

MIAMI COUNTY COMMUNITY ACTION COUNCIL
TROY, OHIO

REPORT ON EXAMINATION OF FINANCIAL
STATEMENTS AND SUPPLEMENTAL DATA

FOR THE YEAR ENDED DECEMBER 31, 1999

DAVID G. FALATOK
CERTIFIED PUBLIC ACCOUNTANT



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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To the Board of Commissioners
Miami County Community Action Council
Troy, Ohio

We have reviewed the independent auditor's report of the Miami County Community Action Council, prepared by David G. Falatock, Inc., Certified Public Accountant, for the audit period January 1, 1999 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Miami County Community Action Council is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

November 21, 2000

MIAMI COUNTY COMMUNITY ACTION COUNCIL

TROY, OHIO

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DAVID G. FALATOK C O., Inc .
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Miami County Community Action Council
Troy, Ohio

I have audited the accompanying financial statements of the Miami County Community Action Council, as listed in the Table of Contents, as of and for the year ended December 31, 1999. These financial statements are the responsibility of the Miami County Community Action Council's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as in evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

Generally accepted accounting principles require that property and equipment be depreciated. It is Miami County Community Action Council's policy to expense these costs in accordance with guidelines provided by their various funding sources. The effect of this departure from generally accepted accounting principles is not readily determinable. In addition, Miami County Community Action Council did not record a liability for compensated absences in accordance with generally accepted accounting principles. The effect of this departure is the increase (decrease) in net assets is overstated by approximately \$2,700 and net assets unrestricted are overstated by approximately \$84,000 for the year ended December 31, 1999.

In my opinion, except for the matter discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Miami County Community Action Council as of December 31, 1999, and the results of its changes in net assets and cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated August 5, 2000 on my consideration of the Miami County Community Action Council's internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the basic financial statement of the Miami County Community Action Council taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The information in this Schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

David G. Falatok
Certified Public Accountant

August 5, 2000

MIAMI COUNTY COMMUNITY ACTION COUNCIL
Statement of Financial Position
December 31, 1999

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$61,451
Accounts Receivable	105,503
Prepaid Expenses	<u>32,112</u>
Total Current Assets	199,066

Fixed Assets:

Property and Equipment	406,833
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Other Assets:

403 (b) Pension Assets	198,522
Workers Comp Deposit	<u>1,000</u>
Total Other Assets	199,522

Total Assets	<u><u>\$805,421</u></u>
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LIABILITES AND NET ASSETS:

Current Liabilities:

Accounts Payable	\$114,334
Deferred Revenue	\$41,027
Total Current Liabilities	<u>155,361</u>

Long Term Liabilities:

403 (b) Pension Liability	198,522
Total Liabilities	<u>353,883</u>

Net Assets:

Unrestricted	438,899
Temporarily restricted	12,639
Total Net Assets	<u>451,538</u>

Total Liabilities and Net Assets	<u><u>\$805,421</u></u>
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The notes to the financial statements are an integral part of the financial statements

MIAMI COUNTY COMMUNITY ACTION COUNCIL
Statement of Activities
Year ended December 31, 1999

CHANGES IN UNRESTRICTED NET ASSETS:

UNRESTRICTED SUPPORT AND REVENUE:

Transportation Revenue	\$178,660	
Local Cash Reimbursement	39,416	
Interest	199	
Management Services	<u>406,123</u>	
		\$624,398

NET ASSETS RELEASED FROM RESRICTIONS:

Satisfaction of Program Restrictions:

State Grant Revenue	1,059,800	
Federal Grant Revenue	<u>205,741</u>	
		<u>\$1,265,541</u>
		1,889,939

UNRESTRICTED EXPENSES:

PROGRAM EXPENSES:

TRANSIT	717,161	
HWAP	188,991	
HEAP	108,813	
CSBG	108,991	
JTPA	<u>421,321</u>	
		\$1,545,277

MANAGEMENT AND GENERAL EXPENSES

<u>\$393,682</u>	1,938,959
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CAPITAL ADDITIONS (DISPOSALS)

<u>(\$1,836)</u>	1,940,795
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INCREASE (DECREASE) IN UNRESTRICTED ASSETS

<u>(\$50,856)</u>

CHANGES IN TEMPORARILY RESRICTED NET ASSETS:

State Grant Revenue	1,059,800
Federal Grant Revenue	205,741
Grant Revenue Released From Restrictions	<u>(1,265,541)</u>

INCREASE (DECREASE) IN NET ASSETS

<u>(50,856)</u>

NET ASSETS AT BEGINNING OF YEAR

<u>502,394</u>

NET ASSETS AT END OF YEAR

<u><u>\$451,538</u></u>

The notes to the financial statements are an integral part of the financial statements

MIAMI COUNTY COMMUNITY ACTION COUNCIL
Statement of Cash Flows
Year ended December 31, 1999

Cash flows from operating activities:

Change in net assets (\$50,856)

Adjustment to reconcile change in net assets to net cash provided by operating activities:

(Increase) Decrease:

Accounts Receivable 100,085
Prepaid Expenses (20,763)

Increase (Decrease) in:

Accounts Payable (34,108)
Deferred Revenue 41,027

Net cash provided by operating activities 35,385

Cash flows from investing activities

Purchase of equipment (289)
Disposal of equipment 2,125
1,836

Net increase in cash and cash equivalents 37,221

Cash and cash equivalents at beginning of year 24,230

Cash and cash equivalents at end of year \$61,451

The notes to the financial statements are an integral part of the financial statements

**Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999**

NOTE 1 - DESCRIPTION OF THE ENTITY

The Miami County Community Action Council ("MCAC" or "Council") is a nonprofit organization exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. Its mission is to develop, coordinate, and operate programs designed to combat the causes and effects of poverty and enabling individuals and families to becoming self sufficient.

Oversight of the Miami County Community Action Council is provided by a fifteen member board called the Board of Trustees representing five appointees of the Public Sector, five appointees of the Client Sector, and five appointees of the Private Sector.

The Miami County Community Action Council received federal funds to administer the following programs:

1. **Transit Program** - This program also known as "Urban Mass Transportation" includes the Miami and Piqua County transportation assistance programs. These programs are available to the general public at a fare however certain individuals who meet income, elderly or disability requirements receive a reduced or free fare for transportation.
2. **Home Weatherization Assistance Programs (HWAP)** - This program is also referred to as "Weather Assistance for Low-Income Persons Grant". Under this program individuals and families who meet certain eligibility requirements receive assistance to weatherize their homes.
3. **Home Energy Assistance Program (HEAP)** - This program also known as "Low-Income Home Energy Assistance Grant Program" provides energy assistance to individuals and families who meet certain eligibility requirements. Under this program payment for a portion of the energy bills received are paid to the supplier on behalf of applicant.
4. **Community Services Block Grant (CSBG)** - This program funded through the Department of Health and Human Services assists individuals and families with information referral and case management services for those meeting certain eligibility requirement. The Program can consist of many services depending upon the work program as defined by Miami County Community Action Council.
5. **Job Training Partnership Act (JTPA)** - This program is responsible for providing job training, education and related services. The following is the different funding arrangements under this program:

II-A Adult - This is a program designed to provide prescribed education and training activities to economically disadvantaged adults ranging in ages from 21 to 55.

II-C Youth - This is a program designed to provide prescribed education and training activities to economically disadvantaged youths ranging in ages from 14 to 21

5% Older Worker - This is a program designed to provide prescribed education and training activities to economically disadvantaged adults who are over the age of 55.

II-B Summer Youth - This is a program designed to provide prescribed education, training, and related work experience to economically disadvantaged youth between the ages of 14 to 21.

**Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999**

NOTE 1 - DESCRIPTION OF THE ENTITY - (continued)

Title III - EDWAA - This is a program designed to provide prescribed education and training to eligible dislocated workers.

5% Incentives - This program follows the same guidelines as II-A Adult Program.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements are prepared on the accrual basis of fund accounting in accordance with generally accepted accounting principles except that furniture, equipment and vehicles purchased with restricted grant funds are recorded as fixed assets in the Plant Fund and there is no depreciation recorded for the assets on the financial statements.

Further, fund accounting requires that the financial statements reflect limitations and restrictions placed on the uses of available resources. In accordance with Financial Accounting Standards No. 117, resources and transactions to be classified by funds in accordance with specific activities or objectives as follows:

Unrestricted

The Unrestricted Fund accounts for all resources over which the Board officials have discretionary control to use in carrying on the operations of the Miami County Community Action Council. These unrestricted amounts are expensed in accordance with the limitations of its constitution and by laws except for amounts invested in property and equipment, these funds are accounted for in the plant fund and recorded at the purchase price and expensed at the time they are received.

Temporarily Restricted

A grantor imposed restriction that permits the Miami County Community Action Council to use or expense the grant as specified and is satisfied by either the passage of time or by actions of the council or grantor.

Permanently Restricted

A grantor imposed restriction that stipulates that resources be maintained permanently but permits the organization to use up or expense part of all of the income derived from the assets. As of December 31, 1999 the MCAC had no permanently restricted assets.

Other significant accounting polices under which the financial statements have been prepared are as follows:

- a. **Cash and cash equivalents** are demand deposits in financial institutions and petty cash. Cash equivalents are carried at the lower of cost or market.
- b. **Furniture, equipment and vehicles** are recorded as fixed assets in the plant fund and expensed in the period incurred. As a result, no depreciation is recorded. Accordingly, the accompanying financial statements do not reflect provisions for depreciation in accordance with Generally Accepted Accounting Principles.

Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- c. **Compensated absences** - The liability for Compensated Absences balances are not accounted for by the Miami County Community Action Council.

Miami County Community Action Council employees are covered for absences by Annual Leave and Sick Leave as defined in the Personnel Policies adopted by the Miami County Community Action Council as follows:

1. Sick Leave - Regular employees accrue sick leave at the rate of one and one-fourth days per month. Accrual is unlimited and not a claim against the Agency; except an employee may be granted severance pay after one year of service based on accumulated sick leave with a four week maximum liability.
2. Annual Leave - Regular employees accrue annual leave at the rate of: one through five years of service equals ten days of earned vacation a year; six through ten years of service equals fifteen days of earned vacation a year; eleven years of service and over equals twenty-one days of earned vacation a year. Annual leave may be carried over for up to one year.

- d. **Interprogram Receivables/Payables** - During the course of operations, numerous short-term interprogram loans are made primarily to cover payroll and interprogram cost allocations. These transactions are not eliminated in the combined statement of financial position as of December 31, 1999.

- e. **Revenue and expenditures recognition** - Revenue from restricted grants from governmental agencies is recognized when the Miami County Community Action Council has incurred expenditures in compliance with the specific restriction. Grant revenues in excess of grant expenditures incurred are reported as deferred revenue. All contributions are considered to be available for unrestricted use unless specifically restricted by the grantor.

If applicable, unspent funds in closed programs are to be returned to the grantor and are shown as a liability "due to grantor" in the statement on financial position and therefore, are not included as support in the statement of activities.

Expenditures are recognized when incurred in accordance with generally accepted accounting principles except for fixed assets which are expensed rather than capitalized and depreciated. Prepaid expense arise when disbursements are made in advance of the period to be charged with the expense and are recorded as an asset until the charge can be properly recognized. Direct cost are charged to the program when incurred indirect cost are allocated to the various programs in accordance with a cost allocation plan.

- f. **Income Taxes** - The Miami County Community Action Council is exempt from income taxes under 501(c)(3) of the Internal Revenue Code. Therefore no assets, liabilities, or expenses related to federal income tax are recorded.

**Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999**

NOTE 3 - DEFICIT CASH AND NET ASSET BALANCES

Various programs of the Miami County Community Action Council had a deficit net asset balance due to grant monies which have been expended but not yet received as of December 31, 1999. The negative cash balances of the various grant programs are a result of expenditures being made prior to reimbursement from the grant agency. These deficit cash balances are covered by unrestricted interprogram loans and are recorded as accounts payable.

The net asset deficit balances resulted from adjustments for accrued liabilities. The program is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 4 - HOME WEATHERIZATION ASSISTANCE PROGRAM (HWAP)

The following is an analysis of income received from the Ohio Department of Development for the HWAP program:

Contract	Date	Voucher #	Stripper No CFDA #	DOE CFDA # 81.042	HHS CFDA #93.568	Total
99-134	03/31/99	910192	\$ -	\$ 3,812	\$ 4,346	\$ 8,158
99-134	04/14/99	910906	731	6,810	4,506	12,047
99-134	06/24/99	913416	4,564	22,185	5,790	32,539
99-134	07/08/99	K00091	-	-	6,191	6,191
99-134	07/16/99	K00286	2,639	8,840	3,157	14,636
99-134	07/28/99	K00798	3,011	3,409	4,554	10,974
99-134	08/03/99	K01080	3,010	4,767	5,376	13,153
98-134	09/10/99	K02666	-	8,035	3,500	11,535
98-134	10/20/99	K03864	-	12,420	-	12,420
98-134	11/03/99	K04575	-	9,541	-	9,541
98-134	11/29/99	K05530	-	9,462	3,194	12,656
98-134	12/23/99	K06782	<u>2,762</u>	<u>2,732</u>	<u>1,555</u>	<u>7,049</u>
		SubTotal	<u>\$16,717</u>	<u>\$ 92,013</u>	<u>\$42,169</u>	<u>\$150,899</u>
<u>Accounts Receivable:</u>						
99-134	02/03/2000		-	6,511	-	6,511
Refunds:						
99-134	05/10/99	Ck # 41673	-	(5,415)	-	(5,415)
99-134	05/10/99	Ck # 41672	<u>(306)</u>	<u>-</u>	<u>-</u>	<u>(306)</u>
		Grand Total	<u>\$16,411</u>	<u>\$93,109</u>	<u>\$42,169</u>	<u>\$151,689</u>

**Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999**

NOTE 5 – ACCOUNTS RECEIVABLE

Accounts Receivable (A/R) as of December 31, 1999 consist of the following:

Accounts	General	Transit	HWAP	HEAP	CSBG	TOTAL
A/R Trade	\$ 502	\$16,875	\$ -	\$ -	\$ -	\$ 17,287
A/R Federal	-	7,983	6,511	9,500	20,974	44,968
A/R State	-	114	-	-	-	114
A/R Local	-	34,800	-	-	-	34,800
A/R Employees	620	-	-	-	-	620
A/R Interprog.	<u>7,714</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,714</u>
Total A/R	<u>\$8,836</u>	<u>\$59,682</u>	<u>\$ 6,511</u>	<u>\$ 9,500</u>	<u>\$ 20,974</u>	<u>\$105,503</u>

Of the accounts receivable from federal funds, the following is a list of contract with amounts receivable as of December 31, 1999:

Program	Contract Number	Amount
HWAP	99-134	14,615
HEAP	99-HA-151	14,184
CSBG	99-939	<u>20,974</u>
Total		<u>\$49,773</u>

NOTE 6 – FIXED ASSETS AND PLANT FUND

The fixed assets of the Council are reported in the Plant Fund. Fixed assets are valued on the basis of historical cost. The council capitalizes all equipment with a purchase price over \$500. Fixed assets are not depreciated, due to the fact the grant agreements require that the Council expense items when purchased. The building and land in use by the Council are owned and reported by Miami County. The Ohio Department of Transportation has a secured party agreement on two vehicles purchased on behalf of the Community Action Council, the following is a break down of the Plant Fund by Fund:

	1/1/99	Additions	Transfers Deletions	12/31/99
Unrestricted	\$ 91,581	\$ 289	\$ -	\$ 91,870
Transit	228,734	-	(2,125)	226,609
CSBG	1,408	-	-	1,408
HEAP	<u>86,946</u>	<u>-</u>	<u>-</u>	<u>86,946</u>
Total Plant Fund	<u>\$408,669</u>	<u>\$ 289</u>	<u>\$(2,125)</u>	<u>\$406,833</u>

Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM

The Miami County Community Action Council contributes 6.2% of gross salary to Social Security Insurance. Social Security Insurance requires member to contribute an additional 6.2% of their gross salary. Amounts contributed by both the council and its employees amounted to \$65,565 each for the year ended December 31, 1999. Further the Council has a Tax Deferred Savings Plan (403B) for its employees who are eligible after one (1) full year of service and employees are fully vested after five (5) years of service. The council contributes five (5) percent of the employees gross salary to the plan with the employees entitled to contribute additional amounts up to the maximum allowed by law. During the year ended December 31, 1999, the council contributed \$33,544 and the employees contributed an additional amount of \$34,303. The value of the plan at December 31, 1999 was \$198,522.

NOTE 8 - RISK MANAGEMENT

The Miami County Community Action Council is exposed to various risks of loss related to torts; theft of, damage to, and destruct of assets; errors and omissions; injuries to employees; and natural disasters. To reduce risk, The Miami County Community Action Council had the following business policies;

1. Bonding - Fidelity Bonding is through the Ohio Casualty Insurance Company and consists of a blanket bond for all employees and Board officers in the amount of \$100,000 per person.
2. General Liability - This is a Comprehensive Business policy under Buckeye Union Insurance Company, which includes:
 - a. Property - Loss or damage coverage, \$100 deductible.
 - b. Vehicle - Liability coverage \$1,000,000; uninsured motorist \$500,000; Physical damage/Collision and Medical \$2,000; deductible \$250.
 - c. General Liability Coverage: \$150,000.
3. Workers Compensation - Employee accident coverage through the Bureau of Workers' Compensation, utilizing group rating plan based on position and accident history.
4. Health Insurance - Comprehensive medical insurance is under Central Summit Insurance Company. Deductible: individual, \$150, family, \$300; co-insurance: 80/20 up to \$650 individual, \$1,300 family, maximum benefit; \$1,000,000. The agency pays the entire premium.

Settlement claims for these risks have not exceeded coverage for the past two years. Further there has been no reduction in premiums or insurance coverage.

NOTE 9 - RELATED PARTY TRANSACTION

The Miami County Community Action Council has a management agent contract with Miami Metropolitan Housing Authority in which a contract is signed to provide services as determined by the Housing Authority. The Miami Metropolitan Housing Authority has a separate audit per the Department of Housing and Urban Development Guidelines. In addition, the Miami County Community Action Council makes certain interfund loans between programs with no payment terms associated with these advances. As of December 31, 1999 the council was due \$20,385 from other programs the council administers.

Miami County Community Action Council
Notes to the Financial Statement
As of December 31, 1999

NOTE 10 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available (payable) for the following purposes:

HWAP – for expenditures for the Home Weatherization Program	(9,028)
HEAP – for payment of Energy Assistance in the year 2000	10,855
JTPA – for payment of job training, education and related services	<u>10,812</u>
	<u>12,639</u>

See Note 3 for additional information.

NOTE 11 - STATUS OF PRIOR AUDIT FINDINGS

There were no findings reported for the previous year ended December 31, 1998.

NOTE 12 - SUPPLEMENTARY INFORMATION

For the JTPA Program the analysis of cost limitations and budget to actual in addition to the schedule of stand-in-costs is not presented because of the grant year ending on June 30, 2000. Had these schedules been prepared as of December 31, 1999 they would not provide the reader with relevant information, however, this information is included in the SDA III (service delivery area) reports as of the end of each of its grant years.

NOTE 13 - SCHEDULE OF EXPENDITURES OF FEDERAL AWARD

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the basis of accounting as described in Note 2.

DAVID G. FALATOK C O., Inc.
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL DATA

To The Board of Commissioners
Miami County Community Action Council
Troy, Ohio

My report on my audit of the basic financial statements of the Miami County Community Action Council, as listed in the Table of Contents under Supplemental Data, as of and for the year ended December 31, 1999, appears on Page 1. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The purpose of my audit was to form an opinion on the basic financial statements taken as a whole. The information included in the accompanying Supplemental Data (pages 13-17) is presented for purposes of additional analysis only and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

David G. Falatok
Certified Public Accountant

August 5, 2000

MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL COMBINING SCHEDULE OF FINANCIAL POSITION - BY PROGRAM
DECEMBER 31, 1999

	TRANSIT	HWAP	HEAP	CSBG	JTPA	MG & A	TOTAL
ASSETS:							
Current Assets:							
Cash and Cash Equival			\$3,868		\$10,812	\$46,771	\$61,451
Accounts Receivable	59,682	6,511	9,500	20,974		8,836	\$105,503
Prepaid Expenses						32,112	\$32,112
Total Current Assets	<u>59,682</u>	<u>6,511</u>	<u>13,368</u>	<u>20,974</u>	<u>10,812</u>	<u>87,719</u>	<u>199,066</u>
Fixed Assets:							
Property and Equipment						406,833	406,833
Other Assets:							
403(b) Pension Assets	-	-	-	-	-	198,522	\$198,522
Workers' Comp Deposit	-	-	-	-	-	1,000	\$1,000
Total Non Current Asset	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,522</u>	<u>199,522</u>
Total Assets	<u>\$59,682</u>	<u>\$6,511</u>	<u>\$13,368</u>	<u>\$20,974</u>	<u>\$10,812</u>	<u>\$694,074</u>	<u>\$805,421</u>

LIABILITES AND NET ASSETS

Current Liabilities:							
Accounts Payable	\$59,682	\$15,539	2,513	\$20,974	-	15,626	\$114,334
Deferred Revenue	-	-	-	-	-	41,027	\$41,027
Total Current Liabiliti	<u>59,682</u>	<u>15,539</u>	<u>2,513</u>	<u>20,974</u>	<u>-</u>	<u>56,653</u>	<u>155,361</u>
Long Term Liabilities:							
Deferred Compensator	-	-	-	-	-	198,522	198,522
Net Assets:							
Unrestricted	-	-	-	-	-	438,899	\$438,899
Temporarily Restricted	-	(9,028)	10,855	-	10,812	-	\$12,639
Total Liabilities and N	<u>\$59,682</u>	<u>\$6,511</u>	<u>\$13,368</u>	<u>\$20,974</u>	<u>\$10,812</u>	<u>\$495,552</u>	<u>\$805,421</u>

The following abbreviations were used in titling the grants shown above:

- TRANSIT - Urban Mass Transportation Program
- HWAP - Weather Assistance for Low- Income Persons Grant Program
- HEAP - Low Income Home Energy Assistance Grant Program
- CSBG - Community Services Block Grant Program
- JTPA - Job Training Partnership Act Program
- MG & A - Management General and Administrtrive

See Independent Auditor's Report On Supplemental Data

MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL COMBINING SCHEDULE OF ACTIVITIES - BY PROGRAM
For the Twelve Months ended December 31, 1999

	TRANSIT	HWAP	HEAP	CSBG	JTPA	MG & A	TOTAL
REVENUE:							
Transportation Revenue	\$178,660	-	-	-	-	-	\$178,660
Local Cash Reimbursement	79,813	-	-	-	-	(40,397)	39,416
State Grant	205,741	-	-	-	-	-	205,741
Federal Grant	260,309	151,689	113,370	108,991	425,441	-	1,059,800
Interest	-	-	-	-	-	199	199
Management Services	-	-	-	-	-	406,123	406,123
Total Revenue	724,523	151,689	113,370	108,991	425,441	365,925	1,889,939
EXPENSES:							
Wages and Benefits	502,087	136,443	46,727	94,416	49,985	297,742	1,127,400
Services	63,649	-	-	300	-	-	63,949
Materials and Supplies	68,300	11,666	-	-	4,404	12,701	97,071
Casualty and Liability Co	30,048	-	-	-	-	-	30,048
Vehicle Licenses and Usag	735	11,358	-	-	-	-	12,093
Emergency HEAP Payments	-	-	60,022	-	-	-	60,022
Transportation	-	3,264	-	-	-	-	3,264
Equipment and Tool Expens	20,985	6,261	-	-	-	3,365	30,611
Training (MCAC)	735	310	-	-	-	5,790	6,835
Training (JTPA)	-	-	-	-	-	17,887	17,887
Health and Safety	-	13,783	-	14,275	363,085	-	391,143
Other	30,622	5,906	2,064	-	3,847	56,197	98,636
Total Expenses	717,161	188,991	108,813	108,991	421,321	393,682	1,938,959
Capital Additions:							
Acquisition of Property and E	-	-	-	-	-	289	289
Disposal of Property and Equi	-	-	-	-	-	(2,125)	(2,125)
Capital Additions Net of Dispo	-	-	-	-	-	(1,836)	(1,836)
Change in Net Assets	7,362	(37,302)	4,557	-	4,120	(29,593)	(50,856)
Net Assets at Beginning of	(7,362)	28,274	6,298	-	6,692	468,492	502,394
Net Assets at End of the Ye	\$0	(\$9,028)	\$10,855	-	\$10,812	\$438,899	\$451,538

The Following abbreviations were used in titling the grants shown above:

TRANSIT - Urban Mass Transportation Program
HWAP - Weather Assistance for Low-Income Persons Grant Program
HEAP - Low Income Home Energy Assistance Grant Program
CSBG-Community Services Block Grant Program
JTPA- Job Training Partnership Act Program
MG & A - Managment General and Administrative

See Independent Auditor's Report On Supplemental Data

MIAMI COUNTY COMMUNITY ACTION COUNCIL
 SUPPLEMENTAL COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
 Job Training Partnership Act (JTPA)
 Twelve months ended December 31, 1999

	II - A ADULT	II - C YOUTH	5% - OLDER WORKER	II - B SUMMER YOUTH	III EDWAA	5% INCENTIVES	TOTAL
REVENUE:							
Federal Grant	\$155,823	\$89,852	\$2,929		\$165,184	\$11,653	\$425,441
Total Revenue	155,823	89,852	2,929	0	165,184	11,653	\$425,441
EXPENSES:							
Wages and Benefits	18,228	14,079			8,429	9,249	\$49,985
Materials and Supplies	1,538	1,162				1,704	\$4,404
Training (JTPA)	133,541	74,115	2,029	793	152,195	412	\$363,085
Other	628	500			2,431	288	\$3,847
Total Operating Expenses	153,935	89,856	2,029	793	163,055	11,653	421,321
Change in Net Assets	1,888	(4)	900	(793)	2,129		\$4,120
Net Assets at Beginning of the	(317)	(1,064)	(405)	793	7,685		\$6,692
Net Assets at End of the Year	\$1,571	(\$1,068)	\$495	\$0	\$9,814		\$10,812

See Independent Auditor's Report on Supplemental Data

MAIMI COUNTY COMMUNITY ACTION COUNCIL
 Job Training Partnership Act (JTPA)
 Supplemental Schedules
 Twelve months ended December 31, 1999

SCHEDULE OF PROGRAM INCOME

Title & PY	Earned	Expended	Balance
II-A 0-P9-03-00-00	297	297	-
Total CFDA # 17.250	<u>297</u>	<u>297</u>	<u>-</u>

SCHEDULE OF VARIANCES

Title & PY	Miami CAC	Audit Report	Variance
II-A 0-P8-03-00-00	100,506	100,506	-
II-A 0-P9-03-00-00	53,429	53,429	-
II-C Y-P8-03-00-00	63,787	63,787	-
II-C Y-P9-03-00-00	26,068	26,068	-
5% 1-P7-03-00-00	138	138	-
5% 1-P8-03-00-00	1,386	1,386	-
5% 3-P9-03-00-00	504	504	-
5% 3-P7-03-00-00	11,653	11,653	-
II B 5-P8-03-00-00	793	793	-
Total CFDA # 17.250	<u>258,264</u>	<u>258,264</u>	<u>-</u>
EDWAA A-P8-03-00-00	93,871	93,871	-
EDWAA A-P9-03-00-00	69,186	69,186	-
Total CFDA #17.246	<u>163,057</u>	<u>163,057</u>	<u>-</u>
Grant Total	<u>421,321</u>	<u>421,321</u>	<u>-</u>

See Independent Auditor's Report on Supplemental Data

MIAMI COUNTY COMMUNITY ACTION COUNCIL
 Supplemental Schedule of Support, Grants, Revenues, Expenditures
 and Changes in Net Assets - Home Energy Assistance Program (HEAP)
 Twelve months ended December 31, 1999

<u>Ohio Department of Development Grant</u>	Prior Fiscal Year	Current Fiscal Year	Total	Budget	Variance
99 HA-151 and 00 HA-151					
Revenue:					
Federal Grants	\$25,531	\$21,530	\$47,061	\$45,893	\$1,168
Expenses:					
Salaries	22,286	10,428	32,714	32,463	251
Fringe	8,482	3,731	12,213	12,469	(256)
Audit		550	550	400	
Supplies	36		36		36
Reproduction	639	457	1,096	457	639
Telephone	266	116	382	116	
	<u>31,709</u>	<u>15,282</u>	<u>46,991</u>	<u>45,905</u>	<u>670</u>
Government Grants Over (Under) Expenditures	<u>(6,178)</u>	<u>6,248</u>	<u>70</u>		
Beginning Net Assets			<u>6,179</u>		
Ending Net Assets			<u>6,249</u>		
99 HE-151 and 00 HE-151					
Revenue:					
Federal Grants	23,755	25,000	48,755	52,000	(3,245)
Expenses:					
Emergency Payments	<u>23,875</u>	<u>20,393</u>	<u>44,268</u>	<u>52,000</u>	<u>(7,732)</u>
Government Grants Over (Under) Expenditures	<u>(120)</u>	<u>4,607</u>	<u>4,487</u>		<u>4,487</u>
Beginning Net Assets			<u>119</u>		
Ending Net Assets			<u>4,606</u>		
99 HC-251					
Revenue:					
Federal Grants		\$17,554	\$17,554	\$19,800	(\$2,246)
Expenses:					
Salaries		1,319	1,319	1,319	
Fringe		481	481	481	
Emergency Payments		15,754	15,754	18,000	(2,246)
		<u>17,554</u>	<u>17,554</u>	<u>19,800</u>	<u>(2,246)</u>
Government Grants Over (Under) Expenditures					
Beginning Net Assets				-	
Ending Net Assets				-	
ENDING NET ASSETS - Home Energy Assistance Program			<u>\$10,855</u>		

See Independent Auditor's Report on Supplemental Data

MIAMI COUNTY COMMUNITY ACTION COUNCIL
 Supplemental Schedule of Support, Grants, Revenues, Expenditures
 and Changes in Net Assets - Community Services Block Grant (CSBG)
 Twelve months ended December 31, 1999

<u>Ohio Department of Development Grant</u>	<u>Current Fiscal Year</u>	<u>Budget</u>	<u>Variance</u>
<u>99-939</u>			
Revenue:			
Federal Grants	\$99,085	\$108,991	(\$9,906)
Federal Grant Carryover	9,906	-	\$9,906
Expenses:			
Salaries	66,323	66,323	-
Fringe	28,093	28,093	-
Consultant	300	300	-
Emergency	2,000	2,000	-
Other Costs	<u>12,275</u>	<u>12,275</u>	<u>-</u>
	<u>108,991</u>	<u>108,991</u>	<u>-</u>
Government Grants Over (Under) Expenditures	-	<u>-</u>	<u>-</u>
Beginning Net Assets	-		
Ending Net Assets	<u>-</u>		

See Independent Auditor's Report on Supplemental Data

MIAMI COUNTY COMMUNITY ACTION COUNCIL
TROY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Twelve months ended December 31, 1999

<u>PROGRAM</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROJECT NUMBER</u>	<u>GRANT YEAR</u>	<u>FUNDS RECEIVED</u>	<u>FUNDS EXPENDED</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>					
(Passed through by the Ohio Department of Transportation)					
Miami Transit	20.509	RPT-4055-017-991	1/1/99 - 12/31/99	\$241,203	\$241,203
Miami Transit	20.509	Title XX	1/1/99 - 12/31/99	19,106	19,106
Total U.S. Department of Transportation	20.509			260,309	260,309
<u>U.S. DEPARTMENT OF ENERGY</u>					
(Passed through by the Ohio Department of Development)					
Stripper Program	(HWAP) 20.XXX	98-134	4/1/98 - 3/31/99	425	3,531
	20.XXX	99-134	4/1/99 - 3/31/00	15,986	23,259
				<u>16,411</u>	<u>26,790</u>
Home Weatherization Assistance Pj (HWAP)	81.042	98-134	4/1/98 - 3/31/99	5,207	19,983
	81.042	99-134	4/1/99 - 3/31/00	87,902	86,364
Sub Total				<u>93,109</u>	<u>106,347</u>
Total U.S. Department of Energy				109,520	133,137
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
(Passed through by the Ohio Department of Development)					
Community Services Block Grant (CSBG)	93.569	99-939	1/1/99 - 12/31/99	108,991	108,991
Home Energy Assistance Program (HEAP)	93.568	99-HA-151	9/1/98 - 8/31/99	25,531	31,709
		00-HA-151	9/1/99 - 8/31/00	21,530	15,282
		99-HE-251	11/4/98 - 3/15/99	23,755	23,875
		00-HE-251	11/3/99 - 3/31/00	25,000	20,394
		99 HC	7\19\99 - 9/17/99	17,554	17,554
Home Weatherization Assistance Pj (HWAP)	93.568	98-134	3/31/99 - 4/01/99	15,043	25,435
	(HWAP) 93.568	99-134	4/1/99 - 3/31/00	27,126	30,419
Sub - Total	93.568			<u>155,539</u>	<u>164,668</u>
Total U.S. Department of Health and Human Services				264,530	273,659

See Independent Auditor's Report

MIAMI COUNTY COMMUNITY ACTION COUNCIL
TROY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Twelve months ended December 31, 1999

<u>PROGRAM</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROJECT NUMBER</u>	<u>GRANT YEAR</u>	<u>FUNDS RECEIVED</u>	<u>FUNDS EXPENDED</u>
<u>U.S. DEPARTMENT OF LABOR</u>					
(Passed through by the Service Delivery Area III)					
JTPA - II-A-ADULT	17.250	II-A 0-P8-03-00-00	1/1/99 - 6/30/99	77,823	81,429
JTPA - II-A-ADULT	17.250	II-A 0-P8-03-00-00	7/1/99 - 12/31/99	23,000	19,077
JTPA - II-A-ADULT	17.250	II-A 0-P9-03-00-00	7/1/99 - 12/31/99	55,000	53,429
				<u>155,823</u>	<u>153,935</u>
JTPA - II-C-YOUTH	17.250	II-C Y-P8-03-00-00	1/1/99 - 6/30/99	60,852	55,031
JTPA - II-C-YOUTH	17.250	II-C Y-P8-03-00-00	7/1/99 - 12/31/99	4,000	8,757
JTPA - II-C-YOUTH	17.250	II-C Y-P9-03-00-00	7/1/99 - 12/31/99	25,000	26,068
				<u>89,852</u>	<u>89,856</u>
JTPA - 5% - OLDER WORKERS	17.250	5% 1-P7-03-00-00	1/1/99 - 6/30/99	138	138
JTPA - 5% - OLDER WORKERS	17.250	5% 1-P8-03-00-00	1/1/99 - 6/30/99	1,791	1,386
JTPA - 5% - OLDER WORKERS	17.250	5% 1-P9-03-00-00	7/1/99 -12/31/99	1,000	504
				<u>2,929</u>	<u>2,028</u>
JTPA - 5% - INCENTIVES	17.250	5% 3-P7-03-00-00	1/1/99 - 6/30/99	11,653	11,653
JTPA - IIB - SUMMER YOUTH	17.250	IIB 5-P8-03-00-00	1/1/99 - 6/30/99	-	793
Subtotal	17.250 *			<u>260,257</u>	<u>258,265</u>
JTPA - III - EDWAA	17.246	EDWAA A-P8-03-00-00	1/1/99 - 6/30/99	72,977	84,777
JTPA - III - EDWAA	17.246	EDWAA A-P8-03-00-00	7/1/99 - 12/31/99	13,207	9,093
JTPA - III - EDWAA	17.246	EDWAA A-P9-03-00-00	7/1/99 - 12/31/99	79,000	69,186
Subtotal	17.246 *			<u>165,184</u>	<u>163,056</u>
Total U.S. Department of Labor				<u>425,441</u>	<u>421,321</u>
TOTAL ALL PROGRAMS				<u><u>1,059,800</u></u>	<u><u>1,088,426</u></u>

Note:
* INDICATES CLUSTER GROUP FOR JOBS TRAINING PARTNERSHIP ACT (JTPA)
See Note 12 - Schedule of Expenditures of Federal Awards

See Independent Auditor's Report

DAVID G. FALATOK C O., Inc .
CERTIFIED PUBLIC ACCOUNTANT

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

To the Board of Commissioners
Miami County Community Action Council
Troy, Ohio

I have audited the financial statements of the Miami County Community Action Council as of and for the year ended December 31, 1999, and have issued my report thereon dated August 5, 2000. I conducted my audit in accordance with generally accepted auditing standard and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. In addition, the Miami County Community Action Council's policy is to expense property and equipment in accordance with guidelines provided by their various funding sources. Further, Miami County Community Action Council's policy is to not reflect an accrual for compensated absences in accordance with generally accepted accounting principles.

Compliance

As part of obtaining reasonable assurance about whether the Miami County Community Action Council's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Miami County Community Action Council's internal control over financial reporting in order to determine my auditing procedures of expressing my opinion on the financial statement and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, management and Federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

David G. Falatok
Certified Public Accountant

August 5, 2000

DAVID G. FALATOK CO., Inc.
CERTIFIED PUBLIC ACCOUNTANT

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners
Miami County Community Action Council
Troy, Ohio

Compliance

I have audited the compliance of the Miami County Community Action Council with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended December 31, 1999. The Miami County Community Action Council major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Miami County Community Action Council's management. My responsibility is to express an opinion on the Miami County Community Action Council compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Miami Metropolitan Housing Authority's compliance with those requirements and performing such other procedures as I considered necessary under the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Miami County Community Action Council's compliance with those requirements.

In my opinion, the Miami County Community Action Council's complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

Internal Control Over Compliance

The management of the Miami County Community Action Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Miami County Community Action Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A- 133.

**Miami County Community Action Council
Troy, Ohio
page 2**

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, management and Federal awarding agencies and should not be used by anyone other than these specified parties.

David G. Falatok
Certified Public Accountant

August 5, 2000

MIAMI COMMUNITY ACTION COUNCIL
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 DECEMBER 31, 1999

I. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Qualified
Were there any material control weakness conditions reported at the financial statement level (Generally Accepted Government Standards) ?	No
Were there any other reportable control weakness conditions reported at the financial statement level (Generally Accepted Govern - ment Auditing Standards)	No
Was there any material reported noncompliance at the financial statement level (Generally Accepted Government Auditing Standards) ?	No
Were there any other reportable internal control weakness conditions repoted for major federal programs ?	No
Type of Major Programs' Compliance Opinion	Unqualified
Are there any reportable findings under section 510 ?	No
Major Programs:	CSBG CFDA # 93.569 Jobs Training Partnership Act CFDA # 17.250, 17.246
Dollar Threshold A/B Programs	Type A: \$ 300,000 and > Type B: \$ All Others
Low Risk Auditee?	Yes

II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

NONE

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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MIAMI COUNTY COMMUNITY ACTION COUNCIL

MIAMI COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 5, 2000**