

**COUNCIL FOR OLDER ADULTS**

**DELAWARE, OHIO**

*FINANCIAL STATEMENTS*

**DECEMBER 31, 2003 AND 2002**

**WOLF, ROGERS, DICKEY & CO.**  
*Certified Public Accountants*





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Council for Older Adults  
Delaware, Ohio

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, 2003 through December 31, 2003. 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.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

September 14, 2004

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## Council for Older Adults

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## **Independent Auditors' Report**

Board of Trustees  
Council for Older Adults  
Delaware, Ohio

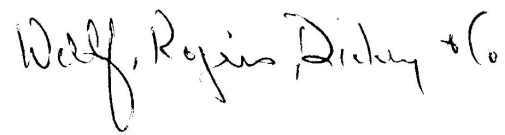
We have audited the accompanying statements of financial position of the Council for Older Adults (the Council) (a non-profit organization) as of December 31, 2003 and 2002 and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements 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, 2003 and 2002, 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 February 27, 2004 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.

A handwritten signature in cursive script that reads "Wolf, Rogers Dickey & Co.".

Certified Public Accountants

Delaware, Ohio  
February 27, 2004



**Council for Older Adults  
Statements of Financial Position  
December 31, 2003 and 2002**

Assets

	<u>2003</u>	<u>2002</u>
Current assets:		
Cash and cash equivalents	\$ 137,303	251,864
Investments	361,120	244,574
Accounts receivable (net of allowance for doubtful accounts of \$12,500 and \$7,500, respectively)	38,325	41,036
Inventory	1,588	1,589
Prepaid expenses	<u>2,911</u>	<u>3,567</u>
Total current assets	541,247	542,630
Property and equipment - at cost:		
Vehicle	13,200	13,200
Furniture and fixtures	<u>201,970</u>	<u>214,669</u>
	215,170	227,869
Less accumulated depreciation	<u>(115,565)</u>	<u>(129,955)</u>
Net property and equipment	99,605	97,914
Other long term asset (net of accumulated amortization of \$117,033 and \$96,028, respectively)	76,857	97,861
Beneficial interest in assets held by others	12,487	-
Deposits	<u>4,675</u>	<u>4,675</u>
	<u>\$ 734,871</u>	<u>743,080</u>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Financial Position  
December 31, 2003 and 2002**

**Liabilities and Net Assets**

	<b><u>2003</u></b>	<b><u>2002</u></b>
Current liabilities:		
Accounts payable	\$ 122,208	145,158
Accrued payroll	27,529	16,189
Payroll taxes and benefits payable	12,060	4,707
Grants payable	24,340	54,879
Accrued compensated absences	<u>21,994</u>	<u>15,242</u>
Total current liabilities	208,131	236,175
Unrestricted net assets	526,740	506,905
Commitments	_____	_____
	<b><u>\$ 734,871</u></b>	<b><u>743,080</u></b>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Activities  
For the Years Ended December 31, 2003 and 2002**

	<u>2003</u>	<u>2002</u>
Changes in unrestricted net assets:		
Support and revenue:		
Property tax levy	\$ 2,248,621	2,146,486
Nutrition program grants	275,679	231,056
Operating grants	119,049	121,292
Service fees	101,353	104,822
Donations	91,385	77,699
Fundraising	37,203	49,707
Advertising	26,866	20,933
Interest	10,708	13,267
Other	<u>18,299</u>	<u>3,793</u>
Total support and revenue	<u>2,929,163</u>	<u>2,769,055</u>
Expenses:		
Program services:		
Senior Choices	1,692,367	1,813,496
Nutrition, home repair, counseling and other grants	444,540	505,600
Outreach and special events	246,868	179,578
Council Communicator	54,666	52,346
Adult Protective Services	<u>56,381</u>	<u>60,814</u>
Total program services	2,494,822	2,611,834
Management and supporting services	<u>414,506</u>	<u>329,352</u>
Total expenses	<u>2,909,328</u>	<u>2,941,186</u>
Change in net assets	19,835	(172,131)
Net assets - beginning of year	<u>506,905</u>	<u>679,036</u>
Net assets - end of year	<u>\$ 526,740</u>	<u>506,905</u>

See accompanying notes to financial statements

**Council for Older Adults**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2003**  
**With Comparative Totals for the Year Ended December 31, 2002**

<b>2003</b>									
	<u>Senior Choices</u>	<u>Nutrition, Home Repair Counseling and Other Grants</u>	<u>Outreach and Special Events</u>	<u>Council Communicator</u>	<u>Adult Protective Services</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>	<u>2002 Totals</u>
Salaries	\$ 260,734	-	102,509	-	37,545	400,788	240,853	641,641	595,367
Payroll taxes and fringe benefits	<u>72,797</u>	<u>-</u>	<u>31,236</u>	<u>-</u>	<u>3,296</u>	<u>107,329</u>	<u>64,746</u>	<u>172,075</u>	<u>143,780</u>
Total personnel costs	333,531	-	133,745	-	40,841	508,117	305,599	813,716	739,147
Contract services	1,200,028	-	-	-	-	1,200,028	-	1,200,028	1,305,373
Grants	-	444,540	-	-	-	444,540	-	444,540	505,600
Professional	24,504	-	16,140	14,267	3,624	58,535	17,655	76,190	47,816
Rent	28,085	-	8,416	-	3,343	39,844	20,131	59,975	58,444
Printing	2,273	-	20,485	28,424	85	51,267	1,328	52,595	36,944
Supplies	14,768	-	21,688	133	288	36,877	7,813	44,690	40,790
Depreciation	14,511	-	4,564	-	1,770	20,845	11,225	32,070	30,876
Dues and subscriptions	4,575	-	7,296	10,535	750	23,156	4,448	27,604	34,236
Advertising	5,265	-	20,299	683	13	26,260	1,285	27,545	24,838
Amortization	21,005	-	-	-	-	21,005	-	21,005	19,389
Insurance	7,767	-	3,181	-	640	11,588	5,735	17,323	11,126
Telephone	7,518	-	2,471	-	966	10,955	6,241	17,196	18,490
Travel and meals	10,050	-	1,165	624	2,097	13,936	2,792	16,728	19,129
Postage	6,634	-	1,937	-	781	9,352	5,434	14,786	11,486
Utilities	4,348	-	1,342	-	528	6,218	3,348	9,566	8,408
Equipment rental	2,732	-	1,524	-	387	4,643	3,520	8,163	8,720
Bad debts	-	-	-	-	-	-	6,280	6,280	2,500
Levy Campaign	-	-	-	-	-	-	4,000	4,000	3,000
Repairs and maintenance	3,162	-	95	-	37	3,294	504	3,798	2,754
Training	397	-	(46)	-	132	483	630	1,113	3,559
Other	<u>1,214</u>	<u>-</u>	<u>2,566</u>	<u>-</u>	<u>99</u>	<u>3,879</u>	<u>6,538</u>	<u>10,417</u>	<u>8,561</u>
	<u>\$ 1,692,367</u>	<u>444,540</u>	<u>246,868</u>	<u>54,666</u>	<u>56,381</u>	<u>2,494,822</u>	<u>414,506</u>	<u>2,909,328</u>	<u>2,941,186</u>

See accompanying notes to financial statements

**Council for Older Adults  
Statement of Functional Expenses  
For the Year Ended December 31, 2002**

	<b>2002</b>							
	<u>Senior Choices</u>	<u>Nutrition, Home Repair Counseling and Other Grants</u>	<u>Outreach and Special Events</u>	<u>Council Communicator</u>	<u>Adult Protective Services</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Salaries	\$ 289,704	-	73,724	35,221	-	398,649	196,718	595,367
Payroll taxes and fringe benefits	<u>68,692</u>	<u>-</u>	<u>18,403</u>	<u>7,448</u>	<u>-</u>	<u>94,543</u>	<u>49,237</u>	<u>143,780</u>
Total personnel costs	358,396	-	92,127	42,669	-	493,192	245,955	739,147
Contract services	1,305,373	-	-	-	-	1,305,373	-	1,305,373
Grants	-	505,600	-	-	-	505,600	-	505,600
Rent	29,823	-	7,040	3,193	-	40,056	18,388	58,444
Professional	13,236	-	8,208	3,764	13,451	38,659	9,157	47,816
Supplies	13,423	-	18,586	1,110	78	33,197	7,593	40,790
Printing	5,524	-	4,108	787	25,824	36,243	701	36,944
Dues and subscriptions	7,308	-	9,291	830	12,560	29,989	4,247	34,236
Depreciation	13,971	-	4,394	1,704	-	20,069	10,807	30,876
Advertising	1,822	-	22,513	14	-	24,349	489	24,838
Amortization	19,389	-	-	-	-	19,389	-	19,389
Travel and meals	10,852	-	1,341	2,299	433	14,925	4,204	19,129
Telephone	9,639	-	2,165	1,168	-	12,972	5,518	18,490
Postage	5,771	-	1,318	1,183	-	8,272	3,214	11,486
Insurance	5,701	-	1,312	655	-	7,668	3,458	11,126
Equipment rental	4,387	-	1,524	502	-	6,413	2,307	8,720
Utilities	4,346	-	996	500	-	5,842	2,566	8,408
Training	1,455	-	758	375	-	2,588	971	3,559
Levy Campaign	-	-	-	-	-	-	3,000	3,000
Repairs and maintenance	2,452	-	72	36	-	2,560	194	2,754
Bad debts	-	-	-	-	-	-	2,500	2,500
Other	<u>628</u>	<u>-</u>	<u>3,825</u>	<u>25</u>	<u>-</u>	<u>1,478</u>	<u>4,083</u>	<u>8,561</u>
	<b>\$ <u>1,813,496</u></b>	<b><u>505,600</u></b>	<b><u>179,578</u></b>	<b><u>60,814</u></b>	<b><u>52,346</u></b>	<b><u>2,611,834</u></b>	<b><u>329,352</u></b>	<b><u>2,941,186</u></b>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Cash Flows  
For the Years Ended December 31, 2003 and 2002**

	<u>2003</u>	<u>2002</u>
Cash flows from operating activities:		
Excess of revenues over expenses	\$ 19,835	(172,131)
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	32,070	30,876
Amortization	21,005	19,389
Bad debts	6,280	2,500
Loss on disposal of property and equipment	3,060	193
(Increase) decrease in accounts and interest receivable	(3,591)	2,940
Decrease in inventory	1	875
(Increase) decrease in prepaid expenses	656	(2,109)
(Increase) decrease in deposits and other assets	(12,487)	1,250
Increase (decrease) in accounts payable and accrued expenses	2,498	(590)
(Increase) decrease in grants payable	<u>(30,539)</u>	<u>13,890</u>
Net cash provided from (used by) operating activities	38,788	(102,917)
Cash flows from investing activities:		
Purchase of property and equipment	(36,803)	(26,192)
Purchase of investments	(1,048,546)	(103,622)
Proceeds from maturing investments	<u>932,000</u>	<u>101,122</u>
Net cash provided from (used by) investing activities	<u>(153,349)</u>	<u>(28,692)</u>
Net change in cash and cash equivalents	(114,561)	(131,609)
Cash and cash equivalents - beginning of the year	<u>251,864</u>	<u>383,473</u>
Cash and cash equivalents - end of the year	\$ <u>137,303</u>	<u>251,864</u>

See accompanying notes to financial statements

**Council for Older Adults  
Notes to Financial Statements  
December 31, 2003 and 2002**

(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 an Aging Services property tax levy. The most recent 0.7 mill levy was approved by Delaware County voters in November 2003. 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 \$1,000 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, 2003 and 2002**

(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 \$27,528 for 2003 and \$25,114 for 2002.

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.



**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2003 and 2002**

(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 \$53,076 and \$18,579 at December 31, 2003 and 2002, respectively.

The Council 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 \$175,077 and \$325,000 in this account at December 31, 2003 and 2002, respectively.

(3) Investments

Investments as of December 31, 2003 and 2002 consist of the following:

	<u>2003</u>	<u>2002</u>
Certificates of deposit and money market	\$ 348,553	222,195
Mortgage-backed securities	<u>12,567</u>	<u>22,379</u>
	<u>\$ 361,120</u>	<u>244,574</u>

The certificates of deposit bear interest ranging from 2.12% to 3.01% and mature through June 2006. The certificates are 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, 2003:

	<u>January 1,</u> <u>2003</u>	<u>Additions</u>	<u>Disposals</u>	<u>December 31,</u> <u>2003</u>
Vehicles	\$ 13,200	-	-	13,200
Furniture and fixtures	214,669	36,803	(49,502)	201,970
Less accumulated depreciation	<u>(129,955)</u>	<u>(32,052)</u>	<u>46,442</u>	<u>(115,565)</u>
	<u>\$ 97,914</u>	<u>4,751</u>	<u>(3,060)</u>	<u>99,605</u>

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2003 and 2002**

(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. Upon expiration of the current term, the Council renewed the lease for a three year term. 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 \$59,975 for 2003 and \$58,444 for 2002. Rent through March 2004 will be \$15,090.

The Council was obligated under an operating lease which was to expire in April 2004 for certain office equipment. The Council surrendered this equipment in 2003 and incurred a new operating lease for similar equipment, which expires in October 2006. Future minimum lease payments under the lease are as follows: 2004 - \$6,600; 2005 - \$6,600 and 2006 - \$5,500. Lease payments for 2003 totaled \$6,050.

(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 is also 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) Beneficial Interest in Assets Held by Others

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.

Statement of Financial Accounting Standards No. 136 states that a transfer of assets where the resource provider specifies itself or an affiliate as the beneficiary is not a contribution and shall be recorded as an asset, even if variance power has been explicitly granted to the recipient organization. Accordingly, in 2003 the Council recognized its interest in funds contributed to the Foundation on the statement of financial position as a beneficial interest in assets held by others.

The market value of the Fund at December 31, 2003 was \$17,487, which included the Council's original contribution, contributions made to the fund by outside parties, and earnings and cumulative changes in market value.

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2003 and 2002**

(8) 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, 2003 for services provided through December 31, 2003.

The Council is obligated under these grant agreements for services performed through December 31, 2003 as follows:

Alzheimers Association	\$ 4,633
Community Action Organization	4,610
Help Line	4,294
Senior Services for Independent Living	4,126
Central Ohio Mental Health Center	2,352
Grady Memorial Hospital	2,046
Delaware Speech and Hearing	1,719
Heritage Day Health Centers	<u>560</u>
	<u>\$ 24,340</u>

The following grants have been awarded by the Council for terms to begin in 2004:

Park Avenue Senior Center (operating)	\$ 114,725
Alzheimers Association (counseling)	63,000
LifeCare Alliance (chores, home repairs, support services)	61,810
Community Action Organization (home repair)	57,700
Senior Services for Independent Living (supportive/ transportation services)	52,313
Help Line - Volunteer Connections/211 Project	50,715
Meals on Wheels (operating)	42,000
Delaware Speech and Hearing (education/hearing devices)	26,963
Creative Housing Inc (accessible housing)	25,000
Heritage Day Health Centers (adult day care)	21,700
Catholic Social Services (assistance)	20,700
Central Ohio Mental Health Center (counseling, support services)	17,500
Department of Jobs and Family Services (summer chores)	14,436
Delaware County Juvenile Court (chore services)	7,500
People in Need (emergency assistance)	6,000
Grady Memorial Hospital (DRIVE program)	5,900
Other	<u>8,710</u>
	<u>\$ 596,672</u>

**Council for Older Adults  
Notes to Financial Statements, continued  
December 31, 2003 and 2002**

(9) Grants

The Council provided grants to the following organizations during 2003 and 2002:

	<u>2003</u>	<u>2002</u>
Senior Citizens, Inc. (operating)	\$ 100,811	86,000
Alzheimers Association (counseling)	57,596	65,503
Community Action Organization (home repair services)	57,000	60,000
Senior Services for Independent Living (supportive/transportation services)	43,874	50,000
Help Line - Volunteer Connections	41,203	50,399
Meals on Wheels (operating)	36,000	27,086
Delaware Speech & Hearing (hearing screening/hearing aids)	19,352	29,716
Catholic Social Services (assistance)	15,376	22,129
Ohio Department of Job and Family Services (summer chores)	14,962	10,627
Central Ohio Mental Health Center (counseling support services)	13,797	15,816
Heritage Day Health Centers (adult day care)	4,460	19,078
Help Line – (211 project)	7,999	22,196
Delaware County Juvenile Court (chore service)	6,000	6,000
People In Need (emergency assistance)	5,000	6,000
Grady Memorial Hospital (DRIVE program)	2,046	15,851
Other	<u>19,064</u>	<u>19,199</u>
	<u>\$ 444,540</u>	<u>505,600</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.

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

	<u>2003</u>	<u>2002</u>
Grady Memorial Hospital (community nutrition)	\$ 540,107	529,200
Senior Services for Independent Living (homemaker, personal care and transportation)	121,813	164,820
Heritage Day Health (adult day care)	102,633	152,429
Delaware Area Transit Authority (transportation)	76,914	109,223
HomeCare Network (homemaker and personal care)	76,729	66,774
Grady Home Care (homemaker and personal care)	70,282	61,158
VRI Lifeline (emergency response)	58,361	43,282
Columbus Prescription	41,400	33,310
Grady Memorial Hospital (emergency response)	22,640	36,304

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2003 and 2002**

(10) Contract Services (continued)

Life Center – New Albany (adult day care)	18,632	24,035
Sun Home Health (homemaker and personal care)	17,603	435
Interim Health Care (homemaker and personal care)	11,314	26,339
Health Care Depot (homemaker and personal care)	8,857	-
Kelly Assisted Living (homemaker and personal care)	4,304	13,319
Pacesetter (meal delivery)	3,920	20,240
Other	<u>24,519</u>	<u>24,505</u>
	<u>\$ 1,200,028</u>	<u>1,305,373</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.

(12) Management Compensation

The Council employs the Director under an employment agreement which expires on December 31, 2005. The agreement provides for a base salary, life insurance, professional development benefits and annual increases.

(13) 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 \$59,667 and \$57,373 in 2003 and 2002, respectively, and the contract will be renegotiated annually.

**Council For Older Adults**  
**Schedule of Federal, State and Local Funding Received**  
**12/31/2003**

	<u>CFDA Number</u>	<u>Amount</u>
<u>Delaware County</u>		
Delaware County Senior Services Levy	-	\$ 2,248,621
Adult Protective Services Grant	-	59,667
 <u>Central Ohio Area Agency on Aging:</u>		
Title III-E National Family Caregiver Support Program	93.052	39,822
Title III-C/USDA	93.045/10.550	151,658
State Block Grant	-	14,378
PASSPORT	-	109,655
Medicares grant	-	18,610
Other	-	<u>950</u>
		 \$ <u>2,643,361</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, 2003, and have issued our report thereon dated February 27, 2004. 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.

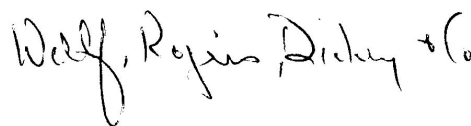
**Compliance**

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  
February 27, 2004







**Auditor of State  
Betty Montgomery**

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**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  
SEPTEMBER 28, 2004**