

The Council of Senior Tyler Countians, Inc.

Audited Financial Statements
and Supplementary Information
Year ended September 30, 2019



The Council of Senior Tyler Countians, Inc.
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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors of The Council of Senior Tyler Countians, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of The Council of Senior Tyler Countians, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, 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 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 audit. 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. 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 financial position of The Council of Senior Tyler Countians, Inc. as of September 30, 2019, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2020, on our consideration of The Council of Senior Tyler Countians, 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 The Council of Senior Tyler Countians, 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 The Council of Senior Tyler Countians, Inc.'s internal control over financial reporting and compliance.

Kozicki Hughes Sickenhoop PLLC

Wheeling, West Virginia,
June 26, 2020.

The Council of Senior Tyler Countians, Inc.
Statement of Financial Position
September 30, 2019

Assets

Current assets

Cash and cash equivalents	\$ 76,020
Accounts receivable	61,118
Prepaid insurance	10,343
Total current assets	<u>147,481</u>

Property and equipment

Land	82,013
Land improvements	90,808
Building and improvements	647,560
Equipment and vehicles	442,728
Total property and equipment	<u>1,263,109</u>
Less: Accumulated depreciation	<u>(652,061)</u>
Net property and equipment	<u>611,048</u>

Total assets \$ 758,529

Liabilities and Net Assets

Current liabilities

Accounts payable	\$ 33,530
Accrued expenses	44,590
Total current liabilities	<u>78,120</u>

Total liabilities 78,120

Net Assets

Without donor restrictions

Undesignated	667,038
Board designated	13,371
Total net assets	<u>680,409</u>

Total liabilities and net assets \$ 758,529

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

The Council of Senior Tyler Countians, Inc.
Statement of Activities
For the Year Ended September 30, 2019

	Without donor restrictions
Revenues, Gains, and Other Support	
Federal assistance	\$ 32,910
State assistance	697,131
Local assistance	117,772
Contribution income	64,446
Fundraising income	5,414
Rental income	24,900
Interest income	127
Total revenue, gains, and other support	942,700
Expenses	
Program services	
Transportation	49,783
Nutrition	125,968
Veterans	29,974
Medicaid	134,440
Waiver	95,330
LIFE	172,574
FAIR	42,455
Lighthouse	110,994
Other programs	45,702
Supporting services	
Management and general	55,311
Total expenses	862,531
Change in net assets	80,169
Net assets - beginning of year	600,240
Net assets - end of year	\$ 680,409

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

The Council of Senior Tyler Countians, Inc.
Statement of Functional Expenses
For the Year Ended September 30, 2019

Expenses	Program Services										Supporting Services	
	Transportation	Nutrition	Veterans	Medicaid	Medicaid Waiver	LIFE	FAIR	Lighthouse	Other Programs	Management and General	Total	
Salaries and wages	\$ 28,248	\$ 64,657	\$ 22,163	\$ 102,976	\$ 72,226	\$ 107,399	\$ 32,922	\$ 84,808	\$ 34,797	\$ -	\$ 550,196	
Payroll taxes and fringes	6,998	13,535	5,414	20,133	15,197	38,631	6,362	16,568	4,697	623	128,158	
Travel and training	212	372	57	2,774	2,242	1,976	636	3,009	411	-	11,689	
Printing and supplies	459	2,797	270	856	885	2,617	373	911	295	2,871	12,334	
Telephone and utilities	2,727	7,844	1,108	2,820	2,071	12,164	1,157	3,191	3,787	122	36,991	
Other expenses	-	472	-	49	160	-	121	-	59	5,936	6,797	
Food purchases	-	21,922	-	-	-	-	-	-	16	140	22,078	
Disposable products	-	5,769	-	-	-	-	-	-	-	-	5,769	
Transportation expenses	8,236	2,604	-	-	-	-	-	-	-	51	10,891	
Interest expense	-	9	-	-	-	-	-	-	-	11	20	
Professional fees	321	572	273	1,006	749	1,193	310	770	155	-	5,349	
Repairs and maintenance	101	1,285	61	1,785	393	3,776	61	170	1,215	2,804	11,651	
Depreciation	-	-	-	-	-	-	-	-	-	42,753	42,753	
Contracted services	-	2,400	-	-	-	-	-	-	-	-	2,400	
Liability insurance	2,481	1,730	628	2,041	1,407	4,818	513	1,567	270	-	15,455	
Total expenses	\$ 49,783	\$ 125,968	\$ 29,974	\$ 134,440	\$ 95,330	\$ 172,574	\$ 42,455	\$ 110,994	\$ 45,702	\$ 55,311	\$ 862,531	

The accompanying notes are an integral part of these financial statements.
(5)

The Council of Senior Tyler Countians, Inc.
Statement of Cash Flows
For the Year Ended September 30, 2019

Cash Flows from Operating Activities:

Change in net assets	\$ 80,169
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	42,753
(Increase) decrease in operating assets:	
Accounts receivable	13,661
Prepaid insurance	2,676
Increase (decrease) in operating liabilities:	
Accounts payable	12,843
Accrued expenses	2,517
Net cash provided by operating activities	<u>154,619</u>

Cash Flows from Investing Activities:

Purchase of equipment	<u>(204,736)</u>
Net cash used by investing activities	<u>(204,736)</u>
Net decrease in cash and cash equivalents	(50,117)
Cash and cash equivalents, beginning of year	<u>126,137</u>
Cash and cash equivalents, end of year	<u>\$ 76,020</u>

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

The Council of Senior Tyler Countians, Inc.
Notes to Financial Statements
September 30, 2019

1. Nature of Organization

The Council of Senior Tyler Countians, Inc. (the Council) was formed to study the needs of the aging in Tyler County, West Virginia, and to establish and govern those activities deemed necessary to meet their needs. The Council encourages, promotes and aids in establishing all programs and services for the aging and conducts programs of public education on the problems of the aging. The Council operates the Tyler County Senior Center and the Wellness Center in Middlebourne, West Virginia and provides the following programs:

Transportation – provides transportation services to assist persons age 60 or older to and from community facilities and non-emergency medical facilities.

Nutrition – provides persons age 60 or older and their spouse with hot nutritionally balanced meals served at lunchtime each weekday at the Tyler County Senior Center and the Sistersville Riverfront site. In addition to receiving hot meals at lunchtime, there is socializing with others at the Centers. Home delivered meals to those who are homebound are also offered through this program.

Veterans – provides in-home care with services such as personal care, personal assistance and light housekeeping for those who served in the armed forces; as determined by a VA doctor with service-related disability making at least 50% of the care necessary.

Medicaid – provides personal care and light housekeeping services needed by individuals with physical or mental impairment as deemed necessary by their physician and whom are Medicaid eligible.

Medicaid Waiver – provides long term care, with the attention of nursing staff and in-home care workers, to help eligible individuals stay in their home rather than go to a nursing home.

LIFE – The Legislative Initiative for the Elderly (LIFE) is a state-funded program and part of senior center's array of services.

FAIR – The Family Alzheimer's In-Home Respite (FAIR) program is designed to provide a regular break for caregivers of individuals of any age with Alzheimer's disease or a related dementia. This program provides socialization and stimulation for the individual with Alzheimer's and dementia through an activities plan developed for that individual based on his or her interests and abilities.

Lighthouse – provides supportive assistance to enable seniors age 60 or older to remain in their communities and continue to live in the comfort of their own houses. The program provides support in four areas: Personal Care, Mobility, Nutrition and Environmental.

Other Programs – Other programs include in-home respite which provide temporary support for older persons or primary caregivers and the wellness center to promote healthy lifestyles.

The Council of Senior Tyler Countians, Inc.
Notes to Financial Statements
September 30, 2019

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Adoption of New Accounting Pronouncement

In August 2016, ASU 2016-14 was issued which clarifies and improves the information presented and disclosed in a nonprofit's financial statements. ASU 2016-14 is effective for years beginning on or after December 15, 2017. Accordingly, the requirements of this new standard have been adopted by the Council.

Basis of Presentation

The Council reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Council, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors or others that are entered into in the course of its operations. The governing board has designated, from the net assets without donor restrictions, a board-designated cash account to be used for scholarship purposes.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. As of September 30, 2019, there are no donor restrictions on the net assets of the Council.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Council considers all cash in banks to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at net realizable values. Uncollectible amounts are expected to be insignificant, consequently, an allowance for doubtful accounts as of September 30, 2019 has not been recorded. When management determines that an account is uncollectible, the balance is charged off to bad debt expense.

The Council of Senior Tyler Countians, Inc.
Notes to Financial Statements
September 30, 2019

2. Summary of Significant Accounting Policies (Continued)

Property and equipment

Property and equipment are capitalized at cost. It is the Council's policy to capitalize expenditures in excess of \$500. Donations of property and equipment are recorded as support at their estimated fair value. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset type</u>	<u>Years</u>
Land improvements	15
Building and improvements	25
Vehicles and equipment	5 - 10

Contributions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the absence or existence and nature of any donor restrictions.

Functional Allocation of Expense

The costs of providing the program services have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. The expenses that are allocated include personnel costs, professional services, office expenses, insurance and others which are allocated based on estimates of time and effort.

Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimate of time and effort.

Income Tax Status

The Council is exempt from income tax under §501(c)(3) of the Internal Revenue Code and accordingly no income tax accounts are reflected in these financial statements.

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 may differ from those estimates.

The Council of Senior Tyler Countians, Inc.
Notes to Financial Statements
September 30, 2019

3. Donated Services

The Council receives donated services from unpaid volunteers who assist in special projects. No amounts have been recognized in the statement of activities because the criteria for recognition have not been satisfied under the FASB ASC Accounting for Contributions Received and Contributions Made topic.

4. Concentration of Grants

The Council receives a majority of its support from federal and state agencies. A reduction of this support would have a major effect on the operations of the Council.

5. Liquidity and Availability of Financial Assets

The Council's financial assets available to meet cash needs for general expenditures within one year are \$137,138 as of September 30, 2019.

In addition, the Council has access to a line of credit with a local bank.

6. Line of Credit

The Council has a line of credit with a local bank in the amount of \$20,000. There was no outstanding balance as of September 30, 2019.

7. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were issued, June 26, 2020, and determined the following:

On March 11, 2020 the World Health Organization declared the COVID-19 spread of disease a pandemic. As a result, the Council closed to the public for an undetermined timeframe. While it is premature to accurately predict the ultimate impact, it is likely that the operations of the Council will be affected.

Supplementary Information

The Council of Senior Tyler Countians, Inc.
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2019

Grantor	Federal CFDA Number	Identification Number	Total Expenditures
<u>Federal Awards</u>			
Department of Health and Human Resources			
<u>Belomar Regional Council and Interstate Planning Commission</u>			
Special Programs for the Aging - Title III, Part B	93.044	21735	\$ 26,677
Special Programs for the Aging - Title III, Part D	93.043	21735	989
National Family Caregiver Support - Title III, Part E	93.052	21735	5,244
Total Expenditures of Federal Awards			\$ 32,910
<u>State Awards</u>			
Department of Health and Human Resources			
<u>West Virginia Bureau of Senior Services</u>			
Family Alzheimer's In-Home Respite (FAIR)		IH1912	\$ 36,767
Lighthouse Program - In-Home Services for Seniors		IH1912	106,940
			<u>143,707</u>
<u>Belomar Regional Council and Interstate Planning Commission</u>			
Special Programs for the Aging - Title III, Part B		21735	10,692
Special Programs for the Aging - Title III, Part D		21735	4,000
National Family Caregiver Support - Title III, Part E		21735	58
Legislative Initiative for the Elderly (LIFE)		21902	171,289
			<u>186,039</u>
<i>Comingled Funds - Federal and State</i>			
Department of Health and Human Resources			
<u>Belomar Regional Council and Interstate Planning Commission</u>			
Special Programs for the Aging - Title III, Part C-1		21735	21,109
Special Programs for the Aging - Title III, Part C-2		21735	54,507
			<u>75,617</u>
<i>Fee for Service</i>			
West Virginia Bureau Of Medical Services			
Veterans Affairs		550584199	26,768
Department of Veterans Affairs			
Medicaid		1295151207	152,041
Medicaid Wavier		1295151207	112,960
			<u>291,768</u>
Total Expenditures of State Awards			\$ 697,131

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CERTIFIED PUBLIC ACCOUNTANTS

**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***

To the Board of Directors of The Council of Senior Tyler Countians, Inc.:

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 The Council of Senior Tyler Countians, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, 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 26, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Council of Senior Tyler Countians, Inc.'s internal control over financial reporting (internal control) to determine 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 The Council of Senior Tyler Countians, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Council of Senior Tyler Countians, 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 charged 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Council of Senior Tyler Countians, 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 determination of financial statement amounts. 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*.

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 Council of Senior Tyler Countians, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Council of Senior Tyler Countians, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kozicki Hughes Siskinoff PLLC

Wheeling, West Virginia,
June 26, 2020.