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Taylor County Senior Citizens, Inc.'s response to the finding identified in our audit and described in the accompanying schedule of findings and responses. Taylor County Senior Citizens, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

T. J. Smith, Inc. PLLC

Clarksburg, West Virginia
June 4, 2023

**TAYLOR COUNTY SENIOR CITIZENS, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

#2022-001 Segregation of Duties

Criteria: Analysis of the internal control system indicated a lack of segregation of duties in certain areas of the accounting process.

Condition: Responsibility for approving, executing, and recording transactions and custody of the resulting asset arising from the transaction is not assigned to separate individuals.

Cause: Responsibilities of approval, execution, recording and custody have been distributed among the office staff to the best degree possible; however, complete segregation of duties is not economically feasible given the limited office staff employed.

Effect: Because of the lack of segregation duties in certain accounting areas, internal control elements do not reduce to a relatively low level the risk that irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: We recommend that management and the Board of Director's continue to provide oversight and independent review functions and exercise due diligence and professional skepticism in relation to the Organization's financial operations.

View of Responsible Officials and Planned Corrective Action: This has been a finding each year of the audit and one that we are unable to correct due to the nature of the non-profit and not able to resolve due to the fact that it is not economically feasible at this time.

Status: This condition was reported in the prior year as audit finding #2021-001.