

COUNCIL FOR OLDER ADULTS

DELAWARE, OHIO

FINANCIAL STATEMENTS

DECEMBER 31, 2002 AND 2001

WOLF, ROGERS, DICKEY & CO.
Certified Public Accountants



**Auditor of State
Betty Montgomery**

Board of Trustees
Council for Older Adults
818 Bowtown Road
Delaware, Ohio 43015

We have reviewed the Independent Auditor's Report of the Council for Older Adults, Delaware County, prepared by Wolf, Rogers, Dickey & Co., for the audit period January 1, 2002 to December 31, 2002. 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 Council for Older Adults is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

June 24, 2003

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Council for Older Adults

<u>Contents</u>	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9
Schedule of Federal, State and Local Funding Received	17
Independent Auditors' Report on Compliance and Internal Control over Financial Reporting	18

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Independent Auditors' Report

Board of Trustees
Council for Older Adults
Delaware, Ohio

We have audited the accompanying statements of financial position of the Council for Older Adults (the Council) (a non-profit organization) as of December 31, 2002 and 2001 and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain 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 well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Council for Older Adults as of December 31, 2002 and 2001, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated March 11, 2003 on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Council taken as a whole. The accompanying schedule of federal, state and local funding received is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.

Wolf, Rogers, Dickey & Co.
Certified Public Accountants

Delaware, Ohio
March 11, 2003

**Council for Older Adults
Statements of Financial Position
December 31, 2002 and 2001**

Assets

	<u>2002</u>	<u>2001</u>
Current assets:		
Cash and cash equivalents	\$ 251,864	383,473
Investments	244,574	242,073
Accounts receivable (net of allowance for doubtful accounts of \$7,500 and \$5,000, respectively)	41,036	46,495
Inventory	1,589	2,464
Prepaid expenses	<u>3,567</u>	<u>1,458</u>
Total current assets	542,630	675,963
Property and equipment - at cost:		
Vehicle	13,200	13,200
Furniture and fixtures	<u>214,669</u>	<u>191,046</u>
	227,869	204,246
Less accumulated depreciation	<u>(129,955)</u>	<u>(101,474)</u>
Net property and equipment	97,914	102,772
Other long term asset (net of accumulated amortization of \$96,028 and \$76,639, respectively)	97,861	117,251
Deposits	<u>4,675</u>	<u>5,925</u>
	<u>\$ 743,080</u>	<u>901,911</u>

See accompanying notes to financial statements

**Council for Older Adults
Statements of Financial Position
December 31, 2002 and 2001**

Liabilities and Net Assets

	<u>2002</u>	<u>2001</u>
Current liabilities:		
Accounts payable	\$ 145,158	147,787
Accrued payroll	16,189	13,076
Payroll taxes and benefits payable	4,707	7,459
Grants payable	54,879	40,989
Accrued compensated absences	<u>15,242</u>	<u>13,564</u>
Total current liabilities	236,175	222,875
Unrestricted net assets	506,905	679,036
Commitments	_____	_____
	\$ <u>743,080</u>	<u>901,911</u>

See accompanying notes to financial statements

Council for Older Adults
Statements of Activities
For the Years Ended December 31, 2002 and 2001

	<u>2002</u>	<u>2001</u>
Changes in unrestricted net assets:		
Support and revenue:		
Property tax levy	\$ 2,146,486	1,960,902
Nutrition program grants	231,056	257,457
Operating grants	121,292	75,155
Service fees	104,822	81,296
Donations	77,699	78,480
Fundraising	49,707	45,454
Advertising	20,933	13,699
Interest	13,267	30,660
Other	<u>3,793</u>	<u>19,415</u>
Total support and revenue	<u>2,769,055</u>	<u>2,562,518</u>
Expenses:		
Program services:		
Senior Choices	1,813,496	1,525,055
Nutrition, home repair, counseling and other grants	505,600	389,587
Outreach and special events	179,578	171,321
Adult Protective Services	60,814	41,198
Council Communicator	<u>52,346</u>	<u>54,757</u>
Total program services	2,611,834	2,181,918
Management and supporting services	<u>329,352</u>	<u>294,950</u>
Total expenses	<u>2,941,186</u>	<u>2,476,868</u>
Change in net assets	(172,131)	85,650
Net assets - beginning of year	<u>679,036</u>	<u>593,386</u>
Net assets - end of year	\$ <u>506,905</u>	<u>679,036</u>

See accompanying notes to financial statements

Council for Older Adults
Statement of Functional Expenses
For the Year Ended December 31, 2002
With Comparative Totals for the Year Ended December 31, 2001

2002

	Senior Choices	Nutrition, Home Repair Counseling and Other Grants	Outreach and Special Events	Adult Protective Services	Council Communicator	Total Program Services	Management and General	Total Expenses	2001 Totals
Salaries	\$ 289,704		73,724	35,221	-	398,649	196,718	595,367	492,836
Payroll taxes and fringe benefits	<u>68,692</u>	-	<u>18,403</u>	<u>7,448</u>	-	<u>94,543</u>	<u>49,237</u>	<u>143,780</u>	<u>99,275</u>
Total personnel costs	358,396		92,127	42,669	-	493,192	245,955	739,147	592,111
Contract services	1,305,373		-	-	-	1,305,373	-	1,305,373	1,104,271
Grants	-	505,600	-	-	-	505,600	-	505,600	389,587
Rent	29,823		7,040	3,193	-	40,056	18,388	58,444	42,656
Professional	13,236		8,208	3,764	13,451	38,659	9,157	47,816	51,390
Supplies	13,423		18,586	1,110	78	33,197	7,593	40,790	61,513
Printing	5,524		4,108	787	25,824	36,243	701	36,944	47,302
Dues and subscriptions	7,308		9,291	830	12,560	29,989	4,247	34,236	37,864
Depreciation	13,971		4,394	1,704	-	20,069	10,807	30,876	25,781
Advertising	1,822		22,513	14	-	24,349	489	24,838	22,741
Amortization	19,389		-	-	-	19,389	-	19,389	19,389
Travel and meals	10,852		1,341	2,299	433	14,925	4,204	19,129	18,810
Telephone	9,639		2,165	1,168	-	12,972	5,518	18,490	16,764
Postage	5,771		1,318	1,183	-	8,272	3,214	11,486	10,487
Insurance	5,701		1,312	655	-	7,668	3,458	11,126	6,949
Equipment rental	4,387		1,524	502	-	6,413	2,307	8,720	7,570
Utilities	4,346		996	500	-	5,842	2,566	8,408	5,623
Training	1,455		758	375	-	2,588	971	3,559	7,153
Repairs and maintenance	2,452		72	36	-	2,560	194	2,754	4,042
Bad debts	-		-	-	-	-	2,500	2,500	3,000
Other	<u>628</u>		<u>3,825</u>	<u>25</u>	-	<u>4,478</u>	<u>7,083</u>	<u>11,561</u>	<u>1,865</u>
	\$ <u>1,813,496</u>	<u>505,600</u>	<u>179,578</u>	<u>60,814</u>	<u>52,346</u>	<u>2,611,834</u>	<u>329,352</u>	<u>2,941,186</u>	<u>2,476,868</u>

See accompanying notes to financial statements

**Council for Older Adults
Statement of Functional Expenses
For the Year Ended December 31, 2001**

	Senior Choices	Nutrition, Home Repair Counseling and Other Grants	Outreach and Special Events	Council Communicator	Adult Protective Services	Total Program Services	Management and General	Total Expenses
Salaries	\$ 235,530	-	66,588	-	30,701	332,819	160,017	492,836
Payroll taxes and fringe benefits	<u>49,390</u>	<u>-</u>	<u>13,054</u>	<u>-</u>	<u>2,488</u>	<u>64,932</u>	<u>34,343</u>	<u>99,275</u>
Total personnel costs	284,920	-	79,642	-	33,189	397,751	194,360	592,111
Contract services	1,104,271	-	-	-	-	1,104,271	-	1,104,271
Grants	-	389,587	-	-	-	389,587	-	389,587
Printing	6,276	-	6,307	27,501	1,718	41,802	5,500	47,302
Supplies	14,902	-	34,735	138	745	50,520	10,993	61,513
Professional	11,422	-	5,939	18,765	1,830	37,956	13,434	51,390
Advertising	11,926	-	8,783	-	1,869	22,578	163	22,741
Dues and subscriptions	8,116	-	14,246	8,258	145	30,765	7,099	37,864
Depreciation	10,823	-	3,595	-	-	14,418	11,363	25,781
Rent	17,891	-	6,309	-	-	24,200	18,456	42,656
Amortization	19,389	-	-	-	-	19,389	-	19,389
Travel and meals	11,792	-	1,722	-	1,692	15,206	3,604	18,810
Telephone	7,067	-	2,472	-	-	9,539	7,225	16,764
Postage	4,301	-	1,631	95	10	6,037	4,450	10,487
Insurance	3,205	-	1,071	-	-	4,276	2,673	6,949
Equipment rental	2,962	-	1,625	-	-	4,587	2,983	7,570
Repairs and maintenance	1,704	-	583	-	-	2,287	1,755	4,042
Utilities	2,388	-	807	-	-	3,195	2,428	5,623
Training	3,288	-	1,127	-	-	4,415	2,738	7,153
Bad debts	-	-	-	-	-	-	3,000	3,000
Other	<u>(1,588)</u>	<u>-</u>	<u>727</u>	<u>-</u>	<u>-</u>	<u>(861)</u>	<u>2,726</u>	<u>1,865</u>
	\$ <u>1,525,055</u>	<u>389,587</u>	<u>171,321</u>	<u>54,757</u>	<u>41,198</u>	<u>2,181,918</u>	<u>294,950</u>	<u>2,476,868</u>

See accompanying notes to financial statements

**Council for Older Adults
Statements of Cash Flows
For the Years Ended December 31, 2002 and 2001**

	<u>2002</u>	<u>2001</u>
Cash flows from operating activities:		
Excess of revenues over expenses	\$ (172,131)	85,650
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	30,876	25,781
Amortization	19,389	19,389
Bad debts	2,500	3,000
Loss on disposal of property and equipment	193	1,735
Decrease in accounts and interest receivable	2,940	23,324
(Increase) decrease in inventory	875	(1,460)
(Increase) in prepaid expenses	(2,109)	(589)
(Increase) decrease in deposits	1,250	(4,675)
(Decrease) in accounts payable and accrued expenses	(590)	(41,740)
Increase in grants payable	<u>13,890</u>	<u>3,859</u>
Net cash provided from (used by) operating activities	(102,917)	114,274
Cash flows from investing activities:		
Purchase of property and equipment	(26,192)	(79,245)
Purchase of investments	(103,622)	-
Proceeds from maturing investments	<u>101,122</u>	<u>293,840</u>
Net cash provided from (used by) investing activities	<u>(28,692)</u>	<u>214,595</u>
Net change in cash and cash equivalents	(131,609)	328,869
Cash and cash equivalents - beginning of the year	<u>383,473</u>	<u>54,604</u>
Cash and cash equivalents - end of the year	\$ <u>251,864</u>	<u>383,473</u>

See accompanying notes to financial statements

**Council for Older Adults
Notes to Financial Statements
December 31, 2002 and 2001**

(1) Summary of Significant Accounting Policies

Organization

The Council for Older Adults (the Council) is a non-profit corporation organized to improve the quality of life of the older population of Delaware County, Ohio. The Council receives the majority of its revenue from the 0.7 mill Aging Services property tax levy which was approved by Delaware County voters in May 1999. This levy will expire after five years. Subsequent senior services levies may be placed on the ballot and are subject to voter approval.

The Council provides Senior Choices, nutrition, home repair, counseling, outreach, special events, a monthly newsletter and protective services to the older population. Senior Choices includes home delivered meals, transportation, adult day care, homemaker, personal care and respite care services, emergency response system and durable equipment. The purpose of Senior Choices is to provide assistance needed to postpone or eliminate the need for clients to go to nursing facilities.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash in banks.

Investments

Funds not required for immediate grant or operating expenditures are invested in certificates of deposit and mortgage-backed securities. The certificates are carried at cost, which approximates market. The mortgage-backed securities are carried at market value.

Inventory

Inventory consists of supplies available for sale to clients and is valued at cost.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which are generally from five to seven years. The Council capitalizes assets whose cost exceeds \$500 and whose useful life exceeds one year.

Compensated Absences

A liability is accrued for paid time off when employees' rights to compensation are earned, vested and measurable.

Revenue Recognition

The Council recognizes grant revenue when the related expenditure is made. Property tax levy revenue is recognized when it is measurable and available to finance expenditures of the fiscal period. Available means collected within the current period to be used to pay liabilities of the current period.

Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001

(1) Summary of Significant Accounting Policies (continued)

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the organization's program services.

Retirement Plan

The Council has a defined contribution pension plan (Section 403(b) plan) for the benefit of its employees. All employees who meet the age, length of service and hours worked requirements are eligible to participate. Under the program, an employee may elect to contribute up to 11% of annual wages. In addition, the Council contributes 3% of each eligible employee's annual wages, and matches employee contributions to the plan up to 3% of annual wages. The Council can vary these percentages from year to year at its discretion. Total pension expense was \$25,114 for 2002 and \$17,853 for 2001.

Functional Allocation of Expenses

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

Federal Income Taxes

The Council is a voluntary health and welfare organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The organization has also been classified as an entity that is not a private foundation within the meaning of section 509(a) and qualifies for deductible contributions as provided in Section 170(6)(1)(A)(iv). The Council has unrelated business income from advertising space sold in the Council Communicator. No provision has been made for income tax as the Council anticipates the associated expenses will exceed the advertising revenue.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to the 2001 balances to conform with 2002 presentation.

Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001

(2) Concentrations of Credit Risk

The Council maintains checking, money market and certificate of deposit accounts with local financial institutions. The accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. The Council had an uninsured account balance totaling \$18,579 and \$1,545 at December 31, 2002 and 2001, respectively.

The Council also maintains funds in a federated investment account pursuant to a master repurchase agreement effective April 9, 2001. Terms of the agreement require the bank to purchase government securities equal to 102% of the account value as collateral. Such securities are segregated from other securities owned by the bank as subject to the agreement. The Council had balances of \$325,000 and \$450,000 in this account at December 31, 2002 and 2001, respectively.

(3) Investments

Investments as of December 31, 2002 and 2001 consist of the following:

	<u>2002</u>	<u>2001</u>
Certificates of deposit and money market	\$ 222,195	205,113
Mortgage-backed securities	<u>22,379</u>	<u>36,960</u>
	\$ <u>244,574</u>	<u>242,073</u>

The certificate of deposit is held at a local financial institution and bears interest at 2.56% and matures in February 2003. The certificate is reflected at cost, which approximates market value.

The mortgage-backed securities consist of various Government National Mortgage Association (GNMA) pools with interest rates ranging from 7.5% to 8.0% and maturity dates ranging from April, 2005 through June, 2008. The GNMA's are reported at market value, which approximates cost.

(4) Property and Equipment

The following schedule summarizes the changes in property and equipment for the year ended December 31, 2002:

	<u>January 1,</u> <u>2002</u>	<u>Additions</u>	<u>Disposals</u>	<u>December 31,</u> <u>2002</u>
Vehicles	\$ 13,200	-	-	13,200
Furniture and fixtures	191,046	26,192	(2,569)	214,669
Less accumulated depreciation	<u>(101,474)</u>	<u>(30,876)</u>	<u>2,395</u>	<u>(129,955)</u>
	\$ <u>102,772</u>	<u>(4,684)</u>	<u>(174)</u>	<u>97,914</u>

Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001

(5) Leases

The Council rents office space under an operating lease which commenced in April 2001 and expires in March 2004. The lease required a \$4,675 security deposit. The Council is obligated to pay a minimum of \$166,584 in rent and common area fees over the term of the lease, and may be liable for rent adjustments due to increases in assessed value of the property for real estate tax purposes. Rent was \$58,444 for 2002. Rent for the remaining lease term will be \$59,976 for 2003 and \$15,090 for 2004.

The Council is obligated under an operating lease which expires in April 2004 for certain office equipment. Future minimum lease payments under the lease are as follows: 2003 - \$5,940 and 2004 - \$1,485. Lease payments for 2002 totaled \$5,190.

(6) Other Long Term Asset

Pursuant to grant agreements with Willow Brook Christian Village dated March 6, 1996 and January 10, 2001, the Council funded leasehold improvements of \$118,890 and \$75,000, respectively, for the Centrum facility. The Centrum, located on the campus of Willow Brook in Delaware, Ohio, is used as the site for adult day care. In return for the investment in the facility, Willow Brook is expected to operate the adult day care for a minimum of ten years from the dates of the improvements. Under terms of the agreements, if Willow Brook discontinues the adult day care program at any time prior to the end of the tenth year, it is obligated to repay a pro-rata share of the leasehold improvements to the Council.

The Council began amortizing the original leasehold improvement in 1996 using the straight-line method over ten years. The new leasehold improvement was completed in 2000, and will also be amortized over ten years using the straight-line method. The unamortized amount represents an approximation of what would be owed to the Council should the adult day care program cease to operate.

(7) Grants Payable

The Council has entered into grant agreements with various organizations to assist these organizations in providing services to the senior population of Delaware County. Grants payable are amounts due to these organizations at December 31, 2002 for services provided through December 31, 2002.

The Council is obligated under these grant agreements for services performed through December 31, 2002 as follows:

Help Line	\$ 21,054
Ohio Department of Job & Family Services	10,627
Catholic Social Services	5,600
Alzheimers Association	5,580
Senior Services for Independent Living	4,128
Meals on Wheels	2,086
Delaware Speech and Hearing	1,457
Delaware County Juvenile Court	1,446
Heritage Day Health Centers	1,330
Other	<u>1,571</u>
	\$ <u>54,879</u>

Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001

(7) Grants Payable - continued

The following grants have been awarded by the Council for terms to begin in 2003:

Park Avenue Senior Center (operating)	\$ 99,880
Alzheimers Association (counseling)	63,000
Community Action Organization (home repair)	57,700
Help Line - Volunteer Connections/211 Project	49,203
Senior Services for Independent Living (supportive/ transportation services)	48,000
Meals on Wheels (operating)	36,000
Delaware Speech and Hearing (education/hearing devices)	20,000
Catholic Social Services (assistance)	15,000
Heritage Day Health Centers (adult day care)	15,000
Central Ohio Mental Health Center (counseling, support services)	15,000
Department of Jobs and Family Services (summer chores)	14,023
Delaware Community Housing Improvement Project (home repair)	6,097
Delaware County Juvenile Court (chore services)	6,000
People in Need (emergency assistance)	5,000
Grady Memorial Hospital (DRIVE program)	5,000
Other	<u>6,100</u>
	<u>\$ 461,003</u>

(8) Grants

The Council provided grants to the following organizations during 2002 and 2001:

	<u>2002</u>	<u>2001</u>
Senior Citizens, Inc. (operating)	\$ 86,000	74,904
Alzheimers Association (counseling)	65,503	53,650
Community Action Organization (home repair services)	60,000	20,135
Help Line - Volunteer Connections	50,399	45,157
Senior Services for Independent Living (supportive/transportation services)	50,000	45,000
Delaware Speech & Hearing (hearing screening/hearing aids)	29,716	26,522
Meals on Wheels (operating)	27,086	29,000
Help Line – (211 project)	22,196	-
Catholic Social Services (assistance)	22,129	16,895
Heritage Day Health Centers (adult day care)	19,078	20,442
Grady Memorial Hospital (DRIVE program)	15,851	-
Central Ohio Mental Health Center (counseling support services)	15,816	8,296
Ohio Department of Job and Family Services (summer chores)	10,627	13,500
Delaware County Juvenile Court (chore service)	6,000	7,871
People In Need (emergency assistance)	6,000	5,000
DATA (transportation)	-	3,688
Other	<u>19,199</u>	<u>19,527</u>
	<u>\$ 505,600</u>	<u>389,587</u>

Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001

(9) Fundraising

Revenues and expenses associated with the annual Summer Festival fundraising event are summarized below and included in the indicated statement of activities captions. The expenses do not include an allocation of staff costs, because the Council has not separately identified the staff time involved in organizing and conducting the Summer Festival.

	<u>2002</u>	<u>2001</u>
Revenues:		
Donations	\$ 21,691	16,383
Ticket sales	11,719	10,984
Booth rental	4,721	4,132
Other	<u>1,403</u>	<u>346</u>
	39,534	31,845
Expenses:		
Supplies and fees	17,777	14,120
Advertising	3,370	3,319
Printing	502	4,033
Other	<u>115</u>	<u>976</u>
	<u>21,764</u>	<u>22,448</u>
Net revenue	\$ <u>17,770</u>	<u>9,397</u>

(10) Contract Services

Through its Senior Choices program, the Council provides information to and/or arranges various levels of in-home assistance for seniors participating in the program. To provide the in-home assistance, the Council contracts on a purchase of service basis with various organizations and businesses. The contractors provide the services that have been approved by the Council and bill the Council at the agreed upon rate per unit of service delivered.

**Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001**

(10) Contract Services - continued

The Council purchased services pursuant to the Senior Choices contracts as follows:

	<u>2002</u>	<u>2001</u>
Grady Memorial Hospital (community nutrition)	\$ 529,200	478,093
Senior Services for Independent Living (homemaker, personal care and transportation)	164,820	150,208
Heritage Day Health (adult day care)	152,429	136,620
Delaware Area Transit Authority (transportation)	109,223	71,154
On-Duty Ohio Home Care (homemaker and personal care)	66,774	30,581
Grady Home Care (homemaker and personal care)	61,158	29,874
VRI Lifeline (emergency response)	43,282	16,672
Grady Memorial Hospital (emergency response)	36,304	48,934
Columbus Prescription	33,310	28,075
Interim Health Care (homemaker and personal care)	26,339	30,045
Life Center – New Albany (adult day care)	24,035	8,789
Pacesetter (meal delivery)	20,240	20,400
Kelly Assisted Living (homemaker and personal care)	13,319	26,923
Morning View Home Care (homemaker and personal care)	-	4,986
Other	<u>24,940</u>	<u>22,917</u>
	<u>\$ 1,305,373</u>	<u>1,104,271</u>

(11) Community Nutrition Program

The Council manages the Community Nutrition Program as part of Senior Choices. The program provides home delivered meals to seniors and serves meals at several congregate meal sites in the county. Pursuant to a letter of understanding between the Council and Grady Memorial Hospital, the Council employs nutrition program personnel, authorizes meals for clients, maintains all client and financial records related to the program, and reimburses Grady for food service operations on a per meal basis. Grady provides space for the program and is responsible for all aspects of food service related operations.

The Council receives federal and state funds for the program through the Central Ohio Area Agency on Aging (COAAA) in the form of Title IIIC, USDA and State Block Grants as well as PASSPORT Medicaid funds.

Council for Older Adults
Notes to Financial Statements, continued
December 31, 2002 and 2001

(12) Management Compensation

The Council employs the Director under an employment agreement which expires on December 31, 2003. The agreement provides for a base salary, life insurance, professional development benefits and annual increases.

(13) Delaware Community Foundation

In 1997, the Council deposited \$10,000 with the Delaware County Community Foundation (the Foundation), an Ohio not-for-profit corporation, to establish the Council for Older Adults Fund (the Fund). The Fund is to be used for charitable, educational, and public purposes. Distributions will be made from the Fund to charitable organizations at the discretion of the Foundation's Board of Trustees, and may include the original deposit. The Council's Board of Trustees has reserved the right to suggest how the money will be distributed. In addition, the Council may request that the Fund be returned to the Council, although final authority rests with the Foundation. No charitable distributions were made from the Fund in 2002 or 2001. The market value of the Fund was \$12,569 as of September 30, 2002, the latest date for which information was available.

(14) Adult Protective Services

Pursuant to the terms of a contract with the Delaware County Department of Jobs and Family Services (DJFS), the Council provides Adult Protective Services to persons aged sixty or older in Delaware County. The contract requires the Council to serve as the lead agency for the investigation of referrals of suspected abuse, exploitation or neglect, evaluate the need for, and when appropriate, make every effort to provide or arrange for the provision of protective services. The Council received \$57,373 and \$49,600 in 2002 and 2001, respectively, and the contract will be renegotiated annually.

Council For Older Adults
Schedule of Federal, State and Local Funding Received
12/31/2002

	<u>CFDA Number</u>	<u>Amount</u>
<u>Delaware County</u>		
Delaware County Senior Services Levy	-	\$ 2,146,486
Adult Protective Services Grant	-	57,373
 <u>Central Ohio Area Agency on Aging:</u>		
Title III-E National Family Caregiver Support Program	93.052	57,020
Title III-C/USDA	93.045/10.550	123,820
State Block Grant	-	24,417
PASSPORT	-	82,819
Other	-	<u>6,900.</u>
		 \$ <u>2,498,835</u>

Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

Board of Trustees
Council for Older Adults
Delaware, Ohio

We have audited the financial statements of the Council for Older Adults (the Council), (a non-profit organization) as of and for the year ended December 31, 2002, and have issued our report thereon dated March 11, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including Ohio Revised Code Sections 117.01 (c) and 117.10 for the Delaware County, Ohio tax levy for Senior Citizens Services and Facilities, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.


Certified Public Accountants

Delaware, Ohio
March 11, 2003



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

COUNCIL FOR OLDER ADULTS

DELAWARE 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
JULY 15, 2003**