

**COUNCIL ON AGING, INC.
AND SUBSIDIARY**

Independent Auditors' Report
and
Consolidated Financial Statements

For the Years Ended September 30, 2016 and 2015

COUNCIL ON AGING, INC. AND SUBSIDIARY

INDEPENDENT AUDITORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended September 30, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Council on Aging, Inc. and Subsidiary
Itmann, West Virginia

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Council on Aging, Inc. (a nonprofit organization) and Subsidiary, which comprise the statement of financial position as of September 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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.

Auditors' Responsibility

Our responsibility is to express opinions on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Auditors' Responsibility (Continued)

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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Auditors' Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Council on Aging, Inc. and Subsidiary, as of September 30, 2016 and 2015, 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 opinions on the consolidated financial statements as a whole. The accompanying schedule of program expenses is presented for purposes of additional analysis as required by the West Virginia Bureau of Senior Citizens and is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. The schedule of functional expenses, consolidating statement of financial position, and consolidating statement of activities and changes in net assets are also presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relate 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 consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 March 28, 2016, on our consideration of Council on Aging, 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 Council on Aging, Inc.'s internal control over financial reporting and compliance.

Gray, Griffith & Mays, a.c.

Charleston, West Virginia
February 24, 2017

COUNCIL ON AGING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

September 30, 2016 and 2015

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents	\$ 649,440	\$ 728,989
Receivables:		
Medicaid	306,348	308,693
Grants	46,040	95,699
Senior service fees	2,001	1,591
Prepaid expenses	<u>16,642</u>	<u>23,392</u>
Total current assets	<u>1,020,471</u>	<u>1,158,364</u>
Assets whose use is limited - debt service fund	<u>9,889</u>	<u>2,911</u>
Capital assets	2,364,939	2,301,441
Less accumulated depreciation	<u>(127,728)</u>	<u>(56,195)</u>
	<u>2,237,211</u>	<u>2,245,246</u>
Total assets	<u>\$ 3,267,571</u>	<u>\$ 3,406,521</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 8,842	\$ 18,313
Accrued salaries and wages	194,990	175,498
Accrued compensated absences	88,149	80,089
Retirement plan contributions	9,255	9,585
Accrued payroll liabilities	33,336	32,766
Accrued Interest payable	3,851	6,186
Deferred Revenue	-	302
Current portion of long-term debt	<u>20,651</u>	<u>19,131</u>
Total current liabilities	359,074	341,870
Long-term debt, less current portion	<u>1,649,687</u>	<u>1,647,368</u>
Total liabilities	<u>2,008,761</u>	<u>1,989,238</u>
Net Assets:		
Investment in capital assets	566,873	578,747
Unrestricted net assets	<u>691,937</u>	<u>838,536</u>
Total net assets	<u>1,258,810</u>	<u>1,417,283</u>
Total liabilities and net assets	<u>\$ 3,267,571</u>	<u>\$ 3,406,521</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the Years Ended September 30, 2016 and 2015

	2016	2015
REVENUES AND OTHER SUPPORT:		
Medicaid	\$ 3,518,262	\$ 3,748,708
Federal grants	170,408	140,378
State grants	531,785	660,154
Project income	23,283	21,054
Bus fare revenue	2,132	2,940
Case management	159,677	159,813
Non-medicaid	56,775	39,440
Inter-Project Match Revenue	4,478	28,491
Other revenue	43,879	57,092
Total revenues and other support	<u>4,510,679</u>	<u>4,858,070</u>
OPERATING EXPENSES:		
Personal care	1,713,836	1,813,494
Title 19 (Homemaker)	2,088,796	2,150,570
TBI	7,168	12,259
Section 5310	43,279	51,889
Title III-B	89,820	86,912
Title III-C-1	2,666	31,420
Title III-C-2	42,799	228,148
Title III-D	213,911	2,444
Title III-E	23,040	17,967
Insurance Benefits Counseling	70,026	6,013
LIFE	14,487	123,481
Lighthouse	143,220	137,030
Fair	35,347	42,761
Fundraising	13,494	-
All Care Home and Community Services, Inc.	167,392	194,477
Total operating expenses	<u>4,669,281</u>	<u>4,898,865</u>
Operating loss	(158,602)	(40,795)
NONOPERATING INCOME (EXPENSES):		
Interest income	129	142
Change in net assets before effects of discontinued operations	(158,473)	(40,653)
Discontinued operations- income (loss) from Marketplace Assistance programs	-	(5,316)
Change in net assets	(158,473)	(45,969)
Net assets at beginning of year	<u>1,417,283</u>	<u>1,463,252</u>
Net assets at end of year	<u>1,258,810</u>	<u>1,417,283</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Years Ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ (158,473)	\$ (45,969)
Depreciation and amortization	71,533	56,195
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Decrease in Medicaid accounts receivable	2,345	69,560
Decrease (Increase) in grants receivable	49,659	(36,321)
(Increase) in senior service fees receivable	(410)	(1,591)
Decrease in prepaid expenses	6,750	23,040
(Decrease) Increase in accounts payable	(9,471)	1,158
Increase in accrued salaries and wages	19,492	5,758
Increase in accrued compensated absences	8,060	14,718
(Decrease) Increase in retirement plan contributions	(330)	272
Increase (Decrease) in accrued payroll liabilities	570	(31,794)
(Decrease) Increase in accrued interest payable	(2,335)	2,562
(Decrease) Increase in deferred revenue	(302)	302
Net cash (used for) provided by operating activities	<u>(12,912)</u>	<u>57,890</u>
Cash flows from investing activities:		
Increase in assets whose use is limited	(6,978)	(2,911)
Increase in capital assets	<u>(63,498)</u>	<u>(1,102,403)</u>
Net cash used for investing activities	<u>(70,476)</u>	<u>(1,105,314)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	1,520	10,453
Increase in long-term borrowings	<u>2,319</u>	<u>932,597</u>
Net cash provided by financing activities	<u>3,839</u>	<u>943,050</u>
Net decrease in cash and cash equivalents	(79,549)	(104,374)
Cash and cash equivalents, beginning	<u>728,989</u>	<u>833,363</u>
Cash and cash equivalents, ending	<u>\$ 649,440</u>	<u>\$ 728,989</u>
Supplemental disclosure of cash flow information:		
Cash used for interest payments	<u>\$ 52,595</u>	<u>\$ 48,318</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended September 30, 2016 and 2015

1 – ORGANIZATION AND NATURE OF OPERATIONS

The Council on Aging, Inc. (The "Council") is a 501(c)3 non-profit organization incorporated in West Virginia whose mission is to serve the senior citizens in their area and improving the quality of life for their clients.

The Council operates Medicaid Reimbursement In-Home Care Programs and Federal and State Grants primarily with the U.S. Department of Health and Human Services and State of West Virginia Bureau of Senior Services federal and state grants passed through to the Council from the Appalachian Area Agency on Aging (the "Agency").

The overall objective of the Title III grant program is to develop a system of coordinated and comprehensive services for older persons - services which will secure and maintain maximum independence and dignity in a home environment for older persons capable of self-care and also remove individual and social barriers to economic and personal independence for older persons.

The objective of the Title IIIB grant program is to provide the elderly with social, outreach, transportation, information and referral services.

Title IIIC is a nutrition program designed to provide older persons with low cost nutritious meals served primarily in a congregate setting. The Title IIIC program also furnishes home delivered meals to the homebound.

Title IIID, the Disease Prevention and Health Promotion Services Section of the Older Americans Act, encompasses twelve (12) broad categories of disease prevention and health promotion services.

Title IIIE, also known as respite, provides information and assistance, and in-home relief to caregivers.

The Division of Public Transit of the West Virginia Department of Transportation provides funding from the State of West Virginia for the Council to provide rural public transportation with a Section 5310 grant.

The Council also receives state funds through WV BOSS in connection with a Health Benefit Information, Counseling and Assistant Grant (SHIP), the purpose of which is to help older individuals understand their rights under the Social Security Act, Medicaid Programs, supplemental social security programs and general insurance policies. This information is provided to seniors by a counselor who has general knowledge of these areas.

The Medicaid Reimbursement In-Home Care Program is a fee for service federal/state funded program to allow eligible individuals the assistance necessary to allow them to remain in their homes with minimal outside supervision. These services include housekeeping, personal care, or other related matters.

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

The Lighthouse program is a state funded program to provide in-home assistance for seniors who do not qualify for other programs.

The FAIR program is a state funded program to provide relief to care givers who care for individuals with Dementia.

All Care Home and Community Services, Inc. provides case management services for in-home care clients in Wyoming County and other parts of West Virginia.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include the accounts of Council on Aging, Inc. and All Care Home and Community Services, Inc., collectively referred to as the Organization. All significant intercompany accounts and transactions were eliminated in consolidation.

Basis of Accounting

The Organization prepares and maintains their consolidated financial statements and accounts on the accrual basis of accounting, where by revenues are recognized when earned rather than when received and expenses are recognized when incurred rather than when paid.

Net Asset Classification

Unrestricted net assets are those whose use by the Organization is not subject to donor imposed stipulations. Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose. Permanently restricted net assets are those restricted by donors to be maintained by the Organization in perpetuity. At September 30, 2016 and 2015, the Organization had no temporarily or permanently restricted net assets.

Cash and Cash Equivalents

Cash on hand and deposits with banking institutions are considered cash while short-term investments with an original maturity of not more than three months are considered cash equivalents. The Organization maintains accounts at local banks at which the Federal Deposit Insurance Corporation ("FDIC") insures a maximum of \$250,000 per depositor. Balances on deposit sometimes exceed the federally insured limits, however the financial institution has collateralized the remaining balance with securities held by their trust department in the Organization's name. Management believes the credit risk related to these deposits is minimal.

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

Recognition of 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 which the support is received. 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, temporarily restricted net assets are classified as unrestricted net assets.

Compensated Absences

Compensated absences consist of unpaid, accumulated accrued paid time off. The Organization owed \$88,149 and \$80,089 at September 30, 2016 and 2015, respectively.

Allowance for Doubtful Accounts

Management reviews the Medicaid and grants receivable for uncollectible accounts or amounts billed to Medicaid for reimbursement but not collected due to rejected claims. Therefore, management believes that the receivables presented on the balance sheet are fully collectible, therefore, no allowance for doubtful accounts have been recorded as of September 30, 2016 and 2015.

Property and Equipment

Property and equipment purchased by the Organization are recorded at cost. Property and equipment costing under \$25,000 are expensed at the time of purchase rather than being capitalized and depreciated by the straight line method over its estimated economic life. Expenditures for repairs and maintenance are charged to expense as incurred.

Revenue Recognition

Amounts received from funding agencies under cost-reimbursable grants are recognized as support only to the extent that related expenses have been incurred.

Income Tax Exemption

Under provisions of the Internal Revenue Code, Section 501(c)(3) and the applicable income tax regulations of the State of West Virginia, the Organization is exempt from taxes on income other than unrelated business income. Since the Organization had no net unrelated business income during the year ended September 30, 2016, no provision for income taxes has been made. The Organization's federal income tax returns for 2015, 2014, 2013, and 2012 remain subject to examination by the Internal Revenue Service (IRS).

Donated Goods

Donated noncash assets, such as food items and medical supplies, are recorded at their fair value in the period received and used as other revenue with a corresponding expense.

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

Estimates

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

Advertising Costs

The Organization expenses advertising costs as incurred. These costs amounted to \$16,629 and \$20,942 for the years ended September 30, 2016 and 2015, respectively.

Reclassifications

Certain amounts reported at September 30, 2015 have been reclassified to conform to the current year presentation. The reclassifications have no effect on the change in net assets previously reported for the year ended September 30, 2015.

New Accounting Pronouncements

On February 25, 2016 the Financial Accounting Standards Board (FASB) issued Leases (Topic: 842): Leases (ASU 2016-02). The objective of ASU 2016-02 is to increase the transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The core principle of ASU 2016-02 is the recognition of an asset and liability for leases with a term in excess of 12 months. The effective date for these pronouncements is for fiscal years beginning after December 15, 2020. Early adoption of this pronouncement is permitted management will implement this pronouncement for the year ended September 30, 2017.

On August 18, 2016 FASB issued Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14). The objective of ASU 2016-14 is to improve the current net assets classification requirements and information presented in the financial statements and notes about a not-for-profit entities liquidity, financial performance, and cash flows. The effective date for this pronouncement is for fiscal years beginning after December 15, 2017. Early adoption of this pronouncement is permitted. Management is currently evaluating the impact that this pronouncement will have on the Organization's financial statements and has elected not to early implement this pronouncement at this time.

3 – DEPOSITS AND INVESTMENTS

The Organization's deposits are categorized to give an indication of the level of risk assumed by the Organization at September 30, 2016 and 2015. The categories are described as follows:

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

Category 1 – Insured or collateralized with securities held by the Organization or its agent in the Organization's name.

Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the Organization's name.

Category 3 – Uncollateralized.

2016					
	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Cash	<u>\$ 728,968</u>	<u>\$ 282,951</u>	<u>\$ 446,017</u>	<u>\$ -</u>	<u>\$ 659,329</u>
2015					
	Bank Balance	Category 1	Category 2	Category 3	Carrying Amount
Cash	<u>\$ 758,168</u>	<u>\$ 276,762</u>	<u>\$ 481,406</u>	<u>\$ -</u>	<u>\$ 731,900</u>

4 – RECEIVABLES

Receivables for the years ended September 30, 2016 and 2015, were as follows:

	2016
Receivables consist of the following:	
Medicaid Personal Care, Waiver, and Case Management	<u>\$ 306,348</u>
Title IIIB	\$ 1,519
Title IIIC	3,247
Lighthouse	16,032
FAIR	3,647
Title IIID	124
Life	12,257
Title IIIE	1,609
SHIP	2,977
Insurance Benefits	<u>4,628</u>
Total grant receivable	<u>\$ 46,040</u>

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

	<u>2015</u>
Receivables consist of the following:	
Medicaid Personal Care, Waiver, and Case Management	<u>\$ 308,693</u>
Title IIIB	\$ 6,227
Title IIIC	2,201
Lighthouse	14,704
FAIR	3,836
Title IIID	1,168
Life	64,373
Title IIIE	1,268
SHIP	1,922
Insurance Benefits	<u>-</u>
Total grant receivable	<u>\$ 95,699</u>

5 – CAPITAL ASSETS

Capital assets for the years ended September 30, 2016 and 2015, were as follows:

	<u>2016</u>	<u>2015</u>
Land and land rights	\$ 104,000	\$ 104,000
Building	2,116,381	2,052,883
Equipment	87,983	87,983
Capital improvements	<u>56,575</u>	<u>56,575</u>
	2,364,939	2,301,441
Less accumulated depreciation	<u>(127,728)</u>	<u>(56,195)</u>
	<u>\$2,237,211</u>	<u>\$2,245,246</u>

6 – DEBT OBLIGATIONS

On July 22, 2013, the Council obtained a \$1,500,000 loan payable to the U.S. Department of Agriculture Rural Development to be used for the renovation of the new Senior Center. The principal and interest shall be paid monthly for a period of 40 years at an interest rate of 3.5%. Each month an additional \$581 shall be paid to a reserve account until the amount of \$70,560 is accumulated. The reserve is to be used if funds are not available for debt service. Total obligation as of September 30, 2016 is \$1,473,486 in principle and \$3,391 in accrued interest.

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

On November 20, 2014, the Council obtained a second \$200,000 loan payable to the U.S. Department of Agriculture Rural Development for the completion of the renovation of the new Senior Center. The principal and interest shall be paid monthly for a period of 40 years at an interest rate of 4%. Total obligation as of September 30, 2016 is \$196,852 in principle and \$460 in accrued interest.

A summary of the annual maturities for the five subsequent year-end follows:

Year Ending <u>September 30,</u>	
2017	\$ 20,651
2018	22,397
2019	23,206
2020	23,905
Thereafter	<u>1,580,179</u>
	<u>\$ 1,670,338</u>

7 – LEASE AND RENTAL AGREEMENTS

The Council leases a facility in Welch, West Virginia for \$500 per month under a cancelable operating term of one year ending December 31, 2016, a third facility in Charleston, West Virginia for \$1,487 per month under a non-cancelable operating term of five years ending July 31, 2020, a fourth facility in Princeton, West Virginia for \$1,050 per month under a non-cancelable operating term of one year ending July 31, 2017 and a fifth facility in Oceana, West Virginia for \$400 per month non-cancelable operating term of one year ending October 31, 2016. This agreement was terminated on October 31, 2016.

Future minimum rental payments are as follows:

Year Ending <u>September 30,</u>	
2017	\$ 30,250
2018	\$ 17,850
2019	\$ 17,850
2020	\$ 14,875
Thereafter	<u>\$ -</u>
	<u>\$ 80,825</u>

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

8 – RISK CONCENTRATIONS

Substantially all of the Council on Aging, Inc.'s support and revenues are derived from its Medicaid services and from federal and state grants, the loss of which would have a materially adverse effect on the Council on Aging, Inc. During the year ended September 30, 2016, Medicaid revenues, federal and state grants, and other income accounted for approximately seventy-eight percent (78%), sixteen percent (16%) and three percent (6%), respectively, of total support and revenue.

9 – EMPLOYEE BENEFIT PLAN

Effective September 5, 2008, the Council established a 401(k) retirement and savings plan for its employees. The Council makes matching contributions of up to 100% of the first 2% of eligible contributions. The Board of Directors declined to grant profit sharing for years ended September 30, 2016 and 2015. Total contributions by the Council to the plan for year ended September 30, 2016 and 2015, amounted to \$35,497 and \$35,850, respectively.

10 – DISCLOSURE OF INTER-PROGRAM TRANSFERS

In order to match appropriate program revenues with program expenses, inter-program entries were recorded to accurately reflect operating results of the programs. For years ending September 30, 2016 and 2015, the Life program received \$1,842 and \$66,712 in revenues for expenses associated with other programs. Personal Care matched \$1,217 and Homemaker matched \$1,419 for expenses of other programs. The inter-program entries to record these matching revenues/expenses per program were as follows:

Program	2016	2015
Medical Transportation	\$ 4,478	\$ 9,171
Title III-C-1	-	8,211
Title III-C-2	-	11,109
	\$ 4,478	\$ 28,491

11 – CONTINGENCIES

Certain of the Council's programs are primarily funded through federal and state grants. Federal and state grants received for specific purposes are subject to audit and review by grantor agencies. Such audits could result in requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grants. The amount, if any, of expenditures, which may ultimately be disallowed by grantor agencies, cannot be determined at this time, although Council management believes such amounts, if any, to be immaterial.

COUNCIL ON AGING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Years Ended September 30, 2016 and 2015

On January 1, 2015, the Council revised its employee health insurance policy to allow all full-time employees to receive coverage by paying seventy percent (70%) of premiums. The health plan offers minimum essential coverage however may not be considered affordable for each employee under the Affordable Care Act. Under which case, each full-time employee purchasing health insurance coverage through the State exchange which results in a premium tax credit or cost-sharing reduction will result in a \$3,000 annual employer penalty. The number of full-time employees seeking coverage through the exchange or penalty amounts cannot reasonably be estimated at this time.

12 – SUBSEQUENT EVENTS

Management has considered all other subsequent events through February 24, 2017, the date the financial statements were made available.



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

To The Board of Directors
Council on Aging, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Council on Aging, Inc., (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016 and 2015, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated February 24, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council on Aging, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council on Aging, 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.

Internal Control Over Financial Reporting (Continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Gray, Griffith & Mays, a.c.

Charleston, West Virginia
February 24, 2017

SUPPLEMENTARY INFORMATION

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED SCHEDULE OF FINANCIAL POSITION**

For the Year Ended September 30, 2016

<u>ASSETS</u>	2016			
	<u>Council on Aging, Inc.</u>	<u>All Care Home and Community Services, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Current assets:				
Cash and cash equivalents	\$ 616,489	\$ 32,951	\$ -	\$ 649,440
Receivables:				
Medicaid, net allowance for doubtful accounts	279,325	27,023	-	306,348
Grants	46,040	-	-	46,040
Senior service fees	2,001	-	-	2,001
Related party	25,299	-	(25,299)	-
Prepaid expenses	16,317	325	-	16,642
Total current assets	<u>985,471</u>	<u>60,299</u>	<u>(25,299)</u>	<u>1,020,471</u>
Assets whose use is limited				
Debt service fund	9,889	-	-	9,889
Capital assets	2,364,939	-	-	2,364,939
Less accumulated depreciation	(127,728)	-	-	(127,728)
	<u>2,237,211</u>	<u>-</u>	<u>-</u>	<u>2,237,211</u>
 Total assets	 <u>\$ 3,232,571</u>	 <u>\$ 60,299</u>	 <u>\$ (25,299)</u>	 <u>\$ 3,267,571</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED SCHEDULE OF FINANCIAL POSITION**

For the Year Ended September 30, 2016

<u>LIABILITIES AND NET ASSETS</u>	2016			
	<u>Council on Aging, Inc.</u>	<u>All Care Home and Community Services, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Liabilities:				
Accounts payable	\$ 8,842	\$ 25,299	\$ (25,299)	\$ 8,842
Accrued salaries and wages	188,370	6,620	-	194,990
Accrued compensated absences	78,657	9,492	-	88,149
Retirement plan contributions	8,900	355	-	9,255
Accrued payroll liabilities	32,143	1,193	-	33,336
Accrued Interest payable	3,851	-	-	3,851
Deferred Revenue	-	-	-	-
Current portion of long-term debt	20,651	-	-	20,651
Total current liabilities	<u>341,414</u>	<u>42,959</u>	<u>(25,299)</u>	<u>359,074</u>
Long-term debt, less current portion	<u>1,649,687</u>	<u>-</u>	<u>-</u>	<u>1,649,687</u>
Total liabilities	<u>1,991,101</u>	<u>42,959</u>	<u>(25,299)</u>	<u>2,008,761</u>
Unrestricted net assets	<u>1,241,470</u>	<u>17,340</u>	<u>-</u>	<u>1,258,810</u>
Total net assets	<u>1,241,470</u>	<u>17,340</u>	<u>-</u>	<u>1,258,810</u>
Total liabilities and net assets	<u>\$ 3,232,571</u>	<u>\$ 60,299</u>	<u>\$ (25,299)</u>	<u>\$ 3,267,571</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED SCHEDULE OF FINANCIAL POSITION**

For the Year Ended September 30, 2015

ASSETS	2015			
	<u>Council on Aging, Inc.</u>	<u>All Care Home and Community Services, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Current assets:				
Cash and cash equivalents	\$ 702,343	\$ 26,646	\$ -	\$ 728,989
Receivables:				
Medicaid, net allowance for doubtful accounts	294,686	14,007	-	308,693
Grants	95,699	-	-	95,699
Senior service fees	1,591	-	-	1,591
Prepaid expenses	<u>22,585</u>	<u>807</u>	<u>-</u>	<u>23,392</u>
Total current assets	<u>1,116,904</u>	<u>41,460</u>	<u>-</u>	<u>1,158,364</u>
Assets whose use is limited				
Debt service fund	<u>2,911</u>	<u>-</u>	<u>-</u>	<u>2,911</u>
Capital assets	2,301,441	-	-	2,301,441
Less accumulated depreciation	<u>(56,195)</u>	<u>-</u>	<u>-</u>	<u>(56,195)</u>
	<u>2,245,246</u>	<u>-</u>	<u>-</u>	<u>2,245,246</u>
Total assets	<u>\$ 3,365,061</u>	<u>\$ 41,460</u>	<u>\$ -</u>	<u>\$ 3,406,521</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED SCHEDULE OF FINANCIAL POSITION**

For the Year Ended September 30, 2015

LIABILITIES AND NET ASSETS	2015			
	Council on Aging, Inc.	All Care Home and Community Services, Inc.	Eliminations	Total
Liabilities:				
Accounts payable	\$ 18,313	\$ -	\$ -	\$ 18,313
Accrued salaries and wages	168,845	6,653	-	175,498
Accrued compensated absences	71,941	8,148	-	80,089
Retirement plan contributions	9,227	358	-	9,585
Accrued payroll liabilities	31,515	1,251	-	32,766
Accrued Interest payable	6,186	-	-	6,186
Deferred revenue	302	-	-	302
Current portion of long-term debt	19,131	-	-	19,131
Total current liabilities	325,460	16,410	-	341,870
Long-term debt, less current portion	1,647,368	-	-	1,647,368
Total liabilities	1,972,828	16,410	-	1,989,238
Unrestricted net assets	1,392,233	25,050	-	1,417,283
Total net assets	1,392,233	25,050	-	1,417,283
Total liabilities and net assets	\$ 3,365,061	\$ 41,460	\$ -	\$ 3,406,521

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED SCHEDULE OF ACTIVITIES**

For the Year Ended September 30, 2016

	2016			
	Council on Aging, Inc.	All Care Home and Community Services, Inc.	Eliminations	Total
REVENUES AND OTHER SUPPORT:				
Medicaid	\$ 3,518,262	\$ -	\$ -	\$ 3,518,262
Federal grants	170,408	-	-	170,408
State grants	531,785	-	-	531,785
Project income	23,283	-	-	23,283
Bus fare and trip ticket revenue	2,132	-	-	2,132
Case management	-	159,677	-	159,677
Non-medicaid	56,775	-	-	56,775
Inter-Project Match Revenue	4,478	-	-	4,478
Gain on Forgiveness of Debt	-	-	-	-
Other revenue	43,879	-	-	43,879
Total revenues and other support	<u>4,351,002</u>	<u>159,677</u>	<u>-</u>	<u>4,510,679</u>
OPERATING EXPENSES:				
Personal care	1,713,836	-	-	1,713,836
Title 19 (Homemaker)	2,088,796	-	-	2,088,796
TBI	7,168	-	-	7,168
Section 5310	43,279	-	-	43,279
Title III-B	89,820	-	-	89,820
Title III-C-1	2,666	-	-	2,666
Title III-C-2	42,799	-	-	42,799
Title III-D	213,911	-	-	213,911
Title III-E	23,040	-	-	23,040
Insurance Benefits Counseling	70,026	-	-	70,026
LIFE	14,487	-	-	14,487
Lighthouse	143,220	-	-	143,220
Fair	35,347	-	-	35,347
Fundraising	13,494	-	-	13,494
All Care Home and Community Services, Inc.	-	167,392	-	167,392
Total operating expenses	<u>4,501,889</u>	<u>167,392</u>	<u>-</u>	<u>4,669,281</u>
Operating Income	(150,887)	(7,715)	-	(158,602)
NONOPERATING INCOME (EXPENSES):				
Interest income	124	5	-	129
Change in net assets	(150,763)	(7,710)	-	(158,473)
Net assets at beginning of year	<u>1,392,233</u>	<u>25,050</u>	<u>-</u>	<u>1,417,283</u>
Net assets at end of year	<u>\$ 1,241,470</u>	<u>\$ 17,340</u>	<u>\$ -</u>	<u>\$ 1,258,810</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY**CONSOLIDATED SCHEDULE OF ACTIVITIES**

For the Year Ended September 30, 2015

	2015			
	Council on Aging, Inc.	All Care Home and Community Services, Inc.	Eliminations	Total
REVENUES AND OTHER SUPPORT:				
Medicaid	\$3,748,708	\$ -	\$ -	\$ 3,748,708
Federal grants	140,378	-	-	140,378
State grants	660,154	-	-	660,154
Project income	21,054	-	-	21,054
Bus fare and trip ticket revenue	2,940	-	-	2,940
Case management	-	159,813	-	159,813
Non-medicaid	39,440	-	-	39,440
Inter-Project Match Revenue	28,491	-	-	28,491
Gain on Forgiveness of Debt	-	27,214	(27,214)	-
Other revenue	57,092	-	-	57,092
Total revenues and other support	<u>4,698,257</u>	<u>187,027</u>	<u>(27,214)</u>	<u>4,858,070</u>
OPERATING EXPENSES:				
Personal care	1,826,557	-	(13,063)	1,813,494
Title 19 (Homemaker)	2,164,721	-	(14,151)	2,150,570
TBI	12,259	-	-	12,259
Medical Transport (formerly Sect. 18)	51,889	-	-	51,889
Title III-B	86,912	-	-	86,912
Title III-C-1	31,420	-	-	31,420
Title III-C-2	228,148	-	-	228,148
Title III-D	2,444	-	-	2,444
Title III-E	17,967	-	-	17,967
Insurance Benefits Counseling	6,013	-	-	6,013
LIFE	123,481	-	-	123,481
Lighthouse	137,030	-	-	137,030
Fair	42,761	-	-	42,761
All Care Home and Community Services, Inc.	-	194,477	-	194,477
Total operating expenses	<u>4,731,602</u>	<u>194,477</u>	<u>(27,214)</u>	<u>4,898,865</u>
Operating Income	(33,345)	(7,450)	-	(40,795)
NONOPERATING INCOME (EXPENSES):				
Interest income	137	5	-	142
Change in net assets before effects of discontinued operations	(33,208)	(7,445)	-	(40,653)
Discontinued operations- income (loss) from Marketplace Assistance programs	(5,316)	-	-	(5,316)
Change in net assets	\$ (38,524)	\$ (7,445)	\$ -	\$ (45,969)
Net assets at beginning of year	<u>1,430,757</u>	<u>32,495</u>	<u>-</u>	<u>1,463,252</u>
Net assets at end of year	<u>\$1,392,233</u>	<u>\$ 25,050</u>	<u>\$ -</u>	<u>\$1,417,283</u>

See Notes to Consolidated Financial Statements.

COUNCIL ON AGING, INC. AND SUBSIDIARY

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2016

	2016								
	Personal Care	Title - 19 Homemaker	TBI	Section 5310	Title III-B	Title III-D	Title III-C-1	Title III-C-2	Benefit Counseling
Functional Expenses:									
Salaries and wages	\$1,249,953	\$ 1,524,773	\$ 5,120	\$26,755	\$39,931	\$ 793	\$14,122	\$ 75,150	\$ 17,000
Payroll taxes	110,926	135,364	471	2,259	3,456	70	1,235	6,642	1,361
Fringe benefits	62,055	74,956	155	3,061	3,336	35	968	4,104	1,557
Training and travel	4,836	5,709	11	3,982	7,759	1,183	126	6,032	1,536
Legal and accounting	6,031	7,329	-	-	-	-	-	-	-
Food expense	1,820	2,208	-	-	-	-	21,793	76,065	-
Utilities	13,000	15,737	-	396	408	-	10	429	143
Printing and supplies	17,653	21,264	11	-	-	244	777	4,722	254
Licenses and taxes	99	120	-	-	-	-	63	237	-
Membership dues	683	829	-	-	-	-	-	-	10
Contracted services	18,043	21,613	16	-	-	-	52	174	-
Insurance expense	-	-	-	2,600	14,000	5	-	4,248	-
Mileage expense	23,886	49,500	275	5	94	146	24	208	533
Advertising	7,337	9,101	-	15	143	-	-	-	-
Matching expense - general	1,218	1,419	-	-	-	-	-	-	-
Maintenance	6,656	8,070	-	1,683	3,121	-	-	6,040	-
Rent	15,597	18,903	-	-	-	-	-	-	-
Postage	83	95	-	-	-	-	-	-	-
Miscellaneous	3,908	4,138	5	91	265	-	-	51	-
Bad debt expense	7,299	8,411	-	-	-	-	-	-	-
Equipment	136	165	-	773	13,349	-	1,497	5,630	-
New building	-	-	-	-	-	-	-	-	-
Building capitalization	-	-	-	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-	1,145	13,906	-
Interest expense	-	-	-	-	-	-	-	-	-
Indirect costs	162,617	179,092	1,104	1,659	3,958	190	987	10,273	646
Total functional expenses	<u>\$1,713,836</u>	<u>\$ 2,088,796</u>	<u>\$ 7,168</u>	<u>\$43,279</u>	<u>\$89,820</u>	<u>\$2,666</u>	<u>\$42,799</u>	<u>\$213,911</u>	<u>\$ 23,040</u>

COUNCIL ON AGING, INC. AND SUBSIDIARY

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2016

	2016							Total
	Life	Title III-E	Lighthouse	FAIR	New Building	Fundraising	All Care Home and Community Services, Inc.	
Functional Expenses:								
Salaries and wages	\$ 36,795	\$11,660	\$ 113,000	\$28,563	\$ -	\$ -	\$ 124,509	\$3,268,124
Payroll taxes	3,257	996	10,259	2,580	-	-	10,437	289,313
Fringe benefits	2,629	317	3,345	849	-	-	5,440	162,807
Training and travel	-	22	197	71	-	-	170	31,634
Legal and accounting	-	-	-	-	-	-	-	13,360
Food expense	20	-	-	-	-	-	-	101,906
Utilities	-	-	-	-	-	-	-	30,123
Printing and supplies	8,969	20	191	69	-	342	110	54,626
Licenses and taxes	-	-	-	-	-	-	15	534
Membership dues	-	-	-	-	-	-	-	1,522
Contracted services	-	32	284	103	-	-	-	40,317
Insurance expense	-	-	-	-	-	455	2,736	24,044
Mileage expense	-	44	4,320	295	-	-	7,382	86,712
Advertising	33	-	-	-	-	-	-	16,629
Matching expense - general	1,842	-	-	-	-	-	-	4,479
Maintenance	-	-	-	-	-	-	-	25,570
Rent	-	-	-	-	-	-	-	34,500
Postage	-	1	7	2	-	-	20	208
Miscellaneous	-	8	77	27	-	12,697	60	21,327
Bad debt expense	-	-	247	-	-	-	352	16,309
Equipment	10,576	-	-	-	-	-	-	32,126
New building	-	-	-	-	63,499	-	-	63,499
Building capitalization	-	-	-	-	(63,499)	-	-	(63,499)
Depreciation expense	-	-	-	-	-	-	-	15,051
Interest expense	-	-	-	-	-	-	-	-
Indirect costs	5,905	1,387	11,293	2,788	-	-	16,161	398,060
Total functional expenses	\$ 70,026	\$14,487	\$ 143,220	\$35,347	\$ -	\$13,494.00	\$ 167,392	\$4,669,281

COUNCIL ON AGING, INC. AND SUBSIDIARY

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2015

2015

	Personal Care	Title - 19 Homemaker	TBI	Section 5310	Title III-B	Title III-D	Title III-C-1	Title III-C-2	Benefit Counseling
Functional Expenses:									
Salaries and wages	\$ 1,316,235	\$ 1,511,582	\$ 9,879	\$ 31,614	\$ 33,690	\$ 1,606	\$ 10,438	\$ 80,885	\$ 4,467
Payroll taxes	117,811	136,277	958	2,739	2,944	123	927	7,309	359
Fringe benefits	87,650	98,260	398	4,829	4,362	44	914	5,927	169
Training and travel	7,348	7,871	27	6,630	10,255	175	32	8,832	-
Legal and accounting	8,154	8,798	-	-	-	-	-	-	-
Food expense	2,201	2,372	-	-	-	-	16,182	92,056	-
Utilities	15,690	17,036	-	489	503	-	-	489	-
Printing and supplies	25,703	26,872	16	-	-	318	622	5,609	220
Licenses and taxes	-	-	-	-	-	-	36	208	-
Membership dues	732	790	-	-	-	-	-	-	-
Contracted services	20,172	21,765	2	-	-	-	-	-	-
Insurance expense	294	293	-	2,000	15,037	12	125	3,765	-
Mileage expense	23,561	86,022	346	-	57	-	113	647	-
Advertising	8,476	9,149	-	-	-	-	-	-	30
Matching expense - general	-	-	-	-	-	-	-	-	-
Maintenance	2,745	2,963	-	2,132	7,856	-	56	4,669	-
Rent	17,426	18,802	-	-	-	-	-	-	-
Postage	671	914	-	-	-	-	-	-	-
Miscellaneous	23,341	24,999	104	-	165	-	79	1,537	-
Bad debt expense	8,919	7,556	-	-	-	-	-	-	-
Equipment	4,118	4,443	-	773	8,420	-	6,784	38,968	332
New building	15,156	16,419	-	-	-	-	-	-	-
Building capitalization	(15,156)	(16,419)	-	-	-	-	(6,592)	(37,948)	-
Depreciation expense	-	-	-	-	-	-	811	6,850	-
Interest expense	-	-	-	-	-	-	-	-	-
Indirect costs	135,310	177,957	529	683	3,623	166	893	8,345	436
Total functional expenses	<u>\$ 1,826,557</u>	<u>\$ 2,164,721</u>	<u>\$ 12,259</u>	<u>\$ 51,889</u>	<u>\$ 86,912</u>	<u>\$ 2,444</u>	<u>\$ 31,420</u>	<u>\$ 228,148</u>	<u>\$ 6,013</u>

COUNCIL ON AGING, INC. AND SUBSIDIARY

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2015

	2015							
	Community Partnership	Life	Title III-E	Lighthouse	FAIR	New Building	All Care Home and Community Services, Inc.	Total
Functional Expenses:								
Salaries and wages	\$ -	\$ 47,072	\$ 14,525	\$ 108,552	\$ 34,180	\$ -	\$ 141,851	\$ 3,346,576
Payroll taxes	-	4,034	1,304	10,014	3,092	-	11,991	299,882
Fringe benefits	-	5,208	502	3,746	1,214	-	9,017	222,240
Training and travel	-	-	34	262	47	-	-	41,513
Legal and accounting	-	-	-	-	-	2,271	3,000	22,223
Food expense	-	130	-	-	-	-	-	112,941
Utilities	-	-	-	-	-	-	-	34,207
Printing and supplies	-	9,092	21	159	29	-	784	69,445
Licenses and taxes	-	-	-	-	-	-	90	334
Membership dues	-	-	-	-	-	2,955	-	4,477
Contracted services	-	-	2	18	3	-	2,676	44,638
Insurance expense	-	423	-	-	-	-	-	21,949
Mileage expense	-	-	3	4,039	70	-	5,761	120,619
Advertising	-	135	-	-	-	-	-	17,790
Matching expense - general	-	28,491	-	-	-	-	-	28,491
Maintenance	-	-	-	-	-	-	-	20,421
Rent	-	-	-	-	-	-	-	36,228
Postage	-	-	-	-	-	-	45	1,630
Miscellaneous	-	-	9	43	12	-	2,237	52,526
Bad debt expense	-	-	-	-	-	-	9	16,484
Equipment	-	65,608	-	-	-	-	-	129,446
New building	-	33,180	-	-	-	942,358	-	1,007,113
Building capitalization	-	(76,624)	-	-	-	(949,665)	-	(1,102,404)
Depreciation expense	-	-	-	-	-	-	-	7,661
Interest expense	-	-	-	-	-	2,081	-	2,081
Indirect costs	-	6,732	1,567	10,197	4,114	-	17,016	367,568
Total functional expenses	\$ -	\$ 123,481	\$ 17,967	\$ 137,030	\$ 42,761	\$ -	\$ 194,477	\$ 4,926,079

COUNCIL ON AGING, INC. AND SUBSIDIARY

SCHEDULE OF PROGRAM EXPENDITURES – WEST VIRGINIA BUREAU OF SENIOR CITIZENS

For the Year Ended September 30, 2016

2016					
Program	Program Year	Expenditures	Federal Revenues	State Revenues	Total Revenues
Lighthouse	July 1, 2015 to June 30, 2016	<u>\$ 135,656</u>	<u>\$ -</u>	<u>\$ 181,834</u>	<u>\$ 181,834</u>
LIFE	July 1, 2015 to June 30, 2016	<u>\$ 182,405</u>	<u>\$ -</u>	<u>\$ 179,601</u>	<u>\$ 179,601</u>
SHIP/MIPPA	April 1, 2015 to March 31, 2016	<u>\$ 6,638</u>	<u>\$ -</u>	<u>\$ 6,500</u>	<u>\$ 6,500</u>
FAIR	July 1, 2015 to June 30, 2016	<u>\$ 35,880</u>	<u>\$ -</u>	<u>\$ 40,518</u>	<u>\$ 40,518</u>
Title III B	October 1, 2015 to Sept. 30, 2016	<u>\$ 76,963</u>	<u>\$ 40,530</u>	<u>\$ 27,331</u>	<u>\$ 67,861</u>
Title III D	October 1, 2015 to Sept. 30, 2016	<u>\$ 2,666</u>	<u>\$ 2,054</u>	<u>\$ 362</u>	<u>\$ 2,416</u>
Title III E	October 1, 2015 to Sept. 30, 2016	<u>\$ 14,487</u>	<u>\$ 11,103</u>	<u>\$ 3,701</u>	<u>\$ 14,804</u>
Title III C-1	October 1, 2015 to Sept. 30, 2016	<u>\$ 42,799</u>	<u>\$ 24,182</u>	<u>\$ 19,786</u>	<u>\$ 43,968</u>
Title III C-2	October 1, 2015 to Sept. 30, 2016	<u>\$ 213,911</u>	<u>\$ 83,366</u>	<u>\$ 68,452</u>	<u>\$ 151,818</u>
Section 5310	July 1, 2015 to June 30, 2016	<u>\$ 42,879</u>	<u>\$ 32,642</u>	<u>\$ -</u>	<u>\$ 32,642</u>

BASIS OF PRESENTATION

The accompanying schedules of program expenses of the SHIP/MIPPA, Lighthouse, Fair, LIFE, IIB, IID, IIE, C-1, and Community Partnership programs includes the grant activity of the Council on Aging, Inc. that the West Virginia Bureau of Senior Citizens oversees, and is presented on the accrual basis of accounting. Some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.