



Certified Public Accountants, A.C.

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
MIDDLEBOURNE, WV
Regular Audit
For the Year Ended September 30, 2017**

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THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.

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INDEPENDENT AUDITOR'S REPORT

April 20, 2018

The Council of Senior Tyler Countians, Inc.
P.O. Box 68
Middlebourne, WV 26149

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of **The Council of Senior Tyler Countians, Inc.**, (a non-profit organization) (the Council) which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council'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 Council's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Council of Senior Tyler Countians, Inc. as of September 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Federal Awards and State Awards and Other Assistance Schedules on pages 11-12 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2018, on our consideration of the Council'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's internal control over financial reporting and compliance.



Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2017**

	2017
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 87,967
Grants Receivable	55,815
Prepaid Expenses	12,696
Total Current Assets	156,478
Property, Plant and Equipment:	
Land	82,013
Land Improvements	86,828
Buildings	462,248
Equipment	197,158
Vehicles	222,722
Accumulated Depreciation	(567,870)
Total Property, Plant and Equipment	483,099
TOTAL ASSETS	\$ 639,577
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 22,473
Accrued Liabilities	33,991
Total Current Liabilities	56,464
TOTAL LIABILITIES	56,464
NET ASSETS	
Unrestricted	583,113
TOTAL NET ASSETS	583,113
TOTAL LIABILITIES AND NET ASSETS	\$ 639,577

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

THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	2017
SUPPORT AND REVENUES:	
Support:	
Federal	\$ 32,394
Medicaid	130,583
Waiver	93,947
LIFE	178,034
Lighthouse	86,088
Alzheimers	32,501
VA	20,992
Title III-B	10,962
Title III-C	78,280
Other State	9,000
Local Grants	27,076
Contributions	64,592
Special Event Fundraising	12,727
Total Support	777,176
Revenues:	
Rental Income	25,300
Bingo Income	5,183
Raffle Income	5,654
Other Income	19
Interest Income	60
Total Revenues	36,216
TOTAL SUPPORT AND REVENUES	813,392
EXPENSES:	
Program Services:	
Title III-B	49,637
Title III-C	107,259
VA	21,761
Medicaid	130,004
Waiver	98,223
LIFE	188,561
Alzheimers	46,414
Lighthouse	92,336
Other Programs	57,455
Total Program Services	791,650
Support Services:	
Management and General	53,973
Total Expenses	845,623
Change in Net Assets	(32,231)
Net Assets - Beginning of Year	615,344
Net Assets - End of Year	\$ 583,113

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

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	2017
Cash Flows from Operating Activities:	
Change in Net Assets	\$ (32,231)
Adjustments to Reconcile Change in Net Position to Cash Provided (Used) by Operating Activities:	
Depreciation	54,185
(Increase) Decrease in Grants Receivable	(11,433)
(Increase) Decrease in Prepaid Expenses	341
Increase (Decrease) in Accounts Payable	4,303
Increase (Decrease) in Accrued Liabilities	(2,507)
Net Cash Provided (Used) by Operating Activities:	12,658
Cash Flows from Investing Activities:	
Purchase of Property and Equipment	(8,087)
Net Cash Provided (Used) by Investing Activities:	(8,087)
Net Increase (Decrease) in Cash and Cash Equivalents	4,571
Cash and Cash Equivalents as of Beginning of Year	83,396
Cash and Cash Equivalents as of End of Year	\$ 87,967
 DISCLOSURE OF ADDITIONAL CASH FLOW INFORMATION:	
Supplemental Cash Flows Information:	
Interest Paid	\$ 15

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

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	-----Program Services-----									Support Services	Total
	Title IIIB	Title IIIC	VA	Medicaid	Waiver	LIFE	Alzheimers	Lighthouse	Other Programs	Management & General	
Salaries and Wages	\$29,903	\$ 50,747	\$17,479	\$ 90,814	\$ 67,574	\$116,351	\$ 34,322	\$ 67,242	\$ 31,520	\$ -	\$505,952
Payroll Taxes and Fringes	5,393	11,699	2,662	21,203	16,180	40,602	7,001	13,256	4,180	(972)	121,204
Travel and Training	73	30	577	2,525	2,029	2,825	851	3,829	403	-	13,142
Printing and Supplies	354	2,150	25	1,083	586	4,399	260	458	1,104	48	10,467
Communication and Utilities	2,815	6,703	318	2,451	1,983	13,259	1,252	2,508	3,523	-	34,812
Other Expenses	767	4,099	360	3,115	3,102	2,940	1,244	2,524	16,219	500	34,870
Food Purchases	-	18,909	-	-	-	-	-	-	131	-	19,040
Disposable Products	-	3,679	-	-	-	-	-	-	-	-	3,679
Transportation Expenses	6,850	2,983	-	36	-	-	-	-	-	-	9,869
Interest Expense	-	-	-	-	-	-	-	-	-	15	15
Professional Fees	-	-	-	4,758	3,893	-	-	-	-	-	8,651
Repairs and Maintenance	799	1,303	61	1,604	296	4,438	141	337	99	197	9,275
Depreciation	-	-	-	-	-	-	-	-	-	54,185	54,185
Contract Services	233	2,827	54	400	444	1,231	268	357	56	-	5,870
Liability Insurance	2,450	2,130	225	2,015	2,136	2,516	1,075	1,825	220	-	14,592
Total	\$49,637	\$107,259	\$21,761	\$ 130,004	\$ 98,223	\$188,561	\$ 46,414	\$ 92,336	\$ 57,455	\$ 53,973	\$845,623

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

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

NOTE 1. NATURE OF OPERATIONS

The Council of Senior Tyler Countians, Inc. (the Council) was formed to study the needs of the aging in Tyler County, West Virginia, and to establish and govern those activities deemed necessary in helping to meet their needs. The Council encourages, promotes and aids in establishing all programs and services for the aging and conducts programs of public education on the problems of the aging. Services the Council offers, include providing hot meals to senior citizens, providing home health care services to the elderly, providing transportation services to senior citizens for doctor's appointments, and providing social and recreational activities for the elderly.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Council accounts for its revenues and related expenses on the accrual basis of accounting. Revenues are reported in the year earned. Costs and expenses are charged against revenues in the year to which the cost is applicable.

Financial Statement Preparation

The Council has adopted Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) No. 958, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC No. 958, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of September 30, 2017, the Council had no restricted net assets.

Contributions

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their values in the period received.

Estimates

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

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Council considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Property, Plant, and Equipment

Property and equipment are capitalized at cost. It is the Council's policy to capitalize expenditures for these items in excess of \$500. Lesser amounts are expensed. Donations of property, plant, and equipment are recorded as support at their estimated fair value. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding the length of time donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property acquired through donations which place permanent limitations on the use or on the proceeds from disposal of such property, or whose title may revert to a third party, are classified as permanently restricted net assets at the time they are acquired. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Type</u>	<u>Years</u>
Land Improvements	15
Buildings and Improvements	25
Equipment	5-10
Vehicles	5

Risk Management

The Council obtained general, property and casualty, and liability coverage for itself and its employees through a third party insurance company for its insurable risks. Any loss in excess of the \$1,000,000 policy limit will be borne by the Council. The Council obtained workers' compensation coverage through a private insurance company for job related injuries. The private insurance company retains the risk related to the compensation of injured employees under the coverage.

Fair Value Measurements

FASB guidance on fair value measurements defines fair value, establishes a framework for measuring fair value, and expands disclosure of fair value measurements. The guidance applies to all assets and liabilities that are measured and reported on a fair value basis. The carrying amounts of cash, cash equivalents, grants receivable, prepaid expenses, and accrued liabilities approximate fair value due to the short maturity of these instruments.

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

NOTE 3. CONTINGENCIES

The Council of Senior Tyler Countians, Inc. receives a substantial amount of its support from Federal and State governments. A significant reduction in this support would have a major effect on the Council's programs and activities.

NOTE 4. CONCENTRATION OF CREDIT RISK

The Council of Senior Tyler Countians, Inc. maintains deposit accounts in one commercial bank. The deposit accounts are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2017 deposits in these accounts did not exceed the \$250,000 limit.

NOTE 5. SHORT-TERM DEBT

The Council has a bank line of credit up to \$20,000 to provide for working capital requirements. The line of credit is due upon demand and is secured by the Council's land and buildings with a net book value of \$392,197. The outstanding balance on the line of credit at September 30, 2017, was \$0.

NOTE 6. DONATED SERVICES

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

NOTE 7. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities by the Council have been summarized on a program basis in the statement of activities and are accounted for in greater detail in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 8. SPECIAL EVENT FUNDRAISERS

The Council held various special event fundraisers during the year ended September 30, 2017. Gross revenues and direct expenses related to those events are as follows for the year ended September 30, 2017:

Fundraising revenue	\$ 12,727
Fundraising expenses	<u>7,479</u>
Net fundraising income	\$ <u>5,248</u>

**THE COUNCIL OF SENIOR TYLER COUNTIANS, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

NOTE 9 **TAX STATUS**

The Council of Senior Tyler Countians, Inc. is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. In addition, the Council has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a)(2) of the Internal Revenue Code.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Council and recognize a tax liability (or asset) if the Council has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Council, and has concluded that as of September 30, 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Council is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Council's Federal Return of Organization Exempt from Income Tax (federal Form 990) for 2014, 2015 and 2016 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 10. **SUBSEQUENT EVENTS**

The Council has evaluated events subsequent to the date of the financial statements through April 20, 2018. No events have occurred subsequent to the statement of financial position date through April 20, 2018 that would require adjustment or disclosure in the financial statements.

The Council of Senior Tyler Countians, Inc.
Schedule of Federal Awards
For the Year Ended September 30, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grant I.D. Number	Total Federal Awards
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through WV Bureau of Senior Services and Bel-O-Mar Regional Council Planning Commission:			
Title IIIB	93.044	21435	\$ 27,002
Title IIID	93.043	21435	989
Title IIIE	93.052	21435	<u>4,403</u>
Total Pass Through			<u>32,394</u>
Total United States Department of Health and Human Services			<u>32,394</u>
Total Federal Awards			<u><u>\$ 32,394</u></u>

The Council of Senior Tyler Countians, Inc.
Schedule of State Awards and Other Assistance
For the Year Ended September 30, 2017

State Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Grant I.D. Number	Total State Awards
STATE AWARDS		
DIRECT PROGRAMS:		
WV Bureau of Senior Services		
Lighthouse	IH1415	\$ 86,088
Alzheimers	IH1415	<u>32,501</u>
Total Direct Programs		<u>118,589</u>
PASS THROUGH AWARDS:		
WV Bureau of Senior Services passed through the Bel-O-Mar Regional Council:		
LIFE	21402	178,034
Title IIIB	21435	10,962
Title III-C	21435	78,280
Other State	Various	<u>9,000</u>
Total Pass Through Awards		<u>276,276</u>
Total State Awards		<u>394,865</u>
OTHER ASSISTANCE		
U.S. Department of Health & Human Services passed through West Virginia Department of Health and Human Resources Program:		
VA	N/A	20,992
Medicaid	N/A	130,583
Waiver	N/A	<u>93,947</u>
Total Other Assistance		<u>245,522</u>
Total State Awards and Other Assistance		<u><u>\$ 640,387</u></u>



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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

April 20, 2018

The Council of Senior Tyler Countians, Inc.
P.O. Box 68
Middlebourne, WV 26149

To the Board of Directors:

We have audited 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, the financial statements of **The Council of Senior Tyler Countians, Inc.** (a non-profit organization) (the Council), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated April 20, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry & Associates
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