

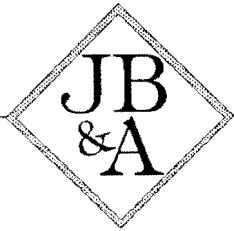
TUCKER COUNTY SENIOR CITIZENS, INC.

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

SEPTEMBER 30, 2017

TABLE OF CONTENTS

| | PAGE |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| INDEPENDENT AUDITOR'S REPORT | 1-2 |
| Statement of Financial Position | 3 |
| Statement of Activities | 4 |
| Schedule of Functional Expenses | 5-6 |
| Statement of Cash Flows | 7 |
| Notes to Financial Statements | 8-13 |
| SUPPLEMENTAL INFORMATION | |
| Schedule of Expenditures of State Awards | 14 |
| Schedule of Revenues and Support | 15 |
| INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> | 16-17 |
| MANAGEMENT LETTER | 18 |



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Tucker County Senior Citizens, Inc.
Parsons, West Virginia

We have audited the accompanying financial statements of Tucker County Senior Citizens, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities 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. 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 Tucker County Senior Citizens, Inc. as of September 30, 2017, 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of revenues and support and schedule of expenditures of state awards, 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 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 27, 2018, on our consideration of Tucker 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tucker County Senior Citizens, Inc.'s internal control over financial reporting and compliance.



Buckhannon, West Virginia
June 27, 2018

TUCKER COUNTY SENIOR CITIZENS, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2017

ASSETS

Current Assets

| | |
|---------------------------|---------------|
| Cash and cash equivalents | \$ 53,419 |
| Accounts receivable, net | 81,235 |
| Grants receivable | 52,279 |
| Prepaid expenses | <u>15,217</u> |

| | |
|----------------------|----------------|
| Total current assets | <u>202,150</u> |
|----------------------|----------------|

| | |
|-------------------------------|------------------|
| Property and Equipment | <u>1,277,174</u> |
|-------------------------------|------------------|

| | |
|---------------------|----------------------------|
| TOTAL ASSETS | <u><u>\$ 1,479,324</u></u> |
|---------------------|----------------------------|

LIABILITIES AND NET ASSETS

Current Liabilities

| | |
|-----------------------------------|---------------|
| Current portion of long-term debt | \$ 74,604 |
| Accounts payable | 19,280 |
| Accrued payroll and taxes | <u>42,742</u> |

| | |
|---------------------------|----------------|
| Total current liabilities | <u>136,626</u> |
|---------------------------|----------------|

Long-Term Debt

| | |
|----------------|----------------|
| Long-Term Debt | <u>486,639</u> |
|----------------|----------------|

Net Assets

| | |
|--------------|-------------------|
| Unrestricted | 856,059 |
| Restricted | <u> </u> |

| | |
|-------------------------|----------------|
| TOTAL NET ASSETS | <u>856,059</u> |
|-------------------------|----------------|

| | |
|-----------------------------------------|----------------------------|
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 1,479,324</u></u> |
|-----------------------------------------|----------------------------|

The accompanying notes are an integral part of this statement

TUCKER COUNTY SENIOR CITIZENS, INC.
STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2017

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|----------------------------------------|---------------------|-----------------------------------|--------------|
| REVENUE AND SUPPORT | | | |
| Federal financial assistance | \$ 196,607 | \$ | \$ 196,607 |
| State grant allocations | 380,424 | | 380,424 |
| Donations | 35,805 | | 35,805 |
| Local Match | 12,580 | | 12,580 |
| Contractual revenues | 825,242 | | 825,242 |
| Rental income | 117,758 | | 117,758 |
| Project income | 141,051 | | 141,051 |
| Other income | 1,836 | | 1,836 |
| Interest income | 56 | | 56 |
| Net assets released from restrictions: | | | |
| Restrictions released with time | _____ | _____ | _____ |
| Total Revenue and Support | 1,711,359 | | 1,711,359 |
| EXPENSES | | | |
| Program Services | | | |
| Title III-B | 60,525 | | 60,525 |
| Title III-E | 3,570 | | 3,570 |
| Title III-C - congregate | 68,134 | | 68,134 |
| Title III-C - home delivered | 107,887 | | 107,887 |
| Activities | 107,859 | | 107,859 |
| Personal Care | 983,631 | | 983,631 |
| Other programs | 14,301 | | 14,301 |
| LIFE | 192,009 | | 192,009 |
| Support Services: | | | |
| Management and general | 195,310 | | 195,310 |
| Total Expenses | 1,733,226 | | 1,733,226 |
| Change in Net Assets | (21,867) | | (21,867) |
| NET ASSETS AT BEGINNING OF YEAR | 877,926 | | 877,926 |
| NET ASSETS AT END OF YEAR | \$ 856,059 | \$ | \$ 856,059 |

The accompanying notes are an integral part of this statement

**TUCKER COUNTY SENIOR CITIZENS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Title III-B | Title III-E | Title III-C | | Activities |
|------------------------------|------------------|-----------------|------------------|-------------------|-------------------|
| | | | Congregate | Home Delivered | |
| Services and wages | \$ 24,658 | \$ 3,316 | \$ 36,607 | \$ 50,568 | \$ 9,460 |
| Fringe benefits | 1,885 | 254 | 2,796 | 3,862 | 723 |
| Travel | 1,013 | | 600 | 200 | 1,113 |
| Printing and supplies | | | 88 | 75 | |
| Repairs and maintenance | | | 5,845 | | 1,000 |
| Communications and utilities | 292 | | 5,557 | 14,309 | 1,213 |
| Other | | | 1,259 | 150 | 1,486 |
| Depreciation | | | | | |
| Raw food | | | 14,011 | 24,369 | |
| Disposables | | | | 8,943 | |
| Transportation/Trip | 14,337 | | | 5,148 | 92,804 |
| Taxes and licenses | | | 600 | | |
| Professional services | | | | | |
| Insurance | 18,340 | | 508 | | |
| Dues and subscriptions | | | 263 | 263 | 60 |
| Interest | | | | | |
| | <u>\$ 60,525</u> | <u>\$ 3,570</u> | <u>\$ 68,134</u> | <u>\$ 107,887</u> | <u>\$ 107,859</u> |

The accompanying notes are an integral part of this statement.

**TUCKER COUNTY SENIOR CITIZENS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| <u>Personal Care</u> | <u>Other Programs</u> | <u>LIFE</u> | <u>Management and General</u> | <u>Totals (Memorandum Only)</u> |
|--------------------------|---------------------------|-------------------|-----------------------------------|-----------------------------------------|
| \$ 877,279 | \$ 264 | \$ 133,232 | \$ | \$ 1,135,384 |
| 66,345 | 20 | 10,129 | 91,769 | 177,783 |
| 25,955 | 50 | 1,640 | | 30,571 |
| 3,009 | | 21,220 | | 24,392 |
| 2,141 | | 1,503 | | 10,489 |
| 7,021 | | 880 | | 29,272 |
| 1,712 | 48 | 2,566 | | 7,221 |
| | 12,865 | | 66,251 | 79,116 |
| | | | | 38,380 |
| | | | | 8,943 |
| 169 | | 19,195 | | 131,653 |
| | 1,054 | | | 1,654 |
| | | 1,234 | 4,000 | 5,234 |
| | | | 4,371 | 23,219 |
| | | 410 | 1,113 | 2,109 |
| | | | 27,806 | 27,806 |
| <u>\$ 983,631</u> | <u>\$ 14,301</u> | <u>\$ 192,009</u> | <u>\$ 195,310</u> | <u>\$ 1,733,226</u> |

The accompanying notes are an integral part of this statement

**TUCKER COUNTY SENIOR CITIZENS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---------------------------------------------------------------------------------------------|---------------|
| Change in net assets | \$ (21,869) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 79,116 |
| (Increase) decrease in operating assets: | |
| Accounts and grants receivable | (30,058) |
| Prepaid expenses | (5,269) |
| Increase (decrease) in operating liabilities: | |
| Accounts payable | 2,685 |
| Accrued payroll and taxes | 4,019 |
| <u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u> | <u>28,624</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|----------------------------------------------|-----------------|
| Purchase of vehicles | <u>(50,147)</u> |
| <u>NET CASH USED IN INVESTING ACTIVITIES</u> | <u>(50,147)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|----------------------------------------------|-----------------|
| Proceeds from long-term borrowing | 46,580 |
| Repayment of short-term borrowing | (15,000) |
| Repayment of long-term borrowing | <u>(72,514)</u> |
| <u>NET CASH USED IN FINANCING ACTIVITIES</u> | <u>(40,934)</u> |

| | |
|---------------------------------------|----------|
| Increase in cash and cash equivalents | (62,457) |
|---------------------------------------|----------|

| | |
|-----------------------------------------------------|----------------|
| CASH AND CASH EQUIVALENTS, beginning of year | <u>115,876</u> |
|-----------------------------------------------------|----------------|

| | |
|-----------------------------------------------|-------------------------|
| CASH AND CASH EQUIVALENTS, end of year | <u><u>\$ 53,419</u></u> |
|-----------------------------------------------|-------------------------|

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

| | |
|-------------------------------|-------------------------|
| Interest paid during the year | <u><u>\$ 27,806</u></u> |
|-------------------------------|-------------------------|

The accompanying notes are an integral part of this statement

TUCKER COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The Tucker County Senior Citizens, Inc. is a nonprofit organization whose purpose is to improve the quality of life for senior citizens in Tucker County, West Virginia. The purpose of the Organization is to study and document the needs of the seniors, to encourage, promote and aid in the establishment of programs for the seniors, to conduct programs of public education in the problems of aging, to utilize opportunities to establish demonstration programs, and to implement state and local programs for the aging that no other agency is implementing.

This summary of significant accounting policies of the Tucker County Senior Citizens, Inc. is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representation of management, who is responsible for their integrity and objectivity.

Basis of Accounting

The financial statements of Tucker County Senior Citizens, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards, "Financial Statements of Not-for-Profit Organizations." The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Allowance for Doubtful Accounts

The Organization uses the allowance method for accounting for bad debts. Management feels the accounts and grants receivable shown on the balance sheet are fully collectible.

Inventories

Inventories of raw food, materials and supplies are deemed immaterial and are accordingly expensed as purchased.

**TUCKER COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 1. Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Organization has adopted a \$ 5,000 capitalization policy whereby all property and equipment over \$ 5,000 is depreciated using the straight-line method over its estimated useful life. In addition, all property and equipment purchased with grant monies must be used and disposed of in accordance with the grantor agency's policies. Maintenance and repairs are expensed as incurred.

Restricted and Unrestricted Revenue and Support

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

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

Federal Grants

Grants Monies are received on a reimbursement basis; this is utilized for Title III-B, Title III-D, Title III-E, Title VII and LIFE grants. Upon completion of a grant year, any unexpended grants have to be approved for carryover to the next grant year.

Title III-C monies are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any expended monies are restricted for future Title III-C program operating expenses. Total federal and state grant revenues for the year ended September 30, 2017, was \$ 196,607 and \$ 380,424, respectively.

Donated Facilities

The Tucker County Senior Citizens, Inc.'s facilities are owned by the Tucker County Commission, Tucker County, West Virginia. Since a recent appraisal is not available, a fair rental value was unable to be calculated and recorded as donated services in these financial statements.

**TUCKER COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 1. Summary of Significant Accounting Policies (Continued)

Donated Services

In addition, the members of the Board of Directors receive no fees for performing their duties as members, officers, or special committee members. However, no revenues or expenses have been recorded in these financial statements in related to such volunteer services.

Expense Allocation

Expenses are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management must make estimates based on future events that effect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, are generally subject to examination by the Internal Revenue Service for three years after they are filed.

Note 2. Insurance of Cash and Deposits

All cash deposits are insured by the FDIC. Deposits in any one financial institution did not exceed the \$ 250,000 FDIC limit.

**TUCKER COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 3. Grants Receivable

Grants receivable at September 30, 2017, consisted of the following:

| | |
|----------------|-----------|
| LIFE Program | \$ 18,549 |
| Lighthouse | 19,378 |
| Alzheimer/FAIR | 3,376 |
| III-B | 3,247 |
| III-C | 3,755 |
| III-E | 224 |
| III-G | 3,750 |
| | ----- |
| Total | \$ 52,279 |
| | ===== |

Note 4. Property and Equipment

Property and equipment consisted of the following at September 30, 2017:

| | |
|-----------------------------------|--------------|
| Land | \$ 27,390 |
| Buildings | 242,964 |
| Leasehold improvements | 1,282,072 |
| Vehicles | 533,041 |
| Equipment, furniture and fixtures | 88,426 |
| | ----- |
| | 2,173,893 |
| Less accumulated depreciation | (896,719) |
| | ----- |
| Net property and equipment | \$ 1,277,174 |
| | ===== |

Note 5. Restrictions on Net Assets

There are no restricted net assets at September 30, 2017.

Note 6. Concentration

The Organization receives about 33 percent of its total support and revenues from various grants from the Federal and State governments.

In addition, the Organization also receives about 44 percent of its total support and revenues from the West Virginia Department of Health and Human Services under billing for services provided under the Continuum of Care and Medicaid Waiver programs.

**TUCKER COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 7. Note Payable

The Organization has a \$ 40,000 line of credit note with Mountain Valley Bank. The interest rate is 4.74% and the note is secured by real estate. There was no outstanding balance at September 30, 2017.

Note 8. Long-Term Debt

Long-term debt consists of the following as of September 30, 2017:

Mountain Valley Bank

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 4.5% installment note maturing 7/25/24, monthly payments of \$ 7,413.75 secured by real estate, assignment of lease and rents with VA, equipment and fixtures. | \$ 518,605 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|

GMAC

| | |
|--------------------------------------------------------------------------------------------|--------|
| 4.99% installment note maturing 6/30/22, monthly payments of \$ 399.97 secured by vehicle. | 19,963 |
|--------------------------------------------------------------------------------------------|--------|

Alliance Financial

| | |
|--------------------------------------------------------------------------------------------|--------|
| 7.40% installment note maturing 2/28/23, monthly payments of \$ 438.93 secured by vehicle. | 22,675 |
|--------------------------------------------------------------------------------------------|--------|

561,243

| | |
|-----------------------|--------|
| Less: current portion | 74,604 |
|-----------------------|--------|

| | |
|--------------------|------------|
| Noncurrent portion | \$ 486,639 |
|--------------------|------------|

=====

Scheduled maturities at September 30, 2017 are as follows:

| | |
|--------------------|------------------------------|
| September 30, 2018 | \$ 74,604 |
| 2019 | 78,165 |
| 2020 | 81,899 |
| 2021 | 85,815 |
| 2022 | 88,336 |
| Thereafter | 152,424 |
| Total | ----- \$ 561,243 ===== |

TUCKER COUNTY SENIOR CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 9. Donated Services

No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise.

Note 10. Operating Lease Income

The Organization leases office space to the Veterans Administration under a renewable Operating lease with terms of ten years, five years firm with five one-year renewal periods. Monthly rent is \$9,613.13. The Organization also rents the Miller Property as a personal residence for \$200.00 per month.

Note 11. Contingent Liabilities

In the normal course of operations, the Organization receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement, which may arise, as the result of these audits is not believed to be material.

Note 12. Subsequent Events

Management has evaluated subsequent events through June 27, 2018 the date on which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

**TUCKER COUNTY SENIOR CITIZENS, INC.
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

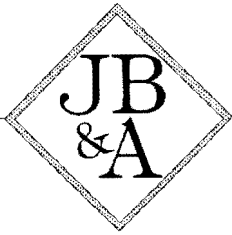
| | Grant Period | Grant Identificaiton Number | State Expenditures |
|------------------------------------|-----------------|-----------------------------------|-----------------------|
| Direct Programs: | | | |
| WV Bureau of Senior Services | | | |
| Data Entry | June 30, 2017 | IH1840 | \$ 5,000 |
| Lighthouse | June 30, 2016 | IH1840 | 42,832 |
| Lighthouse | June 30, 2017 | IH1740 | 108,831 |
| FAIR | June 30, 2016 | IH1840 | 8,876 |
| FAIR | June 30, 2017 | IH1740 | 30,143 |
| Total Direct Programs | | | 195,682 |
| Pass through Awards | | | |
| Upper Potomac Area Agency on Aging | | | |
| IIIB State | June 30, 2017 | 21737 | 16,155 |
| LIFE | June 30, 2018 | 21604 | 54,485 |
| LIFE | June 30, 2017 | 21704 | 114,102 |
| Total pass-through awards | | | 184,742 |
| TOTAL EXPENDITURES OF STATE AWARDS | | | \$ 380,424 |

The accompanying independent auditor's report and notes are integral parts of this schedule.

**TUCKER COUNTY SENIOR CITIZENS, INC.
SCHEDULE OF REVENUE AND SUPPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Title III-B | Title III-E | Title III-C | | Personal Care | Other Programs | Direct LIFE | Totals (Memorandum Only) |
|------------------------------|------------------|-----------------|------------------|-------------------|---------------------|-------------------|-------------------|--------------------------------|
| | | | Congregate | Home Delivered | | | | |
| Federal Financial Assistance | \$ 26,310 | \$ 4,575 | \$ 32,230 | \$ 77,985 | \$ 55,507 | \$ | \$ | \$ 196,607 |
| State Grant | 16,155 | | | | | | 168,587 | 184,742 |
| Life Allocated | | | 20,001 | 10,419 | 15,714 | | (46,134) | |
| State Grant FAIR | | | | | 39,019 | | | 39,019 |
| State Grant Lighthouse | | | | | 156,663 | | | 156,663 |
| Donations | | | | | 9,906 | 25,899 | | 35,805 |
| Local Match | 4,640 | 1,225 | 2,030 | 4,685 | | | | 12,580 |
| Contractual Revenues | | | | | 825,242 | | | 825,242 |
| Rental Income | | | | | | 117,758 | | 117,758 |
| Project Income | 7,615 | | 14,539 | 11,082 | | 107,815 | | 141,051 |
| Other Income | | | | | | | 1,836 | 1,836 |
| Interest Income | | | | | | 56 | | 56 |
| Total | \$ 54,720 | \$ 5,800 | \$ 68,800 | \$ 104,171 | \$ 1,102,051 | \$ 251,528 | \$ 124,289 | \$ 1,711,359 |

The accompanying independent auditor's report and notes are integral parts of this schedule.



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

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

To the Board of Directors
Tucker County Senior Citizens, Inc.
Parsons, 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 Tucker County Senior Citizens, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 27, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tucker County Senior Citizens, 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 Tucker County Senior Citizens, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

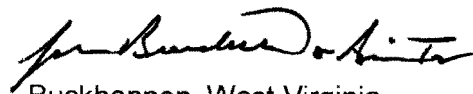
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tucker 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 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*.

We noted certain other matters that we reported to management of Tucker County Senior Citizens, Inc. in a separate letter dated June 27, 2018 on page 18.

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.



Buckhannon, West Virginia
June 27, 2018



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

MANAGEMENT LETTER

To the Senior Management and
The Board of Directors
Tucker County Senior Citizens, Inc.
Parsons, West Virginia

In planning and performing our audit of the financial statements of Tucker County Senior Citizens, Inc. for the year ended September 30, 2017 we considered the Organization's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted a certain matter involving the internal control structure and other operational matters that are presented for your consideration. This letter does not affect our report dated June 27, 2018, on the financial statements of Tucker County Senior Citizens, Inc.

We will review the status of these comments during our next audit engagement. Our comments and recommendation, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are as follows:

Segregation of Duties

We noted that two employees are responsible for most accounting and financial duties. As a result, many aspects of the internal control which rely upon an adequate segregation of duties are, for all practical purposes, missing in Tucker County Senior Citizens, Inc. We recognize that the Organization has segregated financial duties as much as possible among its present staff and is not large enough to make the employment of additional people for the purpose of segregating duties practicable from a financial standpoint, but we are required, under our professional responsibilities to describe the situation.

Allocation of Employee Benefits

Employee health insurance and worker's compensation insurance are not being allocated to the programs to which they relate. The total of these insurance benefits are being charged to administration rather than to the programs to which the payroll is charged.

We wish to thank the Director and her staff for their support and assistance during our audit.

This report is intended solely for the information and use of the Board of Directors, management, and others with the Organization.

Buckhannon, West Virginia
June 27, 2018