

Senior Citizens of Greater Dallas, Inc.

Financial Report

March 31, 2017

CONTENTS

Page

Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities.....	4
Statements of Functional Expenses	6
Statements of Cash Flows	10
Notes to Financial Statements	11



Independent Auditor's Report

To the Board of Directors of
Senior Citizens of Greater Dallas, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Senior Citizens of Greater Dallas, Inc. (a nonprofit organization) (dba The Senior Source), (the Organization) which comprise the statements of financial position as of March 31, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Senior Citizens of Greater Dallas, Inc. as of March 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended are in accordance with accounting principles generally accepted in the United States of America.

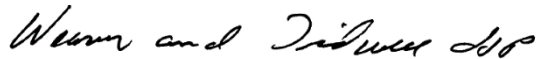
To the Board of Directors of
Senior Citizens of Greater Dallas, Inc.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Organization changed its method of accounting for special events revenue resulting in a restatement of prior period financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2017, on our consideration of Senior Citizens of Greater Dallas, 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 Senior Citizens of Greater Dallas, Inc.'s internal control over financial reporting and compliance.



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
August 31, 2017

Senior Citizens of Greater Dallas, Inc.

Statements of Financial Position

March 31, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 946,033	\$ 1,927,545
Investments	3,950,740	3,141,427
Accounts receivable	25,415	35,028
Grants receivable	73,461	115,774
Pledges receivable	1,500	109,908
Prepaid expenses	12,625	41,804
Total current assets	5,009,774	5,371,486
Property and equipment, at cost:		
Land	1,381,450	1,381,450
Building	5,340,613	5,340,613
Furniture and fixtures	488,277	565,807
Transportation equipment	131,679	131,679
	7,342,019	7,419,549
Accumulated depreciation	(2,158,055)	(2,034,262)
Total property and equipment	5,183,964	5,385,287
Other assets	9,488	-
Total other assets	9,488	-
TOTAL ASSETS	\$ 10,203,226	\$ 10,756,773
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 213,503	\$ 30,701
Deferred support	210,890	183,909
Accrued expenses	79,773	24,816
Total current liabilities	504,166	239,426
Deferred compensation benefits	9,488	-
Total long-term liabilities	9,488	-
Total liabilities	513,654	239,426
Net assets:		
Unrestricted:		
Undesignated	6,183,165	6,771,485
Board designated	8,681	8,681
Temporarily restricted	3,497,726	3,737,181
	9,689,572	10,517,347
TOTAL LIABILITIES AND NET ASSETS	\$ 10,203,226	\$ 10,756,773

The Notes to Financial Statements are an integral part of these statements.

Senior Citizens of Greater Dallas, Inc.

Statement of Activities Year Ended March 31, 2017

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER			
SUPPORT:			
Contributions	\$ 1,220,754	\$ 676,498	\$ 1,897,252
United Way allocation	267,723	-	267,723
Special events	1,159,476	-	1,159,476
Investment return	420,449	-	420,449
Federal and state grants	1,438,543	-	1,438,543
Local grants	357,374	-	357,374
Other	343,535	-	343,535
Net assets released from restrictions	915,953	(915,953)	-
	6,123,807	(239,455)	5,884,352
EXPENSES:			
Program services	5,657,198	-	5,657,198
Fund raising	537,349	-	537,349
Management and general	517,580	-	517,580
	6,712,127	-	6,712,127
CHANGE IN NET ASSETS	(588,320)	(239,455)	(827,775)
BEGINNING NET ASSETS, AS RESTATED	6,780,166	3,737,181	10,517,347
ENDING NET ASSETS	\$ 6,191,846	\$ 3,497,726	\$ 9,689,572

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

Senior Citizens of Greater Dallas, Inc.

Statement of Activities Year Ended March 31, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT:			
Contributions	\$ 763,046	\$ 1,587,582	\$ 2,350,628
United Way allocation	320,331	-	320,331
Special events	881,773	-	881,773
Investment return	(238,550)	-	(238,550)
Federal and state grants	1,407,251	-	1,407,251
Local grants	421,799	-	421,799
Other	326,424	-	326,424
Net assets released from restrictions	1,661,191	(1,661,191)	-
	5,543,265	(73,609)	5,469,656
Total revenues, gains and other support			
EXPENSES:			
Program services	5,624,487	-	5,624,487
Fund raising	493,726	-	493,726
Management and general	233,340	-	233,340
	6,351,553	-	6,351,553
Total expenses			
CHANGE IN NET ASSETS	(808,288)	(73,609)	(881,897)
BEGINNING NET ASSETS, AS RESTATED	7,588,454	3,810,790	11,399,244
ENDING NET ASSETS	\$ 6,780,166	\$ 3,737,181	\$ 10,517,347

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

Senior Citizens of Greater Dallas, Inc.

Statement of Functional Expenses

Year Ended March 31, 2017

	Management and General	Fund Raising	Program Services			Long-Term Care Ombudsman
			AGE	Elder Support	Guardianship	
Salaries - professional	\$ 233,879	\$ 263,438	\$ 112,920	\$ 276,528	\$ 363,536	\$ 462,106
Salaries - clerical	19,283	37,478	22,816	-	43,454	4,494
Salaries-van driver/miscellaneous	-	-	-	-	-	-
Vacation expense	16,426	-	-	-	-	-
Health/dental insurance	20,915	27,795	4,447	38,225	32,978	38,138
Social security taxes	74,137	17,998	6,277	19,700	28,590	33,140
Workers' compensation insurance	(1,022)	1,181	448	765	2,772	2,453
State unemployment tax	1,035	403	229	694	822	967
Retirement	22,240	22,656	9,992	18,173	27,881	33,025
Disability & life insurance	5,643	2,107	888	1,859	3,726	4,081
Audit	951	2,592	1,266	3,032	4,503	5,016
Contract services	28,337	224	-	1,082	2,326	-
Evaluations	-	-	-	-	-	-
Technology	15,683	143	380	300	1,280	570
Collaboration fees	-	-	-	-	-	-
Program Supplies	6,715	393	359	1,290	1,094	3,131
FBI Fingerprinting	-	-	-	-	63	-
Vol. Physicals Badges	-	-	-	-	-	-
Background Checks	33	9	-	26	374	-
Stipends	-	-	-	-	-	-
Client assistance	-	-	-	259,457	-	-
Client purchases	-	-	-	-	12,377	-
Trainings	-	-	-	3,134	-	25
Food/Meals	3,757	112	2,056	1,060	2,336	-
Printing	1,674	2,329	5,599	1,389	1,221	1,421
Postage	1,719	2,269	1,823	1,154	1,408	351
Web site/web design	2,255	420	-	-	-	-
Telephone	13,031	991	690	2,071	9,068	6,896
Utilities	1,215	3,312	1,618	3,874	5,754	6,409
Janitor	1,281	3,491	1,706	4,084	6,065	6,756
Building maintenance	10,718	800	79	291	370	343
Household supplies	3,610	-	-	-	-	-
Property, cyber, umbrella insurance	1,415	3,858	1,885	4,513	6,703	7,466
Security services/fire alarm monitoring	334	911	445	1,065	1,582	1,762
Data storage	126	343	168	401	596	663
Grounds maintenance	114	310	152	363	539	600
Waste management	221	602	294	705	1,047	1,166
Shredding confidential data	34	93	45	109	162	180
Staff travel	1,698	32	720	155	6,169	13,484
Vehicle operating cost	-	-	4,159	-	-	-
Conference	1,388	798	529	434	3,214	12,143
Subscriptions	896	-	-	-	125	-
Memberships	1,741	20	60	375	698	133
Liability insurance & CIMA	-	-	-	-	3,186	673
Volunteer travel	-	-	-	-	-	-
Bank charges	911	2,482	1,213	2,903	4,312	4,803
Volunteer recognition	4,637	193	171	-	750	-
Recruiting	199	-	597	398	199	-
Special events	-	98,464	-	-	-	-
SAGE Society	-	17,890	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Pegasus	-	686	-	-	-	-
Equipment	1,645	-	-	-	-	600
Maint agreements	1,238	3,373	1,648	3,946	5,860	6,528
Software/software licenses	10,910	160	360	1,343	3,874	2,355
Marketing	324	-	-	750	-	7,371
Depreciation	6,234	16,993	8,302	19,876	29,521	32,881
	<u>\$ 517,580</u>	<u>\$ 537,349</u>	<u>\$ 194,341</u>	<u>\$ 675,524</u>	<u>\$ 620,535</u>	<u>\$ 702,130</u>

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

Program Services

Employment	Elder Financial							Total	Total
	RSVP Fund	FGP Fund	Elder Care Partners	SCP Fund	Safety Center	Public Education			
\$ 226,637	\$ 216,095	\$ 162,225	\$ 304,861	\$ 149,359	\$ 517,333	\$ 12,708	\$ 2,804,308	\$ 3,301,625	
7,194	13,817	-	51,800	7,479	22,400	-	173,454	230,215	
-	10,447	-	-	-	-	-	10,447	10,447	
-	-	-	-	-	-	-	-	16,426	
16,761	22,712	16,312	15,141	9,368	47,543	6,760	248,385	297,095	
14,939	13,626	11,574	13,294	9,445	33,163	6,078	189,826	281,961	
1,098	1,787	810	874	634	2,280	466	14,387	14,546	
392	502	294	256	341	861	158	5,516	6,954	
13,977	16,865	12,065	24,995	11,382	37,750	1,220	207,325	252,221	
2,165	1,873	1,393	954	831	4,212	286	22,268	30,018	
1,918	3,931	1,888	1,512	1,818	3,143	180	28,207	31,750	
-	-	-	-	2,700	-	18,435	24,543	53,104	
-	-	-	-	-	12,000	-	12,000	12,000	
170	2,350	193	390	480	1,300	-	7,413	23,239	
-	-	-	-	-	303,671	-	303,671	303,671	
398	545	2,432	510	2,048	2,741	917	15,465	22,573	
-	36	919	-	1,197	41	-	2,256	2,256	
-	1,507	-	-	9,330	-	-	10,837	10,837	
-	119	314	-	96	-	9	938	980	
-	-	293,705	-	203,914	-	-	497,619	497,619	
-	-	-	-	-	-	-	259,457	259,457	
-	-	-	5,691	-	-	-	18,068	18,068	
640	-	753	-	15	-	-	4,567	4,567	
220	4,305	92,097	5	15,990	142	85	118,296	122,165	
2,314	1,498	1,246	1,110	1,508	7,797	234	25,337	29,340	
331	350	1,021	146	968	787	28	8,367	12,355	
-	-	-	-	-	-	4,070	4,070	6,745	
1,325	1,850	966	2,776	1,172	2,379	277	29,470	43,492	
2,451	5,023	2,412	1,932	2,322	4,016	230	36,041	40,568	
2,584	5,295	2,543	2,037	2,448	4,234	242	37,994	42,766	
211	238	158	132	185	370	81	2,458	13,976	
-	-	-	-	-	3	-	3	3,613	
2,855	5,851	2,810	2,251	2,705	4,679	268	41,986	47,259	
674	1,381	663	531	639	1,104	63	9,909	11,154	
254	520	250	200	240	416	24	3,732	4,201	
230	470	226	181	218	376	22	3,377	3,801	
446	914	439	351	422	731	42	6,557	7,380	
69	141	68	54	65	113	6	1,012	1,139	
991	1,060	1,858	4,003	1,879	3,407	-	33,726	35,456	
-	7,420	-	-	-	-	-	11,579	11,579	
230	2,202	1,769	1,412	5,594	10,787	-	38,314	40,500	
-	-	-	-	-	1,100	-	1,225	2,121	
-	332	266	309	233	499	-	2,905	4,666	
-	6,658	517	-	646	-	-	11,680	11,680	
-	-	31,094	-	33,941	-	-	65,035	65,035	
1,837	3,764	1,808	1,448	1,741	3,010	172	27,011	30,404	
87	805	9,557	18	5,327	1,774	-	18,489	23,319	
-	99	24	-	199	-	-	1,516	1,715	
-	-	-	-	-	-	-	-	98,464	
-	-	-	-	-	-	-	-	17,890	
-	-	-	7,976	-	-	-	7,976	7,976	
-	-	-	-	-	-	-	-	686	
-	-	-	-	-	-	-	600	2,245	
2,497	5,116	2,457	1,968	2,366	4,091	234	36,711	41,322	
900	1,157	1,020	393	717	1,411	160	13,690	24,760	
509	630	-	-	-	799	2,196	12,255	12,579	
12,576	25,769	12,378	9,914	11,916	20,607	1,180	184,920	208,147	
\$ 319,880	\$ 389,060	\$ 672,524	\$ 459,425	\$ 503,878	\$ 1,063,070	\$ 56,831	\$ 5,657,198	\$ 6,712,127	

Senior Citizens of Greater Dallas, Inc.
Statement of Functional Expenses
Year Ended March 31, 2016

	Management and General		Program Services			Long-Term Home Ombudsman
	General	Fund Raising	AGE	Elder Support	Guardianship	
Salaries - professional	\$ 116,629	\$ 202,190	\$ 107,596	\$ 273,750	\$ 380,739	\$ 446,094
Salaries - clerical	8,149	46,234	28,353	13,225	48,042	10,554
Salaries-van driver/miscellaneous	-	-	-	-	-	-
Vacation expense	4,814	-	-	-	-	-
Health/dental insurance	9,189	21,105	7,941	25,211	34,107	39,731
Social security taxes	8,199	17,515	9,813	20,380	31,066	33,272
Workers' compensation insurance	306	634	414	1,112	1,785	1,822
State unemployment tax	72	398	176	231	1,220	952
Retirement	11,937	22,409	7,560	10,133	14,039	25,088
Disability and life insurance	1,306	2,276	1,488	2,573	4,203	3,887
Audit	500	2,237	1,292	3,119	4,631	5,166
Contract services	1,419	5,870	3,389	8,185	12,154	13,559
Evaluations	-	-	-	-	-	-
Technology	7,797	1,989	1,349	1,802	3,146	12,187
Collaboration fees	-	-	-	-	-	-
Program supplies	11,193	967	9,963	6,114	6,927	9,941
Stipends	-	-	-	-	-	-
Client assistance	-	-	-	211,741	-	-
Printing	1,000	1,243	2,795	1,408	1,428	1,825
Postage	531	2,188	839	1,163	1,835	484
Website/web design	1,835	-	-	-	-	-
Internet-c-beyond	78	350	202	488	725	809
Telephone	16,119	896	645	2,133	6,747	7,247
Utilities	636	2,821	1,629	3,933	5,840	6,516
Janitor	708	3,145	1,816	4,385	6,511	7,264
Building maintenance	355	2,639	1,524	3,852	5,464	6,096
Household supplies	53	204	137	332	492	549
Property, cyber, and umbrella insurance	1,061	3,991	2,304	5,564	8,262	9,218
Security services/fire alarm monitoring	288	1,250	722	1,744	2,589	2,889
Data storage	68	298	172	416	617	689
Grounds maintenance	58	256	148	356	529	590
Waste management	443	413	238	576	855	954
Permits	1	7	4	10	15	16
Shredding confidential data	150	53	60	144	162	138
Staff travel	1,930	98	1,103	219	6,135	13,215
Vehicle operating cost	-	-	-	-	-	-
Conference	2,054	676	2,016	510	3,538	10,121
Subscriptions	1,019	79	-	-	57	-
Memberships	1,436	300	220	325	1,224	1,116
Liability insurance and CIMA	-	-	-	-	3,011	752
Volunteer travel	-	-	-	-	-	-
Bank charges	6,337	7,443	500	823	1,292	1,363
Volunteer recognition	7,725	642	297	-	-	-
Recruiting	199	199	199	199	397	398
Special events	-	109,644	-	-	-	-
SAGE Society	-	14,682	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Maintenance agreements	500	1,782	1,399	3,379	5,018	5,598
Software/software licenses	3,447	65	150	1,136	2,287	1,773
Advertising	523	-	-	-	-	-
Marketing	-	-	-	-	-	-
Depreciation	3,276	14,538	8,395	20,271	30,099	33,580
	<u>\$ 233,340</u>	<u>\$ 493,726</u>	<u>\$ 206,848</u>	<u>\$ 630,942</u>	<u>\$ 637,188</u>	<u>\$ 715,453</u>

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

Program Services

Employment	Elder Financial						Total	Total
	RSVP Fund	FGP Fund	Elder Care Partners	SCP Fund	Safety Center	Public Education		
\$ 226,273	\$ 220,692	\$ 154,056	\$ 228,169	\$ 155,494	\$ 525,722	\$ 23,521	\$ 2,742,106	\$ 3,060,925
10,554	17,289	7,615	7,882	8,015	13,626	4,008	169,163	223,546
-	23,499	-	-	-	-	-	23,499	23,499
-	-	-	-	-	-	-	-	4,814
15,667	24,900	6,500	12,102	9,634	50,165	1,475	227,433	257,727
17,152	18,645	11,753	16,336	11,710	38,323	1,571	210,021	235,735
881	1,009	599	764	606	2,115	458	11,565	12,505
582	501	569	187	264	701	20	5,403	5,873
9,506	8,203	6,980	13,671	6,980	19,188	5,147	126,495	160,841
1,927	2,381	1,082	2,699	1,468	4,541	1,216	27,465	31,047
1,985	3,938	1,890	1,481	1,890	3,213	158	28,763	31,500
5,208	10,342	7,894	3,886	14,536	8,471	413	88,037	95,326
-	-	-	-	-	12,000	-	12,000	12,000
1,309	2,019	1,992	12,700	5,077	3,563	106	45,250	55,036
-	-	-	-	-	331,720	-	331,720	331,720
10,222	13,567	59,174	2,767	20,657	10,688	1,982	152,002	164,162
-	-	299,596	-	219,277	-	-	518,873	518,873
-	-	-	-	-	-	-	211,741	211,741
3,613	2,774	1,774	1,512	1,374	8,904	320	27,727	29,970
425	1,808	1,314	252	915	1,201	16	10,252	12,971
1,925	-	-	-	-	241	475	2,641	4,476
311	617	296	232	296	503	25	4,504	4,932
1,238	2,371	903	2,647	1,087	2,345	215	27,578	44,593
2,503	4,966	2,384	1,867	2,384	4,052	199	36,273	39,730
2,790	5,536	2,657	2,082	2,657	4,518	221	40,437	44,290
2,342	4,646	2,230	1,747	2,230	3,791	253	34,175	37,169
211	419	201	157	201	376	17	3,092	3,349
3,381	7,025	3,373	2,641	3,373	5,733	280	51,154	56,206
1,110	2,202	1,057	828	1,057	1,797	83	16,078	17,616
265	525	252	197	252	428	21	3,834	4,200
227	450	216	169	216	367	18	3,286	3,600
366	727	349	273	-	593	29	4,960	5,816
6	13	6	5	6	10	1	92	100
91	142	87	141	129	148	7	1,249	1,452
776	1,553	2,351	8,423	1,202	3,056	39	38,072	40,100
-	8,438	-	-	-	-	-	8,438	8,438
-	529	1,025	1,974	703	14,217	140	34,773	37,503
-	-	-	-	-	19	-	76	1,174
-	391	43	880	268	50	-	4,517	6,253
-	11,707	480	-	735	-	-	16,685	16,685
-	-	34,570	-	38,854	-	-	73,424	73,424
522	2,594	1,245	706	513	1,138	443	11,139	24,919
-	1,562	2,862	110	131	125	-	5,087	13,454
-	99	199	199	199	199	-	2,088	2,486
-	-	-	-	-	-	-	-	109,644
-	-	-	-	-	-	-	-	14,682
-	-	-	633	-	-	-	633	633
-	-	-	-	-	-	-	-	-
2,150	4,267	2,048	2,292	2,048	3,482	171	31,852	34,134
965	210	270	411	148	28	-	7,378	10,890
-	-	-	25	-	2,760	-	2,785	3,308
146	679	-	250	-	654	-	1,729	1,729
12,900	25,595	12,285	9,624	12,285	20,885	1,024	186,943	204,757
\$ 339,529	\$ 438,830	\$ 634,177	\$ 342,921	\$ 528,871	\$ 1,105,656	\$ 44,072	\$ 5,624,487	\$ 6,351,553

Senior Citizens of Greater Dallas, Inc.

Statements of Cash Flows

Years Ended March 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (827,775)	\$ (842,512)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	208,146	204,757
Realized and unrealized (gains) losses on investments	(419,063)	244,533
Decrease (increase) in:		
Accounts receivable	9,613	(7,344)
Grants receivable	42,313	18,799
Pledges receivable	108,408	(13,783)
Prepaid expenses	29,179	(10,899)
Other assets	(9,488)	-
Increase (decrease) in:		
Accounts payable	182,802	24,483
Deferred revenue	26,981	(19,093)
Deferred compensation	9,488	-
Accrued expenses	54,957	4,813
	(584,439)	(396,246)
Net cash used in operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of investments	3,390,589	3,432,802
Purchase of investments	(3,779,453)	(2,531,000)
Investment income reinvested	(1,386)	(5,983)
Capital expenditures	(6,823)	(530)
	(397,073)	895,289
Net cash provided by investing activities		
Increase (decrease) in cash and cash equivalents	(981,512)	499,043
Beginning cash and cash equivalents	1,927,545	1,428,502
Ending cash and cash equivalents	\$ 946,033	\$ 1,927,545
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Non-cash donations of goods and services	\$ 129,722	\$ 106,536

The Notes to Financial Statements are an integral part of these statements.

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Senior Citizens of Greater Dallas, Inc. (dba The Senior Source) (the Organization) is a nonprofit organization that serves as an umbrella for eleven programs for older adults. The Organization's mission is to enhance the overall quality of life and empower all older adults in greater Dallas to thrive. The Organization is supported primarily through donor contributions, grants, and the United Way.

Financial Statement Presentation

The Organization has adopted Financial Accounting Standards Board (FASB) guidance on not-for-profit financial statement presentation. Under this guidance, the Organization 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.

Unrestricted Net Assets

Net assets that are not restricted as to use or for which the donor-imposed restrictions have been fulfilled are reported as unrestricted net assets in the accompanying financial statements. Unrestricted net assets are used to meet the Organization's overall objectives of improving the quality of life of older adults in the greater Dallas area through protection, eldercare, advocacy, volunteerism, and employment services. Board designated net assets include assets designated for the building.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time and trust activity for which the ultimate purpose of the proceeds is not permanently restricted. The income from the investment of these net assets is similarly restricted if specified by the donor. When the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Contributions

The Organization has adopted FASB guidance on accounting for contributions received and contributions made. In accordance with FASB guidance, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Under FASB guidance, the Organization reports donor restricted contributions as temporarily or permanently restricted support, whichever the case, and then reclassifies to unrestricted net assets upon expiration of the related restrictions.

Estimates

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

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

Cash and Cash Equivalents

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

Fair Value Measurements

The Organization's financial assets carried at fair value have been classified for disclosure purposes only based on a hierarchy defined by FASB Accounting Standards Codification 820 *Fair Value Measurement Disclosure* (FASB ASC 820), in accordance with accounting principles generally accepted in the United States of America (GAAP). FASB ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and establishes a measurement framework.

FASB ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, FASB establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period the promise is received.

An allowance has not been provided as management considers all pledges receivable to be fully collectible based upon review of donors.

Donated Materials, Services, and Facilities

Contributions of property are recorded at appraised or fair market value as of the date of the gift. The value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

Functional Expenses

The costs of providing the Organization's various programs and other activities have been summarized between program services, management and general, and fundraising. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Programs maintained by the Organization are the following:

- The AGE (Advocacy Group for Elders) Program represents resources used to involve staff members and an advisory council of older adults in assessing aging needs in the community and working with groups and individuals to advocate for services and programs that will benefit older people. In addition, AGE educates hundreds of people each year through debates, newsletters and community education forums.
- The Elder Support Program represents resources used to address concerns often associated with aging through supportive counseling, facilitating problem solving, decision making and planning, thus enhancing the quality of lives of older adults.
- The Guardianship and Money Management Program represents resources used to visit clients. The agency has been appointed by the courts as guardian for incapacitated older adults residing in Dallas, Denton, Collin, Kaufman, Rockwall, and Hunt counties. The Money Management component represents resources to offer assistance to low income elderly who have difficulty managing their financial situations.
- The Long-Term Care Ombudsman Program represents resources used to assist in staff ombudsmen and state certified volunteer ombudsmen working together to improve conditions for nursing home residents and to promote residents' rights.
- The Senior Employment Program represents resources used to provide job search information, training workshops on job-search related matters, and job listings for older adults.
- The Retired and Senior Volunteer Program (RSVP) represents resources used for activities conducted by persons over age 55 who volunteer their time to various programs and tasks in their communities.
- The Foster Grandparent Program (FGP) represents resources used for activities whereby eligible older adults receive stipend income and are paired with troubled, disabled, or hospitalized children who need the comfort, wisdom, and example of an older adult.
- The Organization, in keeping with its mission, conducts a fee-for-service program called ElderCare Partners. Comprehensive and personalized services are provided for older adults and their caregivers. Services include: development of a written care plan outlining the older adult's needs; professional assessment to examine the level of care needed through an evaluation of living arrangements and memory screening; implementation and coordination of the customized care plan; vendor recommendations and counseling and crisis intervention.
- The Senior Companion Program (SCP) represents resources used for eligible older adults to receive stipend income for going into the homes of the elderly and frail and performing light housekeeping functions, companionship and meal preparation.

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

- The Elder Financial Safety Center (the Center) represents resources to involve the Organization and collaborating partners: the Dallas Probate Courts and the Dallas County District Attorney's Office; in identifying, preventing, and prosecuting those entities, or entity that exploits the financial security and safety of older adults. Financial safety includes housing, health choices, transportation, fraud, and exploitation. The Center is made possible by the W.W. Caruth, Jr. Foundation at Communities Foundation of Texas.
- Public Education represents resources used for educating the community on age-related needs.

Property and Equipment

Furniture, fixtures, and equipment are stated at cost of acquisition or fair market value as of the date of the donation.

Depreciation is provided for under the straight-line method at rates sufficient to amortize the related costs over the estimated useful lives of the respective assets, which is thirty years for the building and five years for the remaining long lived assets. Depreciation expense for the periods ended March 31, 2017 and 2016 was \$208,146 and \$204,757, respectively.

Repairs and maintenance are charged to expense as incurred; major improvements and capital expenditures greater than \$1,000 are capitalized.

Concentration of Credit Risk

The Organization maintains its cash in deposit accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Federal Income Taxes

The Organization is a tax exempt entity for federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax is reflected in the accompanying financial statements.

Tax positions taken related to the Organization's tax exempt status, unrelated business activities taxable income and deductibility of expenses and other miscellaneous tax positions have been reviewed, and management is of the opinion that material positions taken by the Organization would more than likely than not be sustained by examination. Accordingly, the Organization has not recorded an income tax liability for uncertain tax benefits. As of March 31, 2017, the Organization's tax years 2014 through 2016 remain subject to examination.

Change in Accounting Policy

In the year ended March 31, 2017, the Organization elected to change its method of accounting for special event revenues to a more conservative approach which matches the revenues received with the fiscal year in which the event occurs. The new method was adopted because management believes it provides a more meaningful presentation and methodology to manage its special event revenue. Comparative financial statements of the year ended March 31, 2016 have been adjusted to apply the new method retrospectively. The following financial statement line items for the year ended March 31, 2016 were affected by the change in accounting principal: deferred support increased by \$169,935 and undesignated net assets decreased \$130,550 on the statement of financial position, and special events revenue decreased by \$39,385.

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

Reclassification

Certain amounts in the 2016 financial statements have been reclassified to conform to the 2017 financial statement presentation. This reclassification has no effect on net assets or the 2016 change in net assets of the Organization.

Subsequent Events

Subsequent events have been evaluated through March 31, 2017, the date the financial statements were available to be issued. No material subsequent events were noted requiring recognition or disclosure in the financial statements.

Note 2. Marketable Securities and Investments

In accordance with FASB guidance on accounting for investments held by not-for-profit organizations, investments in equity securities with readily determinable fair values are recorded at fair market value. The carrying values of financial instruments reported on the Organization's statement of financial position approximate fair value. The difference, if any, between the cost basis and the fair value of each investment represents unrealized appreciation or depreciation. Changes in unrealized appreciation and depreciation during a period are reported in the statement of activities.

Information related to the investments measured at fair value at March 31, 2017 is as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds:				
Domestic equity	\$ 825,290	\$ 825,290	\$ -	\$ -
International equity	1,090,955	1,090,955	-	-
Fixed income	1,445,329	1,445,329	-	-
Alternative strategy	78,719	78,719	-	-
Other	510,447	510,447	-	-
Total Investments	<u>\$ 3,950,740</u>	<u>\$ 3,950,740</u>	<u>\$ -</u>	<u>\$ -</u>

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

Information related to the investments measured at fair value at March 31, 2016 is as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds:				
Domestic equity	\$ 584,956	\$ 584,956	\$ -	\$ -
International equity	767,183	767,183	-	-
Fixed income	1,378,489	1,378,489	-	-
Alternative strategy	54,115	54,115	-	-
Other	356,684	356,684	-	-
Total Investments	<u>\$ 3,141,427</u>	<u>\$ 3,141,427</u>	<u>\$ -</u>	<u>\$ -</u>

Investments consisted of the following at March 31:

	2017	
	Cost	Fair Value
Mutual funds		
Domestic equity	\$ 788,952	\$ 825,290
International equity	1,023,933	1,090,955
Fixed income	1,462,295	1,445,329
Alternative strategy	87,458	78,719
Other	450,177	510,447
	<u>\$ 3,812,815</u>	<u>\$ 3,950,740</u>
	2016	
	Cost	Fair Value
Mutual funds		
Domestic equity	\$ 597,920	\$ 584,956
International equity	840,652	767,183
Fixed income	1,392,814	1,378,489
Alternative strategy	83,586	54,115
Other	365,573	356,684
	<u>\$ 3,280,545</u>	<u>\$ 3,141,427</u>

The following is a description of the valuation methodologies used to measure and disclose fair value of investments:

Marketable equity and fixed income securities reported as level 1 are determined by reference to quoted market prices for investments listed on an exchange or over-the-counter market.

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

The following schedule summarizes the investment return in the statement of activities:

	2017	2016
Interest income	\$ 1,386	\$ 5,983
Net realized and unrealized gain (loss)	419,063	(244,533)
	\$ 420,449	\$ (238,550)

Note 3. Pledges Receivable

Pledges receivable represents unconditional promises to give. At March 31, 2017 and 2016, these pledges receivables are due to be collected as follows:

	2017	2016
Within one year:	\$ 1,500	\$ 109,908
	\$ 1,500	\$ 109,908

The Organization determines the fair value of assets through application of FASB guidance on fair value measurements. There were no pledges receivables requiring fair value measurements at March 31, 2017.

Note 4. Deferred Compensation Plan

In January 2016, the Organization entered into a deferred compensation plan with a member of management. The contributions that have been deferred since the plan's inception have been accrued and the only expenses, other than the Organization's annual contributions permitted by the Internal Revenue Code, related to this plan is the interest on the deferred amounts. Investment returns related to this plan include \$508 and \$0 in 2017 and 2016, respectively. The Organization has included in "Deferred compensation benefits" \$9,488 and \$0 at March 31, 2017 and 2016, respectively. The Organization has included in "Other assets" \$9,488 and \$0 at March 31, 2017 and 2016, respectively, which represent the fair value of the plan. These assets were held in alternative strategy mutual funds and reported as level 1 determined by reference to quoted market prices for investments listed on an exchange or over-the-counter market.

Note 5. Retirement Plan

The Organization established a thrift plan November 1, 1992. Each participant may elect to contribute a percentage of annual compensation provided that the contribution does not exceed the lesser of the maximum permitted by the Internal Revenue Code of \$18,000 per year or the individual's maximum excludable allowance. The Organization contributes 5% of each eligible participant's salary. The Organization makes an additional contribution equal to 100% of the eligible participants' salary reduction amount up to 3%. The value of the account attributable to the participant's own contributions is always fully and immediately vested. The value of the participant's account attributable to the Organization's contributions is 20% vested after two years of service, and increases by 20% each year until the account value is 100% vested at the end of six years of service. During the years ended March 31, 2017 and 2016, the Organization incurred \$252,219 and \$160,841, respectively, of expense for retirement contributions.

Senior Citizens of Greater Dallas, Inc.

Notes to Financial Statements

Note 6. Net Assets

Temporarily restricted net assets at March 31, 2017 and 2016 consist of:

	2017	2016
Building operations	\$ 2,727,549	\$ 2,889,550
Program services	770,177	847,631
	\$ 3,497,726	\$ 3,737,181

Note 7. Special Events

Special events consisted of the following for the year ended March 31, 2017:

	Spirit Luncheon	TI Golf Tournament	JUB Jam	2017 Total
Revenues	\$ 1,093,932	\$ 15,945	\$ 49,599	\$ 1,159,476
Expenses	(96,158)	-	(2,306)	(98,464)
	\$ 997,774	\$ 15,945	\$ 47,293	\$ 1,061,012

Special events consisted of the following for the year ended March 31, 2016:

	Spirit Luncheon	TI Golf Tournament	JUB Jam	2016 Total
Revenues	\$ 806,477	\$ 12,055	\$ 63,241	\$ 881,773
Expenses	(107,484)	-	(2,159)	(109,643)
	\$ 698,993	\$ 12,055	\$ 61,082	\$ 772,130