

**COUNTY COMMISSIONERS' ASSOCIATION
OF WEST VIRGINIA**

**AUDITED FINANCIAL STATEMENTS -
CASH BASIS**

JUNE 30, 2014 AND 2013



Ellis & Ellis, CPAs
Certified Public Accountants

**COUNTY COMMISSIONERS' ASSOCIATION
OF WEST VIRGINIA**

**FINANCIAL STATEMENTS -
CASH BASIS**

JUNE 30, 2014 AND 2013

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Ellis & Ellis, PLLC
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
County Commissioners' Association
of West Virginia
Charleston, West Virginia

We have audited the accompanying financial statements of County Commissioners' Association of West Virginia (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets - cash basis as of June 30, 2014 and 2013, and the related statements of revenue and expenses and changes in net assets - cash basis 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 the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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. 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.

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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 assets, liabilities, and net assets of County Commissioners' Association of West Virginia as of June 30, 2014 and 2013, and its revenue and expenses for the years then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

A handwritten signature in cursive script that reads "Ellis & Ellis, PLLC".

Ellis & Ellis, PLLC

Charleston, West Virginia
January 23, 2015

**COUNTY COMMISSIONERS' ASSOCIATION
OF WEST VIRGINIA**

**STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS -
CASH BASIS**

ASSETS

	JUNE 30,	
	2014	2013
CURRENT ASSETS:		
Cash - Regular Account	\$ 266,186	\$ 225,876
Cash - Special Account	13,400	11,625
Cash - Super NOW Account	2,575	2,568
Certificates of Deposit	61,979	61,793
Total Current Assets	\$ 344,140	\$ 301,862
PROPERTY AND EQUIPMENT:		
Land	\$ 11,442	\$ 11,442
Office Building and Improvements	100,418	100,418
Equipment and Furnishings	28,129	28,129
Less Accumulated Depreciation	\$ 139,989	\$ 139,989
	86,421	80,529
Total Property and Equipment	\$ 53,568	\$ 59,460
TOTAL ASSETS	\$ 397,708	\$ 361,322

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accrued Wages and Liabilities	\$ 2,902	\$ -
UNRESTRICTED NET ASSETS	394,806	361,322
TOTAL LIABILITIES AND NET ASSETS	\$ 397,708	\$ 361,322

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

**COUNTY COMMISSIONERS' ASSOCIATION
OF WEST VIRGINIA**

**STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS - CASH BASIS**

	FOR THE YEARS ENDED	
	JUNE 30,	
	2014	2013
REVENUES:		
Dues	\$ 146,555	\$ 145,105
Associate Member Dues	7,000	5,600
Annual Meeting and Training Series:		
Registration Fees	58,020	67,395
Spouse Registration Fees	3,075	2,495
Vendor Registration Fees	10,520	10,020
Interest Income	193	437
Advertisements and Endorsements	157,727	156,649
Total Revenues	\$ 383,090	\$ 387,701
EXPENSES:		
Director Salary	\$ 76,000	\$ 73,225
Administrative Assistant Salary	35,180	34,577
Temporary Assistant Wages	7,221	10,403
Payroll Taxes	10,872	9,928
Pension	15,565	14,522
Health and Life Insurance	18,112	18,284
Annual Meeting and Training Series	70,474	63,309
Office/Printing/Publishing	12,090	14,188
Telephone and Internet	4,987	4,637
Lodging	8,365	9,569
Board Expense	4,618	8,539
Travel	8,225	6,495
National Association of Counties Reception	475	1,181
Office Furniture and Equipment	3,338	1,378
Meals	1,629	1,538
Dues/Registration	6,447	5,721
Professional Fees	3,187	4,315
Lobbying Fees	20,000	20,100
Legislative Expenses	967	477
Reimbursement of NACo Dues	8,225	-
Miscellaneous	6,306	1,706
Equipment Rental	8,020	13,773
Property Insurance	6,122	-
Property Taxes	2,425	1,978
Utilities	4,026	4,507
Depreciation	5,891	6,565
Repairs and Maintenance	839	2,178
Total Expenses	\$ 349,606	\$ 333,093
EXCESS OF REVENUES OVER EXPENSES	\$ 33,484	\$ 54,608
UNRESTRICTED NET ASSETS, JULY 1	361,322	306,714
UNRESTRICTED NET ASSETS, JUNE 30	\$ 394,806	\$ 361,322

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

**COUNTY COMMISSIONERS' ASSOCIATION
OF WEST VIRGINIA**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization:

The County Commissioners' Association of West Virginia was organized to promote and advance the general economical administration of county government as an independent organization and/or by affiliation or cooperation with other official state or national organizations having a similar objective.

Basis of Accounting:

The Association prepares its financial statements on the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under the cash basis, revenues are recorded when received rather than when earned and expenses are recorded when paid rather than when incurred. Therefore, accounts receivable, accounts payable, revenues and expenses which may be material in amount are not reflected. Consequently, the financial statements are not intended to present results of operations and financial position in conformity with generally accepted accounting principles.

Property and Equipment and Depreciation:

Property and equipment are stated at cost. The costs of additions and betterments are capitalized and expenditures for repairs and maintenance are expensed when paid.

Depreciation of property and equipment is provided utilizing the straight-line method over the estimated useful lives of the respective assets as follows:

Building	28.5	years
Building improvements	10-15	years
Equipment and furnishings	5-7	years

Income Tax Status:

The Association is exempt from federal income taxes under Internal Revenue Code Section 501(c)(4); therefore, there is no provision for income taxes in the accompanying statements.

NOTE 2 - OPERATING LEASES:

The Association leases office equipment under operating leases with terms in excess of one year. Total rental expense for this equipment for the years ended June 30, 2014 and 2013 was \$4,584 and \$7,837, respectively. The following is a schedule of future minimal rental payments required under these operating leases as of June 30, 2014:

Year Ended June 30,	
2015	\$ 3,160
2016	-
2017	-
2018	-
2019	-
	\$ 3,160

**COUNTY COMMISSIONERS' ASSOCIATION
OF WEST VIRGINIA**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 3 - PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS):

County Commissioners' Association of West Virginia participates in a state-wide, cost-sharing, multiple-employer defined benefit plan on behalf of employees. The system is administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and state appropriations, as necessary.

The following is a summary of eligibility factors, contribution methods, and benefit provisions:

Eligibility to participate	All full-time employees, except those covered by other pension plans
Authority establishing contribution obligations and benefit provisions	State Statute
Plan member's contribution rate	4.50%
Employer's contribution rate	14.50%
Period required to vest	Five Years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provisions for:	
Cost of Living	No
Death Benefits	Yes

Trend Information

<u>Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
6/30/2014	\$ 15,565	100%
6/30/2013	\$ 14,522	100%
6/30/2012	\$ 15,007	100%
6/30/2011	\$ 11,813	100%

Public Employees' Retirement System issued a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees' Retirement System, Building 5, Room 1000, 1900 Kanawha Boulevard, East, Charleston, West Virginia 25305.

NOTE 4 - EVALUATION OF SUBSEQUENT EVENTS:

The Association has evaluated subsequent events through January 23, 2015, the date the financial statements were available to be issued.

In July 2014, the Association purchased a house in Charleston for \$125,000 which will be used as the Association's new office space. To date, the original office building has not been sold, but it is the intent of the Association to sell it in the near future.