

APPALACHIAN AGENCY FOR SENIOR CITIZENS

AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2023

APPALACHIAN AGENCY FOR SENIOR CITIZENS

AUDITED FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Appalachian Agency for Senior Citizens
Cedar Bluff, Virginia

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Appalachian Agency for Senior Citizens 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 Appalachian Agency for Senior Citizens 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 opinions.

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; 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.

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 Appalachian Agency for Senior Citizens' 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 Appalachian Agency for Senior Citizens' 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 Appalachian Agency for Senior Citizens' 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 expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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 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.

The Costs of Program Activities, Status of Inventories, Status of Funds, and Department of Rail and Public Transportation – Operational Expenses Schedules have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on the Schedules.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2024, on our consideration of Appalachian Agency for Senior Citizens' internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering Appalachian Agency for Senior Citizens' internal control over financial reporting and compliance.



HBC Certified Public Accountants

February 6, 2024

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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*

To the Board of Directors
Appalachian Agency for Senior Citizens
Cedar Bluff, 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 Appalachian Agency For Senior Citizens (a nonprofit Agency), which comprise of the statement of financial position as of September 30, 2023, 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 February 6, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Appalachian Agency For Senior Citizens' 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 Appalachian Agency For Senior Citizens' internal control. Accordingly, we do not express an opinion on the effectiveness of Appalachian Agency for Senior Citizens' 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 over financial reporting 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 materially 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 Appalachian Agency for Senior Citizens' 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, consisting of the letters 'HBC' in a stylized, cursive font.

HBC Certified Public Accountants

February 6, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Appalachian Agency for Senior Citizens
Cedar Bluff, Virginia

Opinion on Each Major Federal Program

We have audited Appalachian Agency for Senior Citizens' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Appalachian Agency for Senior Citizens' major federal programs for the year ended September 30, 2023. Appalachian Agency for Senior Citizens' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings, responses and questioned costs.

In our opinion, Appalachian Agency for Senior Citizens, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Appalachian Agency for Senior Citizens and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Appalachian Agency for Senior Citizens' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Appalachian Agency for Senior Citizens' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Appalachian Agency for Senior Citizens' compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Appalachian Agency for Senior Citizens' compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Appalachian Agency for Senior Citizens' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Appalachian Agency for Senior Citizens' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Appalachian Agency for Senior Citizens' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink, consisting of the letters 'HBC' in a stylized, cursive font.

HBC Certified Public Accountants

February 6, 2024

Appalachian Agency for Senior Citizens
Statement of Financial Position
September 30, 2023

Exhibit 1

ASSETS	Amount
Cash and cash equivalents	\$ 7,630,339
Due from grantor and other receivables	731,712
Inventory	24,842
Property, plant and equipment - net	<u>9,110,682</u>
Total assets	<u>\$ 17,497,575</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable	\$ 1,015,542
Accrued wages, taxes and withholdings	410,723
Accrued compensated absences	313,092
Note Payable	181,250
Deferred revenue	<u>623,077</u>
Total Liabilities	<u>2,543,684</u>
NET ASSETS	
Without donor restrictions	15,084,483
With donor restrictions	<u>(130,592)</u>
Total Net Assets	<u>14,953,891</u>
Total Liabilities and Net Assets	<u>\$ 17,497,575</u>

The Notes to the Financial Statements are an integral part of this statement

Appalachian Agency for Senior Citizens
Statement of Activities
For the Year Ended September 30, 2023

Exhibit 2

REVENUES	Without Donor Restrictions	With Donor Restrictions	Total
Grants	\$ 149,608	\$ 5,846,751	\$ 5,996,359
Charges for Services	16,460,605	-	16,460,605
Program Income	259,912	-	259,912
Other	395,337	-	395,337
Interest	102,748	-	102,748
In-kind	18,733	-	18,733
Net Assets Released from Restrictions: Satisfaction of Program Restrictions	5,841,182	(5,841,182)	-
Total Revenues	23,228,125	5,569	23,233,694
EXPENSES			
Program Services:			
DARS	2,498,492	-	2,498,492
DRPT	3,229,099	-	3,229,099
PACE	10,998,586	-	10,998,586
Other Program Services	4,787,320	-	4,787,320
Supporting Services:			
Management and General	855,605	-	855,605
Fundraising	8,829	-	8,829
Total Expenses	22,377,931	-	22,377,931
Changes in Net Assets	850,194	5,569	855,763
Net Assets at beginning of year	14,234,289	(136,161)	14,098,128
Net Assets at end of year	\$ 15,084,483	\$ (130,592)	\$ 14,953,891

The Notes to the Financial Statements are an integral part of this statement

Appalachian Agency for Senior Citizens
Statement of Functional Expenses
For the Year Ended September 30, 2023

Exhibit 3

EXPENSES	Dept. of Aging & Rehab Services	Dept. of Housing & Comm Development	Dept. of Rail & Public Transportation	Other Grants	Inkind	Other	PACE Program	Mt. Rogers	Management & General	Fund- raising	Totals
Administrative Costs	\$ 37,566	\$ -	\$ 40,817	\$ -	\$ -	\$ 35,865	\$ 191,153	\$ 7,120	\$ -	\$ -	\$ 312,521
ADP Processing	6,296	-	7,555	401	-	8,931	7,802	4,118	-	-	35,103
Advertising Cost	10,459	-	231	-	-	763	9,390	9,765	-	-	30,608
Bad Debt	-	-	-	-	-	16	-	-	-	-	16
Communication Eq. Maint/Repair	-	17,526	-	-	-	-	631	180	-	-	18,337
Contractual/Program Expense	82,798	-	-	20,438	-	(58,192)	6,841,239	1,268,190	-	4,591	8,159,064
Data Processing Eq. Maint/Rep	-	-	-	-	-	-	53,760	42,953	-	-	96,713
Depreciation	-	-	-	-	-	-	-	-	855,605	-	855,605
Donations	-	-	-	-	-	250	-	-	-	-	250
Dues & Licenses	2,097	-	33,730	651	-	15,382	28,251	16,392	-	-	96,503
Employee Cost	877	-	3,642	50	-	900	1,504	1,430	-	-	8,403
Equipment	15,933	-	703,353	31,950	-	(788,522)	104,490	82,332	-	1,631	151,167
Inkind	-	-	-	-	18,733	-	-	-	-	-	18,733
Insurance	12,205	-	98,268	-	-	15,838	65,607	16,557	-	-	208,475
Office Eq. Maint/Repair	-	-	-	-	-	-	32	80	-	-	112
Office Expense	1,334	-	-	-	-	1,297	242	879	-	47	3,799
Office Maint/Repair	3,216	-	-	157	-	1,986	690	16,489	-	-	22,538
Other	-	-	-	-	-	73,398	-	-	-	-	73,398
Professional Service	8,654	-	1,211	1,491	-	7,423	92,853	35,216	-	-	146,848
Program Expense	576,505	-	83,924	42,409	-	165,218	203,666	86,710	-	1,451	1,159,883
Repairs & Maintenance	2,925	-	-	-	-	3,650	3,765	2,984	-	-	13,324
Salaries & Benefits	1,589,806	-	1,788,515	65,663	-	1,598,424	3,131,554	1,634,616	-	-	9,808,578
Site Maintenance/Repairs	26,580	-	8,108	1,278	-	52,614	19,588	28,098	-	-	136,266
Site/CO Equip Maint/Repair	899	-	-	-	-	3,450	278	2,807	-	-	7,434
Taxes	-	-	-	-	-	5,378	55	11,294	-	-	16,727
Training Costs	14,646	-	2,733	197	-	19,131	17,766	8,363	-	179	63,015
Travel	13,590	-	1,712	212	-	3,130	12,549	4,349	-	-	35,542
Travel - Excluding Transportation	30,037	-	361,350	414	-	13,870	142,842	36,990	-	-	585,503
Utilities	38,707	-	22,563	1,654	-	24,977	2,070	10,750	-	930	101,651
Utilities	4,548	-	5,574	643	-	10,490	2,448	2,230	-	-	25,933
Utilities & Telephone	11,234	-	-	208	-	5,349	599	5,218	-	-	22,608
Vehicle Main/Rep Parts	6,590	-	61,262	-	-	11,768	41,278	9,215	-	-	130,113
Vehicle Maintenance/Rep. Labor	990	-	4,551	-	-	2,012	22,484	3,124	-	-	33,161
	<u>\$ 2,498,492</u>	<u>\$ 17,526</u>	<u>\$ 3,229,099</u>	<u>\$ 167,816</u>	<u>\$ 18,733</u>	<u>\$ 1,234,796</u>	<u>\$ 10,998,586</u>	<u>\$ 3,348,449</u>	<u>\$ 855,605</u>	<u>\$ 8,829</u>	<u>\$ 22,377,931</u>

The Notes to the Financial Statements are an integral part of this statement

Appalachian Agency for Senior Citizens
Statement of Cash Flows
For the Year Ended September 30, 2023

Exhibit 4

	<u>Amount</u>
Operating Activities:	
Change in net assets	\$ 855,763
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:	
Depreciation and amortization	855,605
(Increase) decrease in operating assets	
Due from grantor	(123,269)
Inventory	(6,907)
Increase (decrease) in operating liabilities	
Accounts payable	17,126
Accrued leave	72,811
Deferred revenue	148,339
Accrued wages and taxes	<u>33,187</u>
Net cash provided (used by) investing activities	<u>1,852,655</u>
Investing Activities:	
Purchase of equipment	<u>(963,343)</u>
Net cash provided (used by) financing activities	<u>(963,343)</u>
Financing Activities:	
Proceeds from new debt	-
Principal payments on long-term debt	<u>(25,000)</u>
Net cash provided (used by) financing activities	<u>(25,000)</u>
Increase (decrease) in cash	864,312
Cash and cash equivalents at beginning of year	<u>6,766,027</u>
Cash and cash equivalents at end of year	<u><u>\$ 7,630,339</u></u>

The Notes to the Financial Statements are an integral part of this statement

Note 1 – Summary of Significant Accounting Policies

Agency

The Appalachian Agency for Senior Citizens (the Agency) is a nonprofit Agency formed in 1975 to improve the quality of life of the elderly through charitable, benevolent, educational, scientific, social services and other appropriate means. The Agency is a multi-service geriatric center that provides daily care, including medical, personal and social support, for the elderly residents of the Counties of Buchanan, Dickenson, Tazewell, Smyth, and Russell.

The Agency receives the majority of its operating revenues from the Department of Aging and Rehabilitative Services, the Department of Rail and Transportation, and Centers for Medicare and Medicaid.

Basis of Accounting

Appalachian Agency for Senior Citizens uses the accrual basis of accounting for financial reporting. Under this method, revenues and expenses are reflected in the accounts in the period in which they are considered to have been earned or incurred.

Classification of Net Assets

Net assets of the Agency are reported based on the existence of donor or grantor-imposed restrictions. The following classifications are used to report the net assets of Appalachian Agency for Senior Citizens.

Net Assets With Donor Restrictions – The part of the net assets of the Agency resulting (a) from inflows of assets whose use by the Agency is limited by donor or grantor imposed stipulations that either expires by passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations, and from reclassification to, or (c) from other classes of net assets as a consequence of donor or grantor imposed stipulations, their expiration by passage of time, or their fulfillment and removal by actions of the Agency pursuant to those stipulations.

Net Assets Without Donor Restrictions – The part of net assets of the Agency that is not restricted by donor or grantor-imposed stipulations.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Agency to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of property, plant and equipment and intangibles;

Note 1 – Summary of Significant Accounting Policies (Continued)

valuation allowances for receivables and inventories; and assets and obligations related to employee benefits. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets released from restriction.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are recorded as either grant revenue or exchange transactions based on criteria contained in the grant award. Grant revenues are recorded as invoiced to the funding source and are recognized in the accounting period when the related allowable costs are incurred.

Donated Services and Materials

Appalachian Agency for Senior Citizens reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts or grants of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Agency reports expirations of donor restrictions starting in the year the asset is placed in service.

Cash and Cash Equivalents

For the purposes of reporting cash flows, Appalachian Agency for Senior Citizens considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

The Agency maintains cash balances at several financial institutions located in Southwest Virginia. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2023, the Agency's uninsured cash balances total was \$2,081,137.

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Note 1 – Summary of Significant Accounting Policies (Continued)

Receivables

Grants receivable consist of amounts billed under various grant agreements. Amounts are reviewed for collectability by management. Management has assessed the collectability of these receivables and deemed all accounts to be fully collectible; therefore, an allowance has not been recorded.

Inventory

Inventories are stated at the lower of cost (first-in, first-out method) or market. Inventories consist of materials and supplies held for use in various agency programs.

Property and Equipment

It is the Agency's policy to capitalize property and equipment over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair market value. Property and equipment are depreciated using the straight-line method.

Income Taxes

The Agency is a non-profit Agency exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Agency has been classified as an Agency that is not a private foundation under Section 509(a)(2).

Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

The Agency uses advertising to promote its programs among the audience it serves. Advertising is expensed as incurred during the fiscal year ending September 30, 2023, which totaled \$30,608.

Note 2 – Liquidity and Availability of Financial Assets

The Agency meets cash needs for expenditures with grants received throughout the year. The following table reflects the Agency's financial assets as of September 30, 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution.

Note 2 – Liquidity and Availability of Financial Assets (Continued)

Cash and cash equivalents	\$ 7,630,339
Grants receivable	<u>731,712</u>
Total financial assets	8,362,051
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 8,362,051</u></u>

Note 3 – Due from Grantor and Others

Due from grantor represents revenue from governmental agencies for funds applicable to the year ended September 30, 2023 which had not been received at the balance sheet date and consist of the following:

	Federal	State	Other	Total
Virginia Department of Health	\$ -	\$ 2,968	\$ -	\$ 2,968
Department of Rail & Public Transit	168,591	-	239,546	408,137
Department of Motor Vehicles (DMV)	-	11,246	-	11,246
Department of Veterans Affairs	9,589	-	-	9,589
Other fees and grants	<u>700</u>	<u>1,260</u>	<u>297,812</u>	<u>299,772</u>
	<u>\$ 178,880</u>	<u>\$ 15,474</u>	<u>\$ 537,358</u>	<u>\$ 731,712</u>

Note 4- Fixed Assets

Property and equipment are stated at cost or estimated cost. All acquisitions of property and equipment and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. Donated property is recorded at market value prevailing at date of donation. Fixed assets are depreciated over five-to-forty-year periods beginning in the month placed in service. Summary of the changes in fixed assets follow:

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Appalachian Agency for Senior Citizens
Notes to Financial Statements
September 30, 2023

Note 4- Fixed Assets (Continued)

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
Land	\$ 722,139	\$ -	\$ -	\$ 722,139
Buildings	8,964,606	-	-	8,964,606
Vehicles	4,181,681	906,886	(175,279)	4,913,288
Improvements	6,888	17,056	-	23,944
Equipment, furn. & fixtures	766,462	39,401	(19,871)	785,992
Construction in Progress	408,229	-	-	408,229
Totals	15,050,005	963,343	(195,150)	15,818,198
Less: accumulated depreciation	6,047,061	855,605	(195,150)	6,707,516
Net	<u>\$ 9,002,944</u>	<u>\$ 107,738</u>	<u>\$ -</u>	<u>\$ 9,110,682</u>

Depreciation expense for the year amounted to \$855,605.

Note 5 – Compensated Absences

Employees are entitled to receive unused annual and holiday leave at termination of service with the Agency. The liability for compensated absences at September 30, 2023 was \$313,092.

Note 6 - Operating Leases

The Agency also leases various equipment used for program activities throughout their service area. The leases vary from monthly renewal to five-year terms. Currently, the Agency has a postage meter for \$163/mo.

Future minimum lease payments are as follows:

Year Ending September 30,	Amount
2024	1,959
2025	1,959
2026	1,959
2027	1,959
Thereafter	2,285
	<u>\$ 10,121</u>

Note 7- Contingent Liabilities

Federal programs in which the Agency participates were audited in accordance with the provisions of Title 2 US *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to these provisions, major programs were tested for compliance with applicable grant requirements. In the opinion of management, any future disallowances of current program expenditures, if any, would be immaterial.

The Agency participates in a “Program of All-Inclusive Care for the Elderly” (PACE). PACE is a program of the Commonwealth of Virginia and the Appalachian Agency for Senior Citizens. The all-inclusive services include doctor visits, hospital stay, emergency services, prescriptions, physical and occupational therapies, adult day care, meals, transportation, and other services. The goal of the PACE program is to enhance the quality of life and independence of frail, older adults (55 years and older) by enabling them to live at home as long as is medically and socially acceptable.

The PACE Program is self-insured by the Agency and currently has no coinsurance from other sources. Medicare and Medicaid provide capitated funding based on individual participants risk scores. Periodic audits of the risk scores are done and in some cases reconciliations take place and payments are adjusted. Should the actual expenditures for the care of participants exceed capitated funding, the Agency would need to seek additional funding sources.

Management has calculated and recorded projected additional liabilities of \$164,500, for the self-insured coinsurance portion of these liabilities. The actual expenditures as of the balance sheet date may be different from the liabilities recorded. These projected additional liabilities were determined based on historical analysis of the self-insured program.

The Agency receives a substantial amount of support from State and Federal granting agencies. A significant reduction in the level of this support, if this were to occur, may have an adverse effect on the Agency’s programs and activities.

Note 8- Pension Plan

The Agency contributes to an Annuity Pension Benefit 403b Plan for its full time and salaried employees. The plan is held in trust with TD Ameritrade. Contributions made to the plan for eligible employees amounted to \$265,945 during the year.

Employees can contribute to elective deferrals upon employment. The Agency will contribute to the plan after eligible employees are age 21 and have completed one year of service.

Note 9 – In-Kind

The Agency is required to contribute toward the cost of certain programs through cash or in-kind contributions. The following is a summary of in-kind received by program:

Appalachian Agency for Senior Citizens
Notes to Financial Statements
September 30, 2023

Note 9 – In-Kind (Continued)

	<u>Amount</u>
Health Education	\$ 25
Meals	11,789
Prep & Admin	3,575
Social & Recreational Services	3,294
Other	<u>50</u>
	<u>\$ 18,733</u>

Note 10 – Notes Payable

Notes payable obligations consist of the following:

	<u>Principal Balance as of September 30, 2023</u>
VCEDA - The note has a ten 10- year amortization with a fixed interest rate of 0%. Principal payments began in April 2021.	\$ 181,250
TOTAL	<u><u>\$ 181,250</u></u>

Annual requirements to amortize long-term debt are as follows:

<u>Year Ending September 30</u>	<u>Principal</u>
2024	\$ 25,000
2025	25,000
2026	25,000
2027	25,000
2028-2031	<u>81,250</u>
	<u><u>\$ 181,250</u></u>

Note 10 – Notes Payable (Continued)

The Agency obtained financing for the Falls Mills Construction Project through Virginia Coalfield Economic Development Authority (VCEDA) during FY21 in the amount of \$250,000 carrying a 0% interest rate. The loan requires 120 equal monthly payments of \$2,083.

Note 11 – Uncertain Tax Position

The Agency is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Agency has rental property which is subject to tax on the income derived from the unrelated business activity. At September 30, 2023, the Agency recorded a tax liability of \$-0- on this unrelated business activity. The Agency believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Note 12 - Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standard Update 2016-02, Leases, which requires recognition of lease assets and lease liabilities. The ASU is effective for the Agency for annual periods beginning after December 15, 2022. The Agency implemented for the current year and it did not have a significant impact on the Agency's financial statements.

Note 13 – Fair Value of Financial Instruments

The estimated fair values of financial instruments under FASB Codification 825-10, *Disclosures About Fair Value of Financial Instruments*, as amended by FASB Codification 820-10, are determined based on relevant market information. These estimates involve uncertainty and cannot be determined with precision. The following methods and assumptions are used to estimate the fair value of each class of financial instrument.

The carrying amounts of cash, receivables, inventory, accrued liabilities, and payables on the statement of financial position approximate fair value due to the short-term nature of these items.

The carrying amounts of compensated absences on the statement of financial position approximate fair value, which is estimated based on current market rates offered to or by the Agency for similar instruments.

FASB Codification 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB Codification 820-10 also establishes a fair value hierarchy which requires the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Note 13 – Fair Value of Financial Instruments (Continued)

Level 2 Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly or indirectly through corroboration with observable market data. Level 2 inputs include (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in markets that are not active, (c) inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates), and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Unobservable inputs used to measure fair value to the extent that observable inputs are not available and that are supported by little or no market activity for the asset or liability at the measurement date.

Note 14 – Subsequent Events

Subsequent events have been evaluated as of February 6, 2024, which is the date the financial statements were issued. No other events were recognized or unrecognized.

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SUPPLEMENTARY SCHEDULES

Appalachian Agency for Senior Citizens
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023

Schedule A

Federal Granting Agency/ Recipient Agency/ Grant Program/Grant Number	Federal CFDA Number	Pass-thru ID Number	Federal Revenues	Federal Expenditures
US DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Pass-through Payments:				
Department for the Aging:				
Title 3B Supportive Services	93.044	16-091	\$ 518,772	\$ 511,478
Title 3C Nutrition Services	93.045	16-091	828,139	800,959
Nutrition Services Incentive Program	93.053	16-091	98,511	98,511
Total Cluster Program			1,445,422	1,410,948
Title 3E Family Caregiver Support	93.052	16-091	189,103	186,710
Title 3D Prev Health	93.043	16-091	42,615	43,100
Title 3G Elder Abuse Prev.	93.041	16-091	3,114	2,957
Title VII Ombudsman	93.042	16-091	14,354	17,075
MIPPA Priority 1	93.071	16-091	14,368	14,368
VICAP	93.324	16-091	18,593	20,800
DMAS Ombudsman	93.778	16-091	1,346	1,732
Centers for Medicare and Medicaid OHCFAC	93.048	16-091	16,500	10,046
Heath Resources & Service Administration	93.493	16-091	25,000	25,000
Centers for Medicare and Medicaid Services	93.761	16-091	1,400	164
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			1,771,815	1,732,900
DEPARTMENT OF AGRICULTURE				
Pass-through Payments:				
Department of Aging:				
Supplemental Nutrition Assistance Programs	10.561	16-091	2,264	2,264
Senior Farmers Market Nutrition Program	10.576	16-091	1,501	2,651
Department Total			3,765	4,915
DEPARTMENT OF TRANSPORTATION				
Pass-through Payments:				
Department of Rail and Public Transportation:		42015-1-3		
Formula Grants For Other Than Urbanized Areas	20.509	42016-1-6 *	1,859,228	1,859,228
Department Total			1,859,228	1,859,228
Federal Emergency Management Food and Shelter Program	83.523	8742-00	1,500	1,000
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 3,636,308	\$ 3,598,043

Basis of Accounting

This schedule of expenditures of federal awards includes the federal award activity of Appalachian Agency for Senior Citizens under programs of the federal government for the year ended September 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirement, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets or cash flows of Appalachian Agency for Senior Citizens, Inc.

Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the costs principles contained in the *Uniformed Guidance and OMB Circular A-122 Cost Principles for Non-Profit Organizations* wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Indirect Cost Rate

Appalachian Agency for Senior Citizens has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

Pass-Through Entities

Pass-through entity identifying numbers are presented when available.

Awards to Subrecipients

No awards were passed to subrecipients for year ended September 30, 2023.

*Denotes a major program

Appalachian Agency for Senior Citizens
Costs of Program Activities
For the Year Ended September 30, 2023

Schedule B
Page 1 of 4

	Costs to Federal III B Funds	Costs to Federal III C-1 Funds	Costs To Federal III C-2 Funds	Costs To Federal III D Funds	Costs To Federal III E Funds	Costs To Federal VII Eld. A.B.
TITLE III (EXCEPT III-E), OLDER AMERICAN ACT FUNDS:						
Adult Day Care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chore	11,401	-	-	-	-	-
Homemaker	56,567	-	-	-	-	-
Personal Care	-	-	-	-	-	-
Res. Repair and Renovation	-	-	-	-	-	-
Comm. Referral Info. & Assist	166,500	-	-	-	-	-
Options Counseling	-	-	-	-	-	-
Transportation	10,979	-	-	-	-	-
Congregate Meals	-	200,805	-	-	-	-
Home Delivered Meals	-	-	371,095	-	-	-
Home Delivered Fee for Service	-	-	-	-	-	-
Nutrition Counseling	-	1,500	750	-	-	-
Nutrition Education	-	1,500	750	-	-	-
Other "EB" Disease Prevention	-	-	-	26,000	-	-
Emergency Services	4,886	-	-	-	-	-
Outreach/Public Info. & Education	54,506	-	-	-	-	-
Residential Repair and Renovation	8,706	-	-	-	-	-
Volunteer Programs	-	-	-	-	-	-
Legal Assistance	5,361	-	-	-	-	-
Elder Abuse Prevention	-	-	-	-	-	2,957
LTC Ombudsman Program	-	-	-	-	-	-
Prep. and Admin.	56,834	-	-	-	-	-
Public Health Workforce	-	-	-	-	-	-
TITLE III-E, OLDER AMERICAN ACT FUNDS:						
Institutional Respite	-	-	-	-	-	-
Caregiver Training	-	-	-	-	38,195	-
Adult Day Care	-	-	-	-	64,825	-
Personal Care	-	-	-	-	41,783	-
TOTAL TITLE III & TITLE VII	<u>\$ 375,740</u>	<u>\$ 203,805</u>	<u>\$ 372,595</u>	<u>\$ 26,000</u>	<u>\$ 144,803</u>	<u>\$ 2,957</u>

Appalachian Agency for Senior Citizens
Costs of Program Activities
For the Year Ended September 30, 2023

Schedule B
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	Costs To Federal VII OMB Funds	Costs To Federal ARP III B Funds	Costs To Federal ARP III C-1 Funds	Costs to Federal ARP III C-2 Funds	Costs to Federal ARP III D Funds	Costs to Federal ARP III E Funds	Costs to Fed ARP VII OMB Funds
TITLE III (EXCEPT III-E), OLDER AMERICAN ACT FUNDS:							
Adult Day Care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,500	\$ -
Chore	-	7,721	-	-	-	-	-
Homemaker	-	9,694	-	-	-	-	-
Personal Care	-	-	-	-	-	11,907	-
Res. Repair and Renovation	-	-	-	-	-	-	-
Comm. Referral Info. & Assist	-	66,500	-	-	-	-	-
Options Counseling	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Congregate Meals	-	-	90,524	-	-	-	-
Home Delivered Meals	-	-	-	134,035	-	-	-
Home Delivered Fee for Service	-	-	-	-	-	-	-
Nutrition Counseling	-	-	-	-	-	-	-
Nutrition Education	-	-	-	-	-	-	-
Other "EB" Disease Prevention	-	-	-	-	17,100	-	-
Emergency Services	-	1,198	-	-	-	-	-
Outreach/Public Info. & Education	-	8,559	-	-	-	-	-
Residential Repair and Renovation	-	9,227	-	-	-	-	-
Volunteer Programs	-	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-	-
Elder Abuse Prevention	-	-	-	-	-	-	-
LTC Ombudsman Program	12,750	-	-	-	-	-	4,325
Prep. and Admin.	-	15,000	-	-	-	-	-
Public Health Workforce	-	-	-	-	-	-	-
TITLE III-E, OLDER AMERICAN ACT FUNDS:							
Institutional Respite	-	-	-	-	-	8,500	-
Caregiver Training	-	-	-	-	-	-	-
Adult Day Care	-	-	-	-	-	-	-
Personal Care	-	-	-	-	-	-	-
TOTAL TITLE III & TITLE VII	<u>\$ 12,750</u>	<u>\$ 117,899</u>	<u>\$ 90,524</u>	<u>\$ 134,035</u>	<u>\$ 17,100</u>	<u>\$ 41,907</u>	<u>\$ 4,325</u>

Appalachian Agency for Senior Citizens
Costs of Program Activities
For the Year Ended September 30, 2023

Schedule B
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	Costs to Fed Exp Public Health	Voluntary Contributions	Costs to Other Non- Fed Funds	Fees	DMAS Ombudsman	Costs to NSIP Funds	Costs to GF OAA Gen Funds	Costs to GF Comm Based Funds
TITLE III (EXCEPT III-E), OLDER AMERICAN ACT FUNDS:								
Adult Day Care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chore	-	-	-	-	-	-	-	-
Homemaker	-	-	-	86,228	-	-	-	91,771
Personal Care	-	-	-	-	-	-	-	-
Res. Repair and Renovation	-	-	-	-	-	-	-	-
Comm. Referral Info. & Assist	-	-	-	-	-	-	-	-
Options Counseling	-	-	-	-	-	-	-	-
Transportation	-	32	32,487	-	-	-	-	-
Congregate Meals	-	2,067	7,875	-	-	13,231	16,980	-
Home Delivered Meals	-	921	3,431	34,438	-	85,280	49,133	-
Home Delivered Fee for Service	-	-	-	-	-	-	-	-
Nutrition Counseling	-	-	-	-	-	-	-	-
Nutrition Education	-	-	-	-	-	-	-	-
Other "EB" Disease Prevention	-	-	-	-	-	-	-	-
Emergency Services	-	-	5,633	-	-	-	-	-
Outreach/Public Info. & Education	-	-	-	-	-	-	-	-
Residential Repair and Renovation	-	-	-	-	-	-	-	-
Volunteer Programs	-	-	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-	-	-
Elder Abuse Prevention	-	-	-	-	-	-	-	-
LTC Ombudsman Program	-	-	-	-	1,732	-	-	-
Prep. and Admin.	-	-	21,395	-	-	-	-	-
Public Health Workforce	17,839	-	-	-	-	-	-	-
TITLE III-E, OLDER AMERICAN ACT FUNDS:								
Institutional Respite	-	-	907,887	-	-	-	-	-
Caregiver Training	-	-	18,406	-	-	-	-	-
Adult Day Care	-	-	-	-	-	-	8,660	27,500
Personal Care	-	-	-	-	-	-	8,480	8,000
TOTAL TITLE III & TITLE VII	\$ 17,839	\$ 3,020	\$ 997,114	\$ 120,666	\$ 1,732	\$ 98,511	\$ 83,253	\$ 127,271

Appalachian Agency for Senior Citizens
Costs of Program Activities
For the Year Ended September 30, 2023

Schedule B
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	Costs to GF Transport Funds	Costs to GF HD Meals Funds	Costs to GF Supp Nutrition Funds	Costs to GF CCEVP Funds	Costs to GF Ombudsman Funds	In-Kind	Total Title III & Costs
TITLE III (EXCEPT III-E), OLDER AMERICAN ACT FUNDS:							
Adult Day Care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,500
Chore	-	-	-	-	-	-	19,122
Homemaker	-	-	-	-	-	-	244,260
Personal Care	-	-	-	-	-	-	11,907
Res. Repair and Renovation	-	-	-	-	-	-	-
Comm. Referral Info. & Assist	-	-	-	-	-	-	233,000
Options Counseling	-	-	-	124,876	-	-	124,876
Transportation	45,989	-	-	-	-	-	89,487
Congregate Meals	-	-	34,075	-	-	11,790	377,347
Home Delivered Meals	-	162,017	-	-	-	-	840,350
Home Delivered Fee for Service	-	-	-	-	-	-	-
Nutrition Counseling	-	-	-	-	-	-	2,250
Nutrition Education	-	-	-	-	-	-	2,250
Other "EB" Disease Prevention	-	-	-	-	-	50	43,150
Emergency Services	-	-	-	-	-	-	11,717
Outreach/Public Info. & Education	-	-	-	-	-	25	63,090
Socialization/Recreation	-	-	-	-	-	3,294	21,227
Volunteer Programs	-	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-	5,361
Elder Abuse Prevention	-	-	-	-	-	-	2,957
LTC Ombudsman Program	-	-	-	-	9,603	-	28,410
Prep. and Admin.	-	-	-	-	-	3,575	96,804
Public Health Workforce	-	-	-	-	-	-	17,839
TITLE III-E, OLDER AMERICAN ACT FUNDS:							
Institutional Respite	-	-	-	-	-	-	916,387
Caregiver Training	-	-	-	-	-	-	56,601
Adult Day Care	-	-	-	-	-	-	100,985
Personal Care	-	-	-	-	-	-	58,263
TOTAL TITLE III & TITLE VII	<u>\$ 45,989</u>	<u>\$ 162,017</u>	<u>\$ 34,075</u>	<u>\$ 124,876</u>	<u>\$ 9,603</u>	<u>\$ 18,734</u>	<u>\$ 3,389,140</u>

Appalachian Agency for Senior Citizens, Inc.
Status of Inventories
For the Year Ended September 30, 2023

Schedule C

<u>Fund Source and Type of Inventory</u>	<u>Value on Hand 10/1/2022</u>	<u>Increase (Decrease) During Period</u>	<u>Value on Hand 9/30/2023</u>
Title III-B Older Americans Act	\$ -	\$ -	\$ -
Title III-C(1) Older Americans Act	-	-	-
Title III-C(2) Older Americans Act	-	-	-
Title III-D Older Americans Act	-	-	-
Title III-E Older Americans Act	-	-	-
Title VII Ombudsman	-	-	-
Title VII Elder Abuse	-	-	-
Other Funds (Specify Funds)	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
Older Americans Act						
Title III-B	\$ 2,193	380,296	-	382,489	375,740	\$ 6,749
Title III-C(1)	-	210,221	-	210,221	203,805	6,416
Title III-C(2)	(5,437)	377,123	-	371,686	372,595	(909)
Title III-D	-	26,000	-	26,000	26,000	-
Title III-E	-	144,803	-	144,803	144,803	-
Title VII-Ombudsman	264	10,198	-	10,462	12,750	(2,288)
Title VII-Elder Abuse	-	3,114	-	3,114	2,957	157
Other Non-Fed	(3,146)	-	-	(3,146)	-	(3,146)
Other Non-Fed-Local Government C-1	17,033	12,750	4,625	34,408	7,206	27,202
Other Non-Fed-Local Government C-2	123,204	21,025	3,925	148,154	3,431	144,723
Other Non-Fed-Local Government III-B	65,156	64,142	11,700	140,998	81,687	59,311
Title III-B Interest	(2,024)	-	-	(2,024)	-	(2,024)
C-2 Interest	3,046	-	-	3,046	-	3,046
NSIP	-	98,511	-	98,511	98,511	-
VICAP-PY 03/31/23	551	18,593	-	19,144	19,144	-
VICAP-PY 03/31/24	-	-	-	-	1,656	(1,656)
Medicaid Ombudsman FY 22	(243)	1,346	-	1,103	1,732	(629)
American Rescue Plan (ARP) III-B	(2,105)	122,441	-	120,336	117,899	2,437
American Rescue Plan (ARP) III-C-1	-	92,798	-	92,798	90,524	2,274
American Rescue Plan (ARP) III-C-2	-	147,997	-	147,997	134,035	13,962
American Rescue Plan (ARP) III-D	178	16,615	-	16,793	17,100	(307)
American Rescue Plan (ARP) III-E	437	44,300	-	44,737	41,907	2,830
American Rescue Plan (ARP) VII-Ombudsman	45	4,156	-	4,201	4,325	(124)
ARP SR Farmers Market	-	225	-	225	2,013	(1,788)
Public Health Workforce	-	16,035	-	16,035	17,839	(1,804)

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
General Funds						
Community Based - PY 06/30/22	-	109,420	-	109,420	109,420	-
Community Based - PY 06/30/23	-	17,851	-	17,851	17,851	-
Transportation - PY 06/30/22	-	39,556	-	39,556	39,556	-
Transportation - PY 06/30/23	-	6,433	-	6,433	6,433	-
Home Delivered Meals - PY 06/30/22	-	139,370	-	139,370	139,370	-
Home Delivered Meals - PY 06/30/23	-	22,647	-	22,647	22,647	-
Supplemental Nutrition - PY 06/30/22	-	31,984	-	31,984	31,984	-
Supplemental Nutrition - PY 06/30/23	-	2,091	-	2,091	2,091	-
Ombudsman-PY 06/30/22	-	7,907	-	7,907	7,907	-
Ombudsman-PY 06/30/23	-	1,697	-	1,697	1,696	1
Senior Farmer's Market	(638)	1,276	-	638	638	-
Guardianship VDA - PY 06/30/22	2,135	172,918	-	175,053	123,009	52,044
Guardianship VDA - PY 06/30/23	52,044	50,001	-	102,045	55,232	46,813
Fan Care	-	5,400	-	5,400	5,400	-
MIPPA - AOA PRIORITY 1	-	14,368	-	14,368	14,368	-
OAA General-State PY 06/30/22	-	72,005	-	72,005	72,005	-
OAA General-State PY 06/30/23	-	11,248	-	11,248	11,248	-
CCEVP-State PY 06/30/21	-	106,145	-	106,145	106,145	-
CCEVP-State PY 06/30/22	-	18,731	-	18,731	18,731	-
NWD Options Counseling	(1,595)	-	-	(1,595)	-	(1,595)
SNAP Outreach	-	1,564	700	2,264	2,264	-
VICAP Expansion	-	25,000	-	25,000	25,000	-
Other Funds						
CPI (voluntary contributions) Title III B	64	-	-	64	-	64
CPI (voluntary contributions) Title III C1	2,784	4,556	-	7,340	2,067	5,273
CPI (voluntary contributions) Title III C2	8,949	1,841	-	10,790	921	9,869
Nutrition Catering	62,544	54,631	5,102	122,277	69,626	52,651
Non-Federal Funds - Title III C2	9,626	-	-	9,626	-	9,626

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
Fundraising Title III C2	(1,768)	-	-	(1,768)	-	(1,768)
Case Management Fees	576	-	-	576	-	576
ADC - Private Pay	(139,570)	336,981	36,349	233,760	294,739	(60,979)
Case Management Medicaid	91,109	-	-	91,109	-	91,109
Private Pay Personal Care	205,382	693,400	55,405	954,187	827,133	127,054
Russell County Clubs	8,376	14,775	-	23,151	14,145	9,006
Medicaid Personal Care	(668,849)	97,722	4,239	(566,888)	80,060	(646,948)
Medicaid Adult Day Care	29,052	-	-	29,052	12,206	16,846
Medicaid ADC Patient Pay	(4,474)	-	-	(4,474)	-	(4,474)
Senior Patrol	5,335	16,500	-	21,835	10,046	11,789
Medicaid Respite	88,322	-	-	88,322	-	88,322
Fundraising Personal Care	411	676	-	1,087	695	392
Tazewell Co CARES Act #2	966	-	-	966	-	966
Special Account	279	3,959	-	4,238	4,917	(679)
Vending Machine	14,975	2,105	-	17,080	2,392	14,688
Donations	2,100	-	-	2,100	-	2,100
Local Fundraising	316	-	-	316	-	316
FEMA Grant	1,000	1,500	-	2,500	1,000	1,500
Fundraising Non-Federal	(2,006)	6,710	-	4,704	2,500	2,204
Family Caregiver Support Collected Fees	(10,155)	827	375	(8,953)	-	(8,953)
Homemaker Fees	76,690	89,623	8,802	175,115	86,278	88,837
Home Delivered Meal Fees	88,533	29,714	2,041	120,288	34,438	85,850
Adult Day Care United Way	(6,387)	-	-	(6,387)	-	(6,387)
Child Day Care - Fees	(40,388)	118,435	1,385	79,432	96,518	(17,086)
Child Day Care-Fundraising	7,889	-	-	7,889	-	7,889
USDA Generations	9,286	31,343	2,969	43,598	31,312	12,286
County Fairs	700	7,500	-	8,200	4,351	3,849
Buchanan County Clubs	(1,233)	-	-	(1,233)	-	(1,233)
Dickenson County Clubs	2,804	4,500	1,500	8,804	5,127	3,677

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
Emergency Fundraising	10,036	10,456	-	20,492	5,633	14,859
AASC Operational Fund	3,678,487	367,788	-	4,046,275	(49,763)	4,096,038
AASC Rental	(49,209)	98,747	1,660	51,198	109,874	(58,676)
AARP Grant	-	8,194	-	8,194	8,194	-
AASC Payroll Deductions	(147,049)	-	-	(147,049)	72,811	(219,860)
PACE	8,680,274	11,703,384	109,182	20,492,840	10,998,587	9,494,253
Mt. Rogers PACE-Capital	(688,543)	780	-	(687,763)	21,499	(709,262)
Mt. Rogers Bristol PACE Capital	(408,229)	-	-	(408,229)	27,251	(435,480)
Mt. Rogers PACE	(651,641)	2,981,756	501	2,330,616	3,297,711	(967,095)
Marion Private Pay ADC	1,135	2,282	-	3,417	1,988	1,429
Other Funds						
N4A Medicare RX	374	-	-	374	-	374
Adult Day Care Fundraising ONF	2,283	-	-	2,283	-	2,283
Catering Haysi	10,125	12,388	-	22,513	19,973	2,540
Oxbow Corp	(308)	-	-	(308)	-	(308)
Public Transit Vending	2,602	1,020	-	3,622	1,421	2,201
Fall Prevention Grant	(710)	1,400	-	690	164	526
My Medicare Matters Navigator	256	-	-	256	-	256
Adult Day Care FFS AASC Grant	(1)	-	-	(1)	-	(1)
Dominion Foundation Grant	1	-	-	1	-	1
Generations Other Revenue	308	500	-	808	399	409
Comm. Found of the Virginias	(2,000)	4,945	-	2,945	4,945	(2,000)
Meals on Wheels of America	-	30,661	-	30,661	1,824	28,837
Meals on Wheels Loves Pets	23,973	11,500	-	35,473	1,969	33,504
Veterinary Care-Meals on Wheels	8,500	-	-	8,500	8,275	225
Private Pay	209	-	-	209	-	209

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
Housing Grant	64	14,251	1,260	15,575	17,526	(1,951)
Guardian & Conservator Donations	1,780	-	-	1,780	1,064	716
CT-0912-0003	1,962	-	-	1,962	(40)	2,002
CT-Other Revenue	162,340	193,071	64,264	419,675	228,705	190,970
Heart Healthy Ambassadors	49,908	-	-	49,908	18,245	31,663
Rural Development DLT Telemedicine	(60,729)	-	-	(60,729)	-	(60,729)
CDC Construction Fund	(29,368)	-	-	(29,368)	-	(29,368)
Interest Income	128,310	81,737	-	210,047	120,026	90,021
R Sayers Scholarship	-	1,040	-	1,040	1,000	40
Front Street Property	(6,196)	1,640	-	(4,556)	-	(4,556)
VA Early Childhood Foundation	46,176	-	-	46,176	46,176	-
Masonic Home	306	6,273	1,496	8,075	5,536	2,539
United Mine Workers of America	-	501	789	1,291	851	440
VDH-Home Monitoring Equipment	(4,800)	-	-	(4,800)	-	(4,800)
Transition Services Grant	1,632	-	-	1,632	-	1,632
AEP Foundation	5,061	-	-	5,061	790	4,271
Reimbursement	7,442	-	-	7,442	-	7,442
SW Virginia Legal Aid	720	-	-	720	-	720
Falls Mill Project - AASC	(418,481)	-	-	(418,481)	-	(418,481)
ARC-Appalachian Regional Comm.	29,018	-	-	29,018	29,018	-
Inkind	-	18,733	-	18,733	18,733	-
Older Americans Act, General Fund and Other Funds	10,480,354	19,740,646	318,269	30,539,270	19,191,510	11,347,760

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
Transportation Funds						
PT CC Local Match Buchanan Co	4,583	56,667	11,333	72,583	68,000	4,583
PT CC Local Match Tazewell Co	-	78,124	14,849	92,973	92,973	-
PT CC Local Match Russell Co	-	46,200	-	46,200	46,200	-
PT Local Match Dickenson Co	-	67,333	6,667	74,000	74,000	-
PT Local Match Towns	1,650	30,190	2,600	34,440	32,790	1,650
Public Transit Fees	150	-	-	150	-	150
Public Transit Federal	(70,441)	1,079,764	168,591	1,177,914	1,248,355	(70,441)
Public Transit State	12,579	565,560	-	578,139	565,560	12,579
5311 PT Replacement	(28,945)	729,136	-	700,191	729,136	(28,945)
Public Transit ARRA	(57)	-	-	(57)	-	(57)
RTAP Reim DRPT	(123)	3,259	-	3,136	3,259	(123)
Maintenance Feasibility Study	(775)	-	-	(775)	-	(775)
Public Transit	(66,121)	-	-	(66,121)	-	(66,121)
Other Transportation Revenue	89,026	65,664	17,391	172,081	83,055	89,026
Maintenance Facility Capital	(59,073)	-	-	(59,073)	-	(59,073)
DRPT Intern Grant	3621	-	-	3,621	-	3,621
5311 DRPT PT Replacement Match	67,072	14,030	-	81,102	46,683	34,419
Trans Private Pay	11,174	120	-	11,294	120	11,174
Intern Grant Match	(1,781)	-	-	(1,781)	-	(1,781)
Buchanan County Trans/ONF	(3,180)	-	-	(3,180)	-	(3,180)
PT Interest Income	3,370	21,011	-	24,381	-	24,381
Public Transit Reserve	-	-	191,290	191,290	191,290	-
NADTC-Every Ride Counts Pilot	-	5,000	-	5,000	5,000	-

Appalachian Agency for Senior Citizens, Inc.
Status of Funds
For the Year Ended September 30, 2023

Fund	Balance Oct. 1, 2022	Total Funds Received During Period	Funds Receivable	Total Funds Available During Year	Accrued Cost to Contract	Balance Sept. 30, 2023
Virginia Department of Aging						
Title III B Federal (DARS)	-	10,979	-	10,979	10,979	-
CPI III B CPI (DARS report)	-	32	-	32	32	-
VGAF Special Transportation	-	45,989	-	45,989	45,989	-
Local Government III B	-	32,487	6,663	39,150	39,150	-
Transportation Funds and Virginia Department of Aging	(37,271)	2,851,545	419,384	3,233,658	3,282,571	(48,913)
Elimination of Interfunds	-	(89,487)	(6,663)	(96,150)	(96,150)	-
Status of Funds Total	<u>\$10,443,083</u>	<u>22,502,704</u>	<u>730,990</u>	<u>33,676,778</u>	<u>22,377,931</u>	<u>\$ 11,298,847</u>

Appalachian Agency for Senior Citizens, Inc.
Department of Rail and Public Transportation - Operational Expenses
For the Year Ended September 30, 2023

Schedule E

	<u>Amount</u>
Operating Expenses:	
Salaries & Wages	\$ 1,528,247
Fringe Benefits	260,268
Education & Training	1,123
Vehicle Supplies & Materials	18,198
Motor Fuels & Lubricants	361,349
Tires & Tubes	47,128
Parts	61,262
Supplies and Materials (other)	16,367
Tools & Machinery	1,734
Travel	63
Communication Services	2,358
Utilities	28,136
Contract Repairs & Maintance	12,659
Advertising & Prom Media	231
Other Obligations & Service	12,665
Insurance and Bonding	98,269
Indirect Costs	40,817
Professional Services	1,211
Other Fixed Charges	<u>4,619</u>
 Total Operating Expenses	 <u><u>\$ 2,496,704</u></u>

I. SUMMARY OF AUDIT RESULTS

FINANCIAL STATEMENTS

Type of Auditor's report issued:	Unmodified
Prepared in accordance with GAAP	Yes
Internal control over financials reporting:	
Material weakness(es) identified?	None Reported
Significant deficiency(es) identified?	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weakness(es) identified?	None Reported
Significant deficiency(es) identified?	None Reported
Type of auditors' report issued on compliance for major program?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516?	No
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Identification of Federal Programs:

<u>PROGRAM</u>	<u>CATALOG NUMBER</u>	<u>FINDINGS</u>	<u>QUESTIONED COST</u>
Department of Rail and Public Transportation Formula Grants for Other than Urbanized Areas	20.509	None	No

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARD FINDINGS

None

IV. STATUS OF PRIOR AUDIT FINDINGS

None