

**THE COMMITTEE FOR HANCOCK COUNTY  
SENIOR CITIZENS, INC.**

**NEW CUMBERLAND, WEST VIRGINIA**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2019 AND 2018**

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

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CUNNINGHAM  & ASSOCIATES  
Certified Public Accountants

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May 7, 2020

To the Board of Directors of  
The Committee for Hancock County Senior Citizens, Inc.

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of The Committee for Hancock County Senior Citizens, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 audits 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 Committee for Hancock County Senior Citizens, Inc. as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years 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 awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, State Awards and Other Assistance 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 audits 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 May 7, 2020, on our consideration of The Committee for Hancock 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 The Committee for Hancock County Senior Citizens, Inc.'s internal control over financial reporting and compliance.

*Cunningham + Associates*

Chester, West Virginia

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

STATEMENTS OF FINANCIAL POSITION

SEPTEMBER 30,

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
<b>Current Assets:</b>		
Cash and cash equivalents (Note 4)	\$ 145,494	\$ 117,840
Certificate of deposit	79,926	79,449
Accounts receivable - grants and contracts	41,630	64,430
Accounts receivable - other	7,813	4,777
Prepaid expenses and deposits	7,981	1,257
	<hr/>	<hr/>
Total Current Assets	282,844	267,753
	<hr/>	<hr/>
Property and Equipment, net (Notes 5 and 6)	181,609	235,781
	<hr/>	<hr/>
Total Assets	\$ 464,453	\$ 503,534
	<hr/> <hr/>	<hr/> <hr/>
<u>LIABILITIES AND NET ASSETS</u>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 15,287	\$ 14,289
Accrued wages, benefits, and taxes	15,842	18,531
	<hr/>	<hr/>
Total Current Liabilities	31,129	32,820
	<hr/>	<hr/>
<b>Net Assets Without Donor Restrictions:</b>		
Undesignated	420,624	458,014
Board-designated (Note 7)	12,700	12,700
	<hr/>	<hr/>
Total Net Assets	433,324	470,714
	<hr/>	<hr/>
Total Liabilities and Net Assets	\$ 464,453	\$ 503,534
	<hr/> <hr/>	<hr/> <hr/>

The accompanying Independent Auditor's Report and notes  
are an integral part of these financial statements.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED SEPTEMBER 30,

	<u>2019</u>	<u>2018</u>
Revenue and other support:		
Federal funds	\$ 121,162	\$ 160,178
State funds	379,588	395,973
Medicaid and waiver funds	4,079	8,569
In kind revenue	120,205	120,205
Local funds	16,096	16,601
Client fees - private pay	20,727	25,600
Program income	38,082	34,593
Bingo and raffle sales, net	6,683	7,915
Trip, net	(507)	493
Interest income	496	494
Miscellaneous	46,059	15,110
	<u>752,670</u>	<u>785,731</u>
Total Revenue and Other Support		
Expenses:		
Program Services:		
Lighthouse	190,610	183,698
Alzheimer's In Home Programs	45,332	130,271
Other In Home Services	47,532	21,076
Transit	190,927	175,607
Senior program services	143,387	170,583
	<u>617,788</u>	<u>681,235</u>
Total Program Services		
Supporting Services:		
Management and general	116,242	114,598
Fundraising	56,030	45,768
	<u>172,272</u>	<u>160,366</u>
Total Supporting Services		
Total Expenses	<u>790,060</u>	<u>841,601</u>
Decrease in Net Assets	(37,390)	(55,870)
Net Assets, Beginning of Year	<u>470,714</u>	<u>526,584</u>
Net Assets, End of Year	<u>\$ 433,324</u>	<u>\$ 470,714</u>

The accompanying Independent Auditor's Report and notes  
are an integral part of these financial statements.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30,

	<u>2019</u>	<u>2018</u>
Cash Flows Provided by (Used in) Operating Activities:		
Decrease in Net Assets	\$ (37,390)	\$ (55,870)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	54,172	51,752
Interest capitalized to certificates of deposit	(477)	(473)
Loss on sale of property and equipment	-	10,977
Vehicle costs paid directly by grantor	-	(43,929)
(Increase) Decrease in Assets:		
Accounts receivable - grants and contracts	22,800	(14,896)
Accounts receivable - other	(3,036)	4,652
Prepaid expenses and deposits	(6,724)	7,798
Increase (Decrease) in Liabilities:		
Accounts payable	998	2,015
Accrued wages, benefits, and taxes	(2,689)	(2,127)
Trip deposits	-	(550)
Net Cash Provided by (Used in) Operating Activities	<u>27,654</u>	<u>(40,651)</u>
Cash Flows Provided by (Used in) Investing Activities:		
Proceeds from sale of property and equipment	-	6,000
Purchase of property and equipment	-	(10,982)
Net Cash Used in Investing Activities	<u>-</u>	<u>(4,982)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	27,654	(45,633)
Cash and Cash Equivalents, Beginning of Year	<u>117,840</u>	<u>163,473</u>
Cash and Cash Equivalents, End of Year	<u>\$ 145,494</u>	<u>\$ 117,840</u>

The accompanying Independent Auditor's Report and notes  
are an integral part of these financial statements.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Program Services					Supporting Services			2019	
	Home and Community Based Alzheimer's Programs	In Home Services	Other In Home Services	Transit	Senior Program Services	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries	\$ 144,383	\$ 34,338	\$ 36,005	\$ 97,468	\$ 34,866	\$ 347,060	\$ 72,997	\$ 8,542	\$ 81,539	\$ 428,599
Taxes and employee benefits	13,535	3,219	3,375	9,137	3,268	32,534	6,845	800	7,645	40,179
Travel and training	6,517	1,550	1,625	433	155	10,280	420	38	458	10,738
Repairs, maintenance, and vehicle operations	4,959	1,179	1,237	3,348	1,091	33,649	287	462	749	34,398
Office expenses, postage, and supplies	1,712	407	427	2,760	814	15,029	6,900	831	7,731	22,760
Communications and utilities	3,391	807	846	7,801	-	12,845	6,517	318	821	6,941
Insurance	4,303	1,023	1,073	2,905	1,040	10,344	2,175	255	2,430	19,362
Professional fees	4,133	983	1,031	4,965	64,680	75,792	17,010	27,403	44,413	120,205
Rent	1,757	418	438	26,601	23,966	53,180	888	104	992	54,172
Depreciation	5,850	1,391	1,458	3,055	9,201	20,955	1,700	17,277	18,977	39,932
Other										
	\$ 190,610	\$ 45,332	\$ 47,532	\$ 190,927	\$ 143,387	\$ 617,788	\$ 116,242	\$ 56,030	\$ 172,272	\$ 790,060

The accompanying Independent Auditor's Report and notes are an integral part of these financial statements.



THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Program Services					Supporting Services			2018	
	Home and Community Based					Management and General	Fundraising	Total Supporting Services		
	Alzheimer's In Home Programs	In Home Services	Other In Home Services	Transit	Senior Program Services					Total Program Services
Lighthouse	\$ 136,467	\$ 96,780	\$ 15,657	\$ 82,619	\$ 48,840	\$ 380,363	\$ 70,919	\$ 6,866	\$ 77,785	\$ 458,148
Salaries	15,258	10,820	1,751	9,237	5,460	42,526	7,928	767	8,695	51,221
Taxes and employee benefits	6,556	4,649	752	779	461	13,197	936	65	1,001	14,198
Travel and training	178	126	20	24,918	3,410	28,652	897	1,445	2,342	30,994
Repairs, maintenance, and vehicle operations	8,172	5,795	938	3,518	10,354	28,777	3,871	2,784	6,655	35,432
Office expenses, postage, and supplies	891	631	102	2,401	2,468	6,493	145	233	378	6,871
Communications and utilities	2,625	1,861	301	7,404	-	12,191	6,186	-	6,186	18,377
Insurance	3,702	2,625	425	2,241	1,327	10,320	1,923	186	2,109	12,429
Professional fees	3,370	2,390	387	4,965	64,681	75,793	17,008	27,404	44,412	120,205
Rent	1,579	1,120	181	23,582	24,391	50,853	820	79	899	51,752
Depreciation	-	-	-	10,977	-	10,977	-	-	-	10,977
Loss on disposal of fixed asset	4,900	3,474	562	2,966	9,191	21,093	3,965	5,939	9,904	30,997
Other	\$ 183,698	\$ 130,271	\$ 21,076	\$ 175,607	\$ 170,583	\$ 681,235	\$ 114,598	\$ 45,768	\$ 160,366	\$ 841,601

The accompanying Independent Auditor's Report and notes are an integral part of these financial statements.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 1 - Summary of Significant Accounting Policies:

**Nature of the Organization:**

The Committee for Hancock County Senior Citizens, Inc. (the "Committee") (a nonprofit organization) became a reality in part due to legislation known as the Older Americans Act of 1965. The purpose of the Committee is to provide a voluntary organization of representatives of the general public, business, labor, senior citizens, youth, public and private agencies, and community organizations to provide, supervise, and administer a comprehensive program for the welfare of senior citizens. The Committee provides social, in-home, transportation, and community services to residents of Hancock County, West Virginia who meet the applicable program eligibility requirements.

The Committee is funded primarily by grants awarded under Title III of the Older American's Act and state grant funds through the West Virginia Bureau of Senior Services, as administered by the Northwestern Area Agency on Aging, and through third-party reimbursements, specifically the State of West Virginia Medicaid and Waiver Program. The grants awarded and contracts performed covered the periods October 1, 2017 through September 30, 2018 and October 1, 2018 through September 30, 2019.

**Basis of Accounting:**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America.

**Basis of Presentation:**

The financial statements are presented following the requirements of the Financial Accounting Standards Board in its statement of Accounting Standards Codification (FASB ASC) No. 958-205, *Not-for-Profit Entities, Presentation of Financial Statements* as updated by ASU 2016-14. The adoption of ASU 2016-14 in the year ended September 30, 2019 resulted in no changes to the amounts reported for the year ended September 30, 2018. Under FASB ASC No. 958-205, the Committee is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. All grants and contributions are considered to be without donor restriction unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions. As of September 30, 2019 and 2018, the Committee had no net assets with donor restrictions.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 1 - Summary of Significant Accounting Policies (Continued):

**Revenue, Receivables, Deferred Income and Other Support:**

Grants and contributions are recognized when they are received or when the donor makes a promise to give to the Committee that is, in substance, unconditional. Grants and contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the grants and contributions are recognized. All other donor-restricted grants and contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, the net assets with donor restrictions are reclassified to net assets without donor restrictions.

Revenue received from Federal, state, and local funding agencies is recorded as earned. Any funds received in advance of expenses incurred are recorded as deferred revenue at year end. Likewise, accounts receivable amounts are recorded for amounts due from grantor or contract agencies for expenses incurred and not yet reimbursed.

**Accounts Receivable - Other:**

The Committee uses the direct write off method of recording bad debts. The receivables are analyzed periodically and accounts are written off if considered to be uncollectible. Bad debt expense for the years ended September 30, 2019 and 2018 was \$1,968 and \$0, respectively.

**Liquidity:**

Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash and liabilities according to their nearness of their maturity and resulting use of cash.

**Property and Equipment:**

It is the Committee's policy to capitalize property and equipment costing over \$5,000 with lesser amounts expensed. Purchased property and equipment is stated at cost. Donated property and equipment is recorded at fair market value. Depreciation is computed on the straight-line method over the estimated useful lives of the assets: 3 to 10 years for vehicles and equipment and the lesser of the lease life or life of the improvements for leasehold improvements.

Maintenance, repairs, and minor improvements are charged to operating expenses as incurred. Major improvements are capitalized.

**Income Tax:**

The Committee is exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is no longer subject to U.S. Federal examinations by tax authorities for years before 2015.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 1 - Summary of Significant Accounting Policies (Continued):

**Contributed Facility:**

The facility for the Senior Center is currently leased through an agreement with the County Commission of Hancock County, West Virginia for \$1.00 per year. This lease includes gas, electric, water, sewage, telephone, garbage, snow removal, and lawn maintenance. The lease has a term of 20 years, beginning on August 1, 2002, and ending on July 31, 2022. The County Commission has estimated the value of the facility used for Senior Center activity to be \$120,205. Accordingly, this amount has been reported as in kind revenue in the Statements of Activities and rent in the Statements of Functional Expenses for the years ended September 30, 2019 and 2018 respectively. The facility is available to the Committee as long as the premises are used for providing services to senior citizens of Hancock County. If the Committee fails to do so, the lease may be canceled at the option of the County Commission.

**Advertising:**

The Committee expenses advertising costs as incurred. Advertising expense was \$879 and \$5,884 for the years ending September 30, 2019 and 2018, respectively.

**Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Functional Expenses:**

The costs of providing program and supporting activities have been presented on a functional basis in the statements of functional expense. The direct expenses are charged to their respective program or supporting activity. Indirect expenses are allocated to the program or supporting activity based on an estimate of employees time spent on the program or supporting activity or square footage of the space used by the program or supporting activity.

**New Accounting Pronouncement:**

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU requires expanded disclosures relating to the nature, timing and uncertainty of revenue and cash flows arising from contracts with customers.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 1 - Summary of Significant Accounting Policies (Continued):

**New Accounting Pronouncement (continued):**

The new revenue recognition guidance requires the recognition of revenue when promised services are transferred to customers in an amount that reflects the consideration to which the Committee expects to be entitled in exchange for those services. The new standard will be effective for the annual reporting period beginning October 1, 2019 and must be applied using a retrospective approach. The Committee does not believe that the adoption of the ASU will have a significant impact on the Committee's financial statements.

**Reclassification:**

Certain 2018 amounts have been reclassified to conform with the 2019 presentation.

Note 2 - Grant and Third-Party Commitments and Contingencies:

The Committee receives a substantial amount of its support from Federal and state governments. A significant reduction in the level of this support, if this were to occur, may have a negative effect on the Committee's activities.

Additionally, under the terms of Federal and state contracts and grants, periodic audits are required and certain costs may be questioned as inappropriate expenditures. Such audits could lead to reimbursement to the grantor agency. Management believes disallowances, if any, will be immaterial.

Note 3 - Federal Matching:

The Committee allocated the following funds as match monies required by Title III awards for the years ended September 30, as follows:

<u>Program</u>	<u>2019</u>	<u>2018</u>	<u>Source of Funds</u>
Title III-B Social Services	\$ 6,690	\$ 6,800	In-kind (see Note 1)
Title III-D Health Services	371	371	In-kind (see Note 1)
Title III-E Caregiver Services	6,481	5,232	In-kind (see Note 1)
	<u>\$ 13,542</u>	<u>\$ 12,403</u>	

In addition, program income funds included in the notification of grant awards were used to cover expenses of the Title III program, but are not considered matching funds.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 4 - Cash and Cash Equivalents:

For the purpose of the cash flows statement, the Committee includes cash in bank and on hand and certificates of deposit with original maturities of 90 days or less as cash and cash equivalents. The Committee believes it is not exposed to any significant credit risk to cash since its cash balances on deposit with its banks during the year did not exceed the Federal Deposit Insurance Corporation (FDIC) limits of \$250,000. The Committee maintains its cash balances at high quality institutions and has not experienced any losses in such accounts. The Committee paid no interest expense or corporate income taxes for the years ended September 30, 2019 and 2018, respectively.

Note 5 - Equipment Purchased with Grant Funds:

The equipment acquired is owned by the Committee while used in the program for which it was purchased or in other future authorized programs. However, for certain equipment purchased with Federal and/or state funds, the grantor maintains a reversionary interest; therefore, its disposition, as well as the ownership of any sale proceeds therefrom, is subject to funding source regulations.

In addition, the Committee has four vans that are used to transport elderly and disabled persons that were obtained partially with grants received from the West Virginia Division of Public Transit. Under this grant program, 80 percent of the purchase price of the vans was funded through the grant and 20 percent through local monies of the Committee. All four van titles remain with the West Virginia Division of Public Transit until the vans reach 100,000 miles.

The Committee purchased a van, under the above program, for the year ended September 30, 2018 for \$54,911. During the year ended September 30, 2018, the Committee sold a van for \$6,000 resulting in a \$10,977 loss. The van had in excess of 100,000 miles and was therefore titled in the Committee's name.

Note 6 - Property and Equipment:

Property and equipment balances as of September 30, were as follows:

	<u>2019</u>	<u>2018</u>
Leasehold improvements	\$ 349,124	\$ 349,124
Vehicles	178,068	178,068
Equipment	<u>66,304</u>	<u>66,304</u>
	593,496	593,496
Less accumulated depreciation	<u>411,887</u>	<u>357,715</u>
	<u>\$ 181,609</u>	<u>\$ 235,781</u>

Depreciation expense was \$54,172 and \$51,752 for the years ended September 30, 2019 and 2018, respectively.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 7 - Net Assets (Board-Designated):

In 2011, the Board of Directors designated certain agency funds to be held in a contingency fund to be used only following Board approval. As of September 30, 2019 and 2018, these funds totaled \$12,700. This restriction will remain in place until the Board of Directors feels that it is no longer needed.

Note 8 - Fundraising and Special Events:

The Committee sponsors weekly bingo and raffle fundraising events. The gross proceeds from these events for the years ended September 30, 2019 and 2018, totaled \$20,355 and \$26,291 respectively. Expenses and related bingo and raffle payouts totaled \$13,672 and \$18,376, respectively. Net proceeds of \$6,683 and \$7,915 are reported in the statements of activities for the years ended September 30, 2019 and 2018, respectively.

The Committee also sponsors trips taken periodically throughout the year. During September 30, 2019, related expenses from trips were \$507. During September 30, 2018, gross proceeds and related expenses from trips were \$4,584 and \$4,091, respectively. Net proceeds (deficit) of \$(507) and \$493 are reported in the statements of activities for the years ended September 30, 2019 and 2018, respectively.

Note 9 - Retirement Plan:

The Organization adopted a 403(b) Thrift Plan ("Plan") on March 1, 2015. The Plan provides eligible employees the ability to defer up to 100% of compensation up to a maximum amount of \$19,000 for calendar year 2019 and \$18,500 for calendar year 2018 as permitted by the Internal Revenue Code. Catch up contributions of up to \$6,000 are also permitted for employees that attained age 50.

Elective employer matching contributions, if any, are determined annually by the Board of Directors. No matching contributions were made for the years ended September 30, 2019 and 2018.

Note 10 - Liquidity and Availability:

Financial assets available for general expenditure by the Committee are as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 145,494	\$ 117,840
Certificate of deposit	79,926	79,449
Accounts receivable - grants and contracts	41,630	64,430
Accounts receivable - other	7,813	4,777
	<u>\$ 274,863</u>	<u>\$ 266,496</u>

None of these financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the cash needs of the Committee in the next twelve months. The Committee's main source of revenue comes from the Federal and state governments. As long as the government agencies continue funding the Committee, they will have the revenue sufficient to meet their operating needs.

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2019 AND 2018

Note 11 - Subsequent Events:

The COVID-19 outbreak in the United States has greatly disrupted the economy and has negatively affected operations across a broad range of industries. The extent of the impact of the outbreak on the Committee's operational and financial performance remains uncertain and cannot be reasonably estimated at this time.

The Committee has evaluated other subsequent events through May 7, 2020, the date which the financial statements were available to be issued, and no further matters came to their attention that would require adjustments to or disclosures in the financial statements.



CUNNINGHAM  & ASSOCIATES  
Certified Public Accountants

[www.c-p-a.com](http://www.c-p-a.com) - Offices in Ohio, West Virginia, and South Carolina - Main Office Phone (440)717-1350

May 7, 2020

To the Board of Directors of  
The Committee for Hancock County Senior Citizens, Inc.

**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**

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 Committee for Hancock County Senior Citizens, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated May 7, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audits of the financial statements, we considered The Committee for Hancock 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 The Committee for Hancock County Senior Citizens, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Committee for Hancock 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 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 audits 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 Committee for Hancock County Senior Citizens, Inc.'s financial statements are free of 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 audits, 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 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.

*Cunningham & Associates*

Chester, West Virginia

THE COMMITTEE FOR HANCOCK COUNTY SENIOR CITIZENS, INC.

SCHEDULE OF FEDERAL AWARDS, STATE AWARDS, AND  
OTHER ASSISTANCE

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal Awards Federal Agency/Pass-through agency	CFDA/ Award/Grant No.	Revenue Recognized	Expenses Recognized
U.S. Department of Health and Human Services passed through the Northwestern Area on Aging/Bel-O-Mar Regional Council:			
Disease Prevention and Health Promotion Services - Title III-D	93.043	\$ 2,104	\$ 2,104
Grants for Supportive Services and Senior Centers - Title III-B	93.044	37,932	37,932
National Family Caregiver Support - Title III-E	93.052	15,745	15,745
U.S. Department of Transportation Federal Transit Administration passed through the WV Department of Transportation:			
5310 Grant Programs	20.513	40,620	40,620
U.S. Department of Veterans Affairs passed through Department of Veteran Affairs - Pittsburgh, Pennsylvania:			
Homemaker Home Health Care	646	24,761	24,761
Total Federal Awards and Expenses		<u>\$ 121,162</u>	<u>\$ 121,162</u>
State Awards and Other Assistance			
State Agency/Pass-through Agency			
West Virginia Bureau of Senior Services (BOSS):			
State Discretionary Grant - Lighthouse In-Home Care	IH1904	\$ 92,264	\$ 92,264
State Discretionary Grant - In-Home Care Harmony System	IH1904	3,786	3,786
State Alzheimer's Respite Care/FAIR	IH1904	18,907	18,907
State Discretionary Grant - Lighthouse In-Home Care	IH2004	32,000	32,000
State Discretionary Grant - In-Home Care Harmony System	IH2004	844	844
State Alzheimer's Respite Care/FAIR	IH2004	4,185	4,185
Senior Medicare Patrol Funds	SMP1908	3,000	3,000
Medicare Improvements for Patients and Providers Act	MIPPA1904	2,000	2,000
West Virginia Bureau of Senior Services passed through the Bel-O-Mar Regional Council:			
State Matching Funds	21835	32,548	32,548
State Legislative Initiatives for the Elderly (L.I.F.E)	21902	146,864	146,864
State Legislative Initiatives for the Elderly (L.I.F.E)	22002	43,190	43,190
Total State Awards and Expenses		<u>379,588</u>	<u>379,588</u>
Other Assistance:			
U.S. Department of Health & Human Services passed through West Virginia Department of Health and Human Resources:			
Medicaid and Waiver	N/A	4,079	4,079
Total State Awards and Other Assistance		<u>\$ 383,667</u>	<u>\$ 383,667</u>

The accompanying Independent Auditor's Report and notes  
are an integral part of these financial statements.