

DODDRIDGE COUNTY SENIOR CITIZENS, INC.

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

**FOR THE YEAR ENDED
SEPTEMBER 30, 2023**

DODDRIDGE COUNTY SENIOR CITIZENS, INC.

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Doddridge County Senior Citizens, Inc.
West Union, West Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Doddridge County Senior Citizens, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2023, and the related consolidated statement of activities, statement of functional expenses, statement of operating expenses and consolidated statement of cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Doddridge County Senior Citizens, Inc. as of September 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Doddridge County Senior Citizens, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Doddridge County Senior Citizens, Inc.'s ability to continue as a going concern for a reasonable period of time.

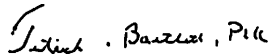
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of federal funds, schedule of state grant receipts and expenditures, notes to schedule of federal funds and notes to schedule of state grant receipts and expenditures are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of federal funds, schedule of state grant receipts and expenditures, notes to schedule of federal funds and notes to schedule of state grant receipts and expenditures are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2024, on our consideration of Doddridge County Senior Citizens, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Doddridge County Senior Citizens, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Doddridge County Senior Citizens, Inc.'s internal control over financial reporting and compliance.

 T. J. Bazzani, PE

Clarksburg, West Virginia
August 27, 2024

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2023**

ASSETS

CURRENT ASSETS

Cash	\$ 1,884,311
Certificates of Deposit	1,518,555
Grants and Contracts Receivable	129,693
Other Accounts Receivable, Net of Allowance (Note 1)	10,739
Interest Receivable	5,358
Inventory	13,959
Prepaid Expenses and Deposits	47,329
Note Receivable (Note 12)	20,203
TOTAL CURRENT ASSETS	<u>3,630,147</u>

RESTRICTED ASSETS

Endowed Certificate of Deposit	<u>10,000</u>
TOTAL RESTRICTED ASSETS	<u>10,000</u>

NON CURRENT ASSETS

Investment in Stock	<u>45,000</u>
TOTAL LONG-TERM ASSETS	<u>45,000</u>

PROPERTY AND EQUIPMENT

Net of Accumulated Depreciation (Note 2)	<u>3,099,655</u>
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TOTAL ASSETS	<u><u>\$ 6,784,802</u></u>
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See accompanying notes and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
SEPTEMBER 30, 2023**

LIABILITIES AND NET ASSETS AND EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 29,913
Unclaimed Property	4,417
Taxes & Withholdings Payable	3,887
Accrued Payroll	3,881
Compensated Absences	34,535
TOTAL CURRENT LIABILITIES	<u>76,633</u>

NET ASSETS AND EQUITY

DCSC, INC.

Net Assets without Donor Restrictions	4,450,614
Net Assets with Donor Restrictions	10,000
TOTAL NET ASSETS	<u>4,460,614</u>

Equity in Subsidiary	2,215,420
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MINORITY INTEREST

32,135

TOTAL NET ASSETS AND EQUITY

6,708,169

TOTAL LIABILITIES AND NET ASSETS AND EQUITY

\$ 6,784,802

See accompanying notes and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	NET ASSETS		EQUITY IN SUBSIDIARY		MINORITY INTEREST	TOTAL
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	DCSC LLC	THE FAIRVIEW OF WEST UNION		
SUPPORT						
Grants and Contracts						
Title IIIB	\$ -	\$ 32,617	\$ -	\$ -	\$ -	\$ 32,617
Title IIIC	-	203,813	-	-	-	203,813
Title IIIE	-	4,569	-	-	-	4,569
Medicaid	622,848	-	-	-	-	622,848
Lighthouse In-Home Service	102,043	-	-	-	-	102,043
Fair Grant	38,510	-	-	-	-	38,510
L.I.F.E.	206,812	-	-	-	-	206,812
TOTAL SUPPORT	<u>970,213</u>	<u>240,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,211,212</u>
REVENUES						
Gross Profit from Sales	-	-	-	340,513	-	340,513
Program Income	12,297	-	-	-	-	12,297
Investment Income	33,087	-	2,986	-	30	36,103
Other Income	94,635	-	-	-	-	94,635
Gain on Sale of Fixed Assets	207,921	-	-	-	-	207,921
Rental Income	10,451	-	-	-	-	10,451
TOTAL REVENUES	<u>358,391</u>	<u>-</u>	<u>2,986</u>	<u>340,513</u>	<u>30</u>	<u>701,920</u>
TOTAL SUPPORT AND REVENUE	\$ 1,328,604	\$ 240,999	\$ 2,986	\$ 340,513	\$ 30	\$ 1,913,132

See accompanying notes and independent auditor's report.

DODDRIDGE COUNTY SENIOR CITIZENS, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>NET ASSETS</u>		<u>EQUITY IN SUBSIDIARY</u>			
	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>DCSC LLC</u>	<u>THE FAIRVIEW OF WEST UNION</u>	<u>MINORITY INTEREST</u>	<u>TOTAL</u>
FUNCTIONAL EXPENSES						
Program Services						
Other Programs	\$ 815,676	\$ -	\$ -	\$ -	\$ -	\$ 815,676
LIFE	206,812	-	-	-	-	206,812
Title III-B	32,617	-	-	-	-	32,617
Title III-C	203,813	-	-	-	-	203,813
Title III-E	4,569	-	-	-	-	4,569
Management & General	181,210	-	-	-	-	181,210
TOTAL FUNCTIONAL EXPENSES	<u>1,444,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,444,697</u>
OPERATING EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>401,394</u>	<u>-</u>	<u>401,394</u>
TOTAL EXPENSES	1,444,697	-	-	401,394	-	1,846,091
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>240,999</u>	<u>(240,999)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS AND EQUITY	124,906	-	2,986	(60,881)	30	67,041
NET ASSETS AND EQUITY - BEGINNING OF PERIOD	<u>4,325,708</u>	<u>10,000</u>	<u>3,173,351</u>	<u>(900,036)</u>	<u>32,105</u>	<u>6,641,128</u>
NET ASSETS AND EQUITY - END OF PERIOD	<u>\$ 4,450,614</u>	<u>\$ 10,000</u>	<u>\$ 3,176,337</u>	<u>\$ (960,917)</u>	<u>\$ 32,135</u>	<u>\$ 6,708,169</u>

See accompanying notes and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Program Services</u>					<u>Management and General</u>	<u>Totals (Memorandum Only)</u>
	<u>Other Programs</u>	<u>LIFE</u>	<u>Title III-B</u>	<u>Title III-C</u>	<u>Title III-E</u>		
Wages & Taxes	\$ 459,840	\$ 206,812	\$ 32,617	\$ 203,813	\$ 4,569	\$ 116,156	\$ 1,023,807
Fringe Benefits	51,790	-	-	-	-	9,140	60,930
Office	-	-	-	-	-	1,052	1,052
Repairs & Maintenance	39,264	-	-	-	-	9,816	49,080
Phone & Utilities	17,424	-	-	-	-	2,805	20,229
Other	8,656	-	-	-	-	974	9,630
Depreciation	32,015	-	-	-	-	-	32,015
Client Support	171,067	-	-	-	-	-	171,067
Transportation	19,275	-	-	-	-	-	19,275
Professional Services	-	-	-	-	-	30,676	30,676
Insurance	10,591	-	-	-	-	10,591	21,182
Taxes & Licenses	5,754	-	-	-	-	-	5,754
	<u>\$ 815,676</u>	<u>\$ 206,812</u>	<u>\$ 32,617</u>	<u>\$ 203,813</u>	<u>\$ 4,569</u>	<u>\$ 181,210</u>	<u>\$ 1,444,697</u>

See accompanying notes and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	EQUITY IN SUBSIDIARY			
	DCSC LLC	THE FAIRVIEW OF WEST UNION	MINORITY INTEREST	TOTAL
Personnel	\$ -	\$ 198,566	\$ -	\$ 198,566
Payroll Taxes	-	25,411	-	25,411
Depreciation	-	58,030	-	58,030
Office	-	240	-	240
Communication and Utilities	-	45,621	-	45,621
Maintenance	-	6,524	-	6,524
Bank Charges	-	16,817	-	16,817
Accounting and Legal	-	16,707	-	16,707
Insurance	-	23,343	-	23,343
Taxes and Licenses	-	7,712	-	7,712
Other	-	2,423	-	2,423
	<u>\$ -</u>	<u>\$ 401,394</u>	<u>\$ -</u>	<u>\$ 401,394</u>

See accompanying notes and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets and Equity	\$ 67,041
Adjustments to Reconcile Change in Net Assets to Net Cash (Used by) Operating Activities	
Depreciation	90,045
Gain on Sale of Fixed Assets	(207,921)
(Increase) Decrease In:	
Grants and Contracts Receivable	35,663
Other Accounts Receivable	(1,297)
Tax Overpayment	1,489
Interest Receivable	(5,358)
Prepaid Expenses and Deposits	(28,330)
Inventory	(716)
Increase (Decrease) In:	
Accounts Payable	(3,780)
Taxes & Withholdings Payable	(3,243)
Accrued Payroll	(575)
Compensated Absences	(5,032)
NET CASH (USED BY) OPERATING ACTIVITIES	<u>(62,014)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Installment Sale	159,345
Proceeds from Sales of Fixed Assets	304,898
Costs Associated with Disposal of Fixed Assets	(53,309)
Decrease in Certificates of Deposit	(859,940)
Acquisition of Property and Equipment	(256,749)
NET CASH (USED BY) INVESTING ACTIVITIES	<u>(705,755)</u>

NET (DECREASE) IN CASH (767,769)

CASH - BEGINNING OF PERIOD 2,652,080

CASH - END OF PERIOD \$ 1,884,311

See accompanying notes and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

Description of Entity

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

Consolidation of Related Entity

U.S. generally accepted accounting principles states that a not-for-profit organization should consolidate a for-profit entity if the reporting not-for-profit organization has a controlling financial interest in the for-profit entity through the direct or indirect ownership of a majority voting interest.

Doddridge County Senior Citizens, Inc. has a 99% interest in DCSC Company, L. L. C. and Childers Manor, Inc., a related party, has the other 1% interest. DCSC Company, L. L. C. owns and operates a for-profit gas station, mini-mart, and restaurant in Doddridge County and provides Doddridge County Senior Citizens, Inc. with an additional source of operating revenue. The DCSC Company, L.L.C. sold the gas station during the 2013 fiscal year.

Doddridge County Senior Citizens, Inc. has a 100% interest in the Fairview of West Union, L.L.C. The Fairview of West Union, L.L.C. owns and operates a for-profit restaurant in Doddridge County and provides Doddridge County Senior Citizens, Inc. with an additional source of operating revenue.

Under U.S. generally accepted accounting principles, all material related party transactions have been eliminated in the consolidating process and substantive disclosure of these amounts is not required.

Financial Statement Presentation

The financial statements are prepared in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, Not-for-Profit Entities, Presentation of Financial Statements. During 2019, the Organization adopted the provisions for Accounting Standards Updated ("ASU") 2016-14, Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities, which improves the current net asset classification and the related information presented in the financial statements and notes about the Organization's liquidity, financial performance, and cash flows.

The financial statements of the Organization have been prepared in accordance with generally accepted accounting principles.

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restriction.

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

Net Assets Without Donor Restriction 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 Organization, 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 and others that are entered into in the course of its operations.

Net Assets With Donor Restriction 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. The Organization had \$10,000 in net assets with donor restrictions as of September 30, 2023.

Grants and contributions received with no restrictions or specified uses identified by the donor or grantor are reported as contributions without donor restrictions in the statement of activities when received.

Contributions received with donor or grantor stipulations that limit the use of donated assets are reported as contributions with donor restrictions in the statement of activities when received. When donor or grantor restrictions expire or are fulfilled by actions of the Organization, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor or grantor are reported as net assets without donor restrictions if the restrictions expire in the same reporting period which the revenue is recognized.

Revenue Recognition – Revenue from Exchange Transactions

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

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

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

Fundraising Income – The Organization receives revenue from various fundraising activities. This revenue is recognized by the Organization when received.

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

Summary of Significant Accounting Policies

Basis of Accounting and Reporting

Doddridge County Senior Citizens, Inc. uses the cash basis of accounting throughout the program year but prepares its annual financial statements on the accrual basis.

Subsequent Events - Subsequent events have been evaluated through August 27, 2024, which is the date the financial statements were available to be issued.

Cash

Cash is on deposit with institutions which are insured by the F.D.I.C. During the fiscal year ended September 30, 2023, the Organization had various amounts in excess of F.D.I.C. coverage but were covered with pledged assets in the Organization's name except for cash on hand.

Pledged securities are as follows:

<u>Name</u>	<u>Pledged Par Value</u>	<u>CUSIP Number</u>
Univ of Akron OH-B	575,000	914023MZ6
Berkeley Co Pub Serv WV	720,000	084246JU2
Bowling Green-Ref OH	315,000	102835HX6
Timber Lane Util DT-A TX	375,000	887127XV5
Cypresswood Util Dist TX	350,000	232807GB7
Port Freeport TX Seni TX	620,000	73412PDP5
Arapahoe Cnty Co. WTR Wastewtr	500,000	03871CDF7

For the purpose of the consolidated statement of cash flows, the Organization considers both restricted and unrestricted cash as well as certificates of deposit with original maturity of three months or less to be cash and cash equivalents.

Cash and equivalents consist of the following:

Unrestricted Cash	\$	<u>1,884,311</u>
Total Cash	\$	<u>1,884,311</u>

Inventories

Inventories are stated at cost on a first-in-first-out basis.

Property, Plant and Equipment

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

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

Revenue Recognition

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

Grants and Contracts

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

Accrued Annual Leave

Accrued compensated absences are included in these financial statements at the employees' current hourly rate for September 30, 2023.

Functional Expenses

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

Donated Services

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Doddridge County Senior Citizens, Inc. is a not-for-profit organization and is exempt from income taxes under Section 501(C) (3) of the Internal Revenue Code of 1986. The Organization's Forms 990 US income tax returns for the years ending 2021, 2022 and 2023 are subject to examination by the IRS, generally for three years after they are filed.

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

The Organization accounts for uncertainty in income taxes in accordance with GAAP, which requires recognition in the financial statements of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Organization had no material unrecognized benefits and no adjustments to its financial position, activates or cash flows required.

The Organization does not expect that unrecognized tax benefits will increase within the next twelve months. The Organization's tax returns for the years ended September 30, 2020 through September 30, 2023 remain subject to examination by Federal and State tax jurisdictions. The organization recognized accrued interest and penalties, if any, related to uncertain tax positions as income tax expense.

Its subsidiaries, DCSC Company, L. L. C. had operating profits of \$3,016 and The Fairview of West Union, L.L.C had operating losses of \$60,881 for the year ended September 30, 2023. DCSC Company L.L.C. income flows through to DCSC, Inc. and Childers Manor 990-T, and The Fairview of West Union, L.L.C. income flows directly to DCSC, Inc. DCSC, Inc.'s tax liability for September 30, 2023 was \$0 (\$0 – federal and \$0 – state).

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Unrealized gains and losses are included in the change in net assets.

Estimated fair values of investments are based on quoted market prices. If quoted prices are not available, estimated fair values are based on quoted market prices of comparable investments.

September 30, 2023	Book Value	Market Value	Interest Rate	Maturity Date
Certificate of Deposit	\$ 226,648	\$ 226,648	4.00%	05/15/2024
Certificate of Deposit	30,906	30,906	4.00%	05/15/2024
Certificate of Deposit	224,937	224,937	4.50%	03/17/2024
Certificate of Deposit	30,673	30,673	4.50%	03/17/2024
Certificate of Deposit	500,000	500,000	5.01%	03/28/2024
Certificate of Deposit	250,000	250,000	4.35%	04/14/2024
Certificate of Deposit	10,000	10,000	4.57%	10/12/2024
Certificate of Deposit	255,391	255,391	4.00%	03/20/2024
Total	\$ 1,528,555	\$ 1,528,555		
Unrestricted Certificates of Deposit	\$ 1,518,555			
Restricted Certificates of Deposit	10,000			
Total	\$ 1,528,555			

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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

Risks and Uncertainties

The majority of the funding for the operation of Doddridge County Senior Citizens, Inc. comes as Medicaid funding from the West Virginia Department of Health and Human Resources. A loss of or decrease in this funding could adversely affect the operation of the Organization.

Trade Accounts Receivable

Trade accounts receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the results of operations of the year in which those differences are determined, with an offsetting entry to a valuation allowance for trade accounts receivable.

Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit trade accounts receivable. The allowance for doubtful accounts was \$18,504 for the year ended September 30, 2023. Bad debt expense for the year was \$0.

NOTE 2 PROPERTY AND EQUIPMENT

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

Property and equipment consisted of the following at September 30, 2023:

Land & Land Improvements	\$	1,419,184
Buildings and Additions		2,567,191
Furniture & Fixtures		212,102
Vehicles		21,930
Equipment		<u>663,851</u>
TOTAL PROPERTY AND EQUIPMENT		4,884,258
Less, Accumulated Depreciation		<u>(1,784,603)</u>
NET PROPERTY AND EQUIPMENT	\$	<u>3,099,655</u>

Property and equipment are depreciated over their useful lives:

			Depreciation Expense
Land Improvements	10 – 40 Years	\$	<u>24</u>
Buildings & Additions	10 – 40 Years		68,479
Furniture & Fixtures	5 – 7 Years		1,460
Vehicles	5 Years		4,386
Equipment	5 – 20 Years		<u>15,696</u>
	Total	\$	<u><u>90,045</u></u>

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 3 ENDOWMENT FUND

In 1981, the estate of Kenneth C. Longacre donated to the Doddridge County Senior Citizens, Inc. \$10,000 to be invested in money market certificates of an institution having F.D.I.C. coverage. The income therefrom shall be used for the upkeep and maintenance of the center and for no other purpose. Any deviation from these stipulations shall constitute a violation of the terms of the Kenneth C. Longacre last will and testament and the said funds shall revert to the estate for distribution. The funds are held by the Cornerstone Bank of West Union with the interest earnings from the certificate of deposit credited directly to a savings account. The funds consisted of the following at September 30, 2023:

Certificate	\$	<u>10,000</u>
	\$	<u>10,000</u>

NOTE 4 SALES AND COST OF GOODS SOLD

The gross profit from sales has been calculated as follows:

Sales	\$	721,110	
Less: Discounts		<u>(42,090)</u>	
Subtotal			\$ 679,020
Cost of Goods Sold:			
Beginning Inventory	\$	13,243	
Purchases		339,223	
Less: Ending Inventories		<u>(13,959)</u>	
Cost of Goods Sold			<u>338,507</u>
Gross Profit from Sales			\$ <u>340,513</u>

All shipping and handling costs are expensed as incurred as purchases.

NOTE 5 INVESTMENT IN STOCK

In May 1999, Doddridge County Senior Citizens, Inc. purchased 100 shares of stock in the West Union Bank for \$300 per share that was converted to Tri-County Bancorp, Inc. in accordance with FASB ASC 958-205, Not-for-Profit Entities, the securities have been adjusted to their fair market value as of September 30, 2023. The fair market value as of September 30, 2023 was \$45,000. Investment income consists of interest and dividends and unrealized gains.

NOTE 6 CONCENTRATION

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

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 7 ADVERTISING COSTS

The Center expenses advertising costs as they are incurred. Advertising costs totaled \$0 for the year ended September 30, 2023.

NOTE 8 DEPOSITS AND PREPAID EXPENSES

Deposits and prepaid expenses consist of the following at September 30, 2023:

Prepaid Title V	\$	750
Prepaid Workers' Compensation		103
Prepaid Insurance		7,917
Prepaid Income Tax		9,959
Freezer Deposit		<u>28,600</u>
Total	\$	<u>47,329</u>

NOTE 9 RETIREMENT SYSTEM

The Doddridge County Senior Citizens, Inc. is not a member of any retirement system.

NOTE 10 FAIR VALUE MEASUREMENTS

FASB Standards Codification 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Accounting Standards Codifications 820 are described as follows:

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

Level 2 - Inputs to the valuation methodology include

- i. Quoted prices for similar assets or liabilities in active markets;
- ii. Quoted prices for identical or similar assets or liabilities in inactive markets;
- iii. Inputs other than quoted prices that are observable for the asset or liability;
- iii. Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 10 FAIR VALUE MEASUREMENTS (CONTINUED)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023.

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

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

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

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's financial assets at fair value on a recurring basis as of September 30, 2023:

	Level 1	Level 2	Level 3	Total
Checking Accounts	\$ 1,874,225	\$ -	\$ -	\$ 1,874,225
Savings Accounts	9,686	-	-	9,686
Cash on Hand	400	-	-	400
Certificates of Deposit	1,528,555	-	-	1,528,555
Common Stock	-	45,000	-	45,000
Total Assets at Fair Value	\$ 3,412,866	\$ 45,000	\$ -	\$ 3,457,866

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 11 GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consist of the following:

Title IIIC	\$ 15,338
LIFE	17,251
FAIR	3,276
Lighthouse	9,706
Medicaid Waiver	53,415
Rent Receivable	1,205
Veteran's Receivable	2,681
Royalty Receivable	1,548
Community Care	<u>25,273</u>
Total grant and contracts	<u>\$ 129,693</u>

NOTE 12 SALE OF RELATED ENTITY

On July 1, 2013, the subsidiary, DCSC Company L.L.C. sold the Fairview Shell store for \$2,500,000. The subsidiary received \$500,000 at closing and the remaining \$2,000,000 will be repaid over 10 years at 4% annum, with monthly payments of \$20,249.03. The balance of the note receivable at September 30, 2023 was \$20,203. Principal payments to be received are as follows:

2023	\$ 20,203
Totals	<u>\$ 20,203</u>

NOTE 13 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

	<u>2023</u>
Cash	\$ 1,884,311
Certificate of Deposits	1,518,555
Grants and Contracts Receivable	129,693
Other Accounts Receivable	10,739
Notes Receivable (Current Portion)	<u>20,203</u>
Total financial assets available within one year	<u>\$ 3,563,501</u>

See independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 14 CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets consist of grants and contracts receivable, accounts receivable and notes receivable as follows:

Grants and Contracts Receivable:	
Beginning of Year	\$ 165,356
End of Year	129,693
Other Accounts Receivable:	
Beginning of Year	\$ 9,442
End of Year	10,739
Notes Receivable:	
Beginning of Year	\$ 179,548
Ending of Year	20,203

Contract liabilities consist of accounts payable as follows:

Accounts payable:	
Beginning of Year	\$ 33,693
End of Year	29,913

NOTE 15 SUBSEQUENT EVENTS – COVID 19

The spread of the novel coronavirus (COVID-19) has severely impacted many local economies around the world. In many countries, businesses and organizations are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and financial institutions have responded with monetary and fiscal interventions to try to stabilize economic conditions. The organization has determined that these events are non-adjusting subsequent events. Accordingly, the financial net position and changes in net position as of and for the year ended September 30, 2023 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and financial responses remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial net position and results of the organization for future periods.

NOTE 16 TAX OVERPAYMENT

During the September 30, 2022 fiscal year, the Fairview of West Union, LLC overpaid their federal payroll taxes. This overpayment was applied against taxes owed in the September 30, 2023 fiscal year.

See independent auditor's report.

SCHEDULE OF FEDERAL FUNDS

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
SCHEDULE OF FEDERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

<u>GRANTOR AGENCY</u>	<u>PROGRAM TITLE</u>	<u>FEDERAL ASSISTANCE LISTING NUMBER</u>	<u>GRANT NUMBER</u>	<u>FINANCIAL AWARDS RECOGNIZED</u>
<u>FEDERAL AWARDS</u>				
U.S. Department of Health and Human Services, Administration for Community Living				
Passed through the WV Bureau of Senior Services and Bel-O-Mar Regional Council:				
	Title III-B - Special Programs for the Aging	93.044	22335	\$ 19,551
	Title III-C - Special Programs for the Aging	93.045	22335	163,102
	Title III-E - National Family Caregiver Support	93.052	22335	<u>4,569</u>
U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services				
			TOTAL FEDERAL FUNDS	\$ <u>187,222</u>

See accompanying notes to schedule of federal funds and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO SCHEDULE OF FEDERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 BASIS OF PRESENTATION:

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

See independent auditor's report.

SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

<u>GRANTOR AGENCY</u>	<u>PROGRAM TITLE</u>	<u>FEDERAL ASSISTANCE LISTING NUMBER</u>	<u>GRANT NUMBER</u>	<u>FINANCIAL AWARDS RECOGNIZED</u>
<u>STATE AWARDS</u>				
WV Bureau of Senior Services through the Bel-O-Mar Regional Council:	Title III-B - State	N/A	22335	\$ 13,066
	Title III-C - State	N/A	22335	40,711
	LIFE	N/A	22302	154,577
			22402	52,235
	Lighthouse	N/A	IH2302	75,524
			IH2402	26,519
	Fair	N/A	IH2302	28,916
			IH2402	9,594
	TOTAL STATE FUNDS			

See accompanying notes to schedule of state grant receipts and expenditures and independent auditor's report.

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
NOTES TO SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 BASIS OF PRESENTATION:

The accompanying schedule of state grant receipts and expenditures includes the state grant receipts and expenditures activity of the Doddridge County Senior Citizens, Inc. for the year ended September 30, 2023. Because the Schedule of State Grant Receipts and Expenditures presents only a selected portion of the operations of the Doddridge County Senior Citizens, Inc., it is not intended to and does not present the financial position, changes in net position, or cash flows of the Doddridge County Senior Citizens, Inc.

NOTE 2 SUMMARY OF SIGNIFIGANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule of State Grant Receipts and Expenditures are reported on the accrual basis of accounting.

See independent auditor's report.



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

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

The Board of Directors
Doddridge County Senior Citizens, Inc.
West Union, 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 Doddridge County Senior Citizens, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2023, and the related consolidated statement of activities, statement of functional expenses, statement of operating expenses and consolidated statement of cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Doddridge County Senior Citizens, Inc.'s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Doddridge County Senior Citizens, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Doddridge 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item #2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters


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

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

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

Purpose of this Report

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



Clarksburg, West Virginia
August 27, 2024

**DODDRIDGE COUNTY SENIOR CITIZENS, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

#2023-001 Segregation of Duties

Criteria: Analysis of the internal control system indicated a lack of segregation of duties.

Condition: Responsibilities of approval, execution, recording and custody associated with all financial transactions should be distributed among the accounting staff to the highest degree possible.

Cause: The Organization has a limited number of employees who are responsible for the approval, execution, recording and custody associated with all financial transactions. This limits the degree to which these responsibilities can be segregated.

Effect: Because of the failure to segregate duties, internal control structure elements do not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by management in the normal course of performing assigned functions.

Recommendation: Responsibilities of approval, execution, recording and custody should be distributed among the office staff to the best degree possible. We recommend that management and the Board of Directors provide oversight and independent review functions and to continue exercising due diligence and professional skepticism in relation to the Organization's financial operations.

View of Responsible Officials and Planned Corrective Action: To the extent possible, the Organization has segregated the responsibilities of approval, execution, recording and custody associated with all financial transactions. Any further segregation of duties would not be economically feasible.

Status: This condition was reported in the prior year's audit as finding #2022-001.