

**COUNCIL FOR OLDER ADULTS**

**DELAWARE, OHIO**

***FINANCIAL STATEMENTS***

**DECEMBER 31, 1999 AND 1998**

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

## Council for Older Adults

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215

Telephone 614-466-4514  
800-282-0370

Facsimile 614-728-7398

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, 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 Council for Older Adults is responsible for compliance with these laws and regulations.



JIM PETRO  
Auditor of State

April 28, 2000

WOLF, ROGERS, DICKEY & CO.

CERTIFIED PUBLIC ACCOUNTANTS

38 SOUTH FRANKLIN STREET

P. O. BOX 352

DELAWARE, OHIO 43015-0352

TELEPHONE 740-362-9031

FAX: 740-363-7799

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, 1999 and 1998 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 generally accepted auditing standards 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, 1999 and 1998, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated February 16, 2000 on the Council's internal control structure and a report dated February 16, 2000 on the Council's compliance with tax levy requirements.

This report is intended solely for the information and use of the audit committee, management and the Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code and is not intended to be and should not be used by anyone other than these specified parties.

*Wolf, Rogers, Dickey & Co.*  
Certified Public Accountants

Delaware, Ohio  
February 16, 2000

**Council for Older Adults  
Statements of Financial Position  
December 31, 1999 and 1998**

Assets

	<u>1999</u>	<u>1998</u>
Current assets:		
Cash	\$ 81,660	58,089
Investments	122,222	316,525
Accounts receivable (net of allowance for doubtful accounts of \$2,186 and \$2,600, respectively)	38,766	40,536
Interest receivable	400	7,000
Inventory	2,267	782
Prepaid expenses	<u>3,738</u>	<u>1,114</u>
Total current assets	249,053	424,046
Property and equipment - at cost:		
Vehicle	13,200	-
Leasehold improvements	21,103	21,103
Furniture and fixtures	<u>109,648</u>	<u>94,597</u>
	143,951	115,700
Less accumulated depreciation	<u>(84,670)</u>	<u>(61,991)</u>
Net property and equipment	59,281	53,709
Other long term asset (net of accumulated amortization of \$41,611 and \$29,722, respectively)	77,278	89,167
Deposit	<u>1,250</u>	<u>1,250</u>
	<u>\$ 386,862</u>	<u>568,172</u>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Financial Position  
December 31, 1999 and 1998**

**Liabilities and Net Assets**

	<u>1999</u>	<u>1998</u>
Current liabilities:		
Accounts payable	\$ 100,147	78,253
Accrued payroll	6,743	4,771
Payroll taxes and benefits payable	23,426	11,951
Grants payable	20,382	28,655
Accrued compensated absences	15,584	16,159
Unearned grant revenue	-	15,917
Current portion of capital lease obligation	<u>-</u>	<u>2,099</u>
<i>Total and current liabilities</i>	166,282	157,805
Unrestricted net assets	220,580	410,367
Commitments	<u>          </u>	<u>          </u>
	<b>\$ <u>386,862</u></b>	<b><u>568,172</u></b>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Activities  
For the Years Ended December 31, 1999 and 1998**

	<u>1999</u>	<u>1998</u>
Changes in unrestricted net assets:		
Support and revenue:		
Property tax levy	\$ 1,040,719	983,255
Nutrition program grants	209,653	100,984
Service fees	66,908	50,364
Donations	64,114	28,315
Interest	21,596	30,985
Fundraising	16,163	34,918
Advertising	13,127	15,555
Operating grants	-	3,047
Other	<u>3,426</u>	<u>3,062</u>
Total support and revenue	<u>1,435,706</u>	<u>1,250,485</u>
Expenses:		
Program services:		
Senior Choices	1,084,426	841,018
Nutrition, home repair, counseling and other grants	251,479	323,400
Outreach and special events	68,404	69,987
Council Communicator	<u>43,982</u>	<u>35,934</u>
Total program services	1,448,291	1,270,339
Management and supporting services	<u>177,202</u>	<u>126,538</u>
Total expenses	<u>1,625,493</u>	<u>1,396,877</u>
Change in net assets	(189,787)	(146,392)
Net assets - beginning of year	<u>410,367</u>	<u>556,759</u>
Net assets - end of year	\$ <u>220,580</u>	<u>410,367</u>

See accompanying notes to financial statements

**Council for Older Adults**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 1999**  
**With Comparative Totals for the Year Ended December 31, 1998**

	1999							1998
	Senior Choices	Nutrition, Home Repair and Counseling and Other Grants	Outreach and Special Events	Council Communicator	Total Program Services	Management and General	Total Expenses	Totals
Salaries	\$ 201,217	-	28,736	-	229,953	102,392	332,345	248,398
Payroll taxes and fringe benefits	<u>36,542</u>	-	<u>6,006</u>	-	<u>42,548</u>	<u>19,833</u>	<u>62,381</u>	<u>45,349</u>
Total personnel costs	237,759	-	34,742	-	272,501	122,225	394,726	293,747
Contract services	742,460	-	-	9,665	752,125	-	752,125	578,008
Grants	-	251,479	-	-	251,479	-	251,479	323,400
Printing	4,214	-	913	24,465	29,592	757	30,349	33,502
Supplies	10,379	-	8,380	661	19,420	5,552	24,972	19,740
Depreciation	11,539	-	2,661	-	14,200	8,741	22,941	20,781
Dues and subscriptions	3,318	-	5,884	8,836	18,038	2,151	20,189	11,754
Professional	9,431	-	2,243	-	11,674	8,102	19,776	24,486
Rent	8,942	-	2,180	-	11,122	7,284	18,406	17,226
Travel and meals	12,736	-	639	-	13,375	2,117	15,492	12,382
Advertising	10,316	-	2,402	-	12,718	2,063	14,781	5,903
Telephone	6,223	-	1,483	-	7,706	4,268	11,974	10,867
Amortization	11,889	-	-	-	11,889	-	11,889	11,889
Postage	3,961	-	1,159	187	5,307	3,186	8,493	6,104
Insurance	3,241	-	760	-	4,001	2,508	6,509	5,508
Repairs and maintenance	2,693	-	635	-	3,328	912	4,240	2,545
Utilities	1,913	-	456	-	2,369	1,514	3,883	3,716
Unrealized (gain) loss on investments	1,136	-	262	-	1,398	851	2,249	(1,444)
Training	1,173	-	224	-	1,397	742	2,139	1,454
Levy campaign	-	-	-	-	-	2,000	2,000	5,000
Equipment rental	527	-	402	-	929	462	1,391	1,003
Bad debt	-	-	-	-	-	-	-	1,100
Other	<u>576</u>	-	<u>2,979</u>	<u>168</u>	<u>3,723</u>	<u>1,767</u>	<u>5,490</u>	<u>8,206</u>
	\$ <u>1,084,426</u>	<u>251,479</u>	<u>68,404</u>	<u>43,982</u>	<u>1,448,291</u>	<u>177,202</u>	<u>1,625,493</u>	<u>1,396,877</u>

See accompanying notes to financial statements

**Council for Older Adults**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 1998**

	Senior Choices	Nutrition, Home Repair Counseling and Other Grants	Outreach and Special Events	Council Communicator	Total Program Services	Management and General	Total Expenses
Salaries	\$ 153,882	-	25,862	-	179,744	68,654	248,398
Payroll taxes and fringe benefits	<u>26,506</u>	<u>-</u>	<u>5,848</u>	<u>-</u>	<u>32,354</u>	<u>12,995</u>	<u>45,349</u>
Total personnel costs	180,388	-	31,710	-	212,098	81,649	293,747
Contract services	578,008	-	-	-	578,008	-	578,008
Grants	-	323,400	-	-	323,400	-	323,400
Printing	5,979	-	3,003	21,119	30,101	3,401	33,502
Professional	6,622	-	4,323	9,400	20,345	4,141	24,486
Depreciation	11,010	-	2,851	-	13,861	6,920	20,781
Supplies	6,047	-	9,491	733	16,271	3,469	19,740
Rent	8,869	-	2,764	-	11,633	5,593	17,226
Travel and meals	10,430	-	595	19	11,044	1,338	12,382
Amortization	11,889	-	-	-	11,889	-	11,889
Dues and subscriptions	1,987	-	4,367	4,222	10,576	1,178	11,754
Telephone	5,701	-	1,589	6	7,296	3,571	10,867
Postage	3,227	-	872	-	4,099	2,005	6,104
Advertising	2,763	-	2,444	272	5,479	424	5,903
Insurance	2,818	-	930	-	3,748	1,760	5,508
Levy campaign	-	-	-	-	-	5,000	5,000
Utilities	1,934	-	552	-	2,486	1,230	3,716
Repairs and maintenance	1,331	-	381	-	1,712	833	2,545
Training	780	-	226	-	1,006	448	1,454
Bad debt	583	-	151	-	734	366	1,100
Equipment rental	318	-	488	-	806	197	1,003
Unrealized (gain) loss on investments	(765)	-	(198)	-	(963)	(481)	(1,444)
Other	<u>1,099</u>	<u>-</u>	<u>3,448</u>	<u>163</u>	<u>4,710</u>	<u>3,496</u>	<u>8,206</u>
	\$ <u>841,018</u>	<u>323,400</u>	<u>69,987</u>	<u>35,934</u>	<u>1,270,339</u>	<u>126,538</u>	<u>1,396,877</u>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Cash Flows  
For the Years Ended December 31, 1999 and 1998**

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Excess of expenses over revenues	\$ (189,787)	(146,392)
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	22,678	20,781
Amortization	11,889	11,889
Bad debts	-	1,100
Unrealized (gain) loss on investments	2,259	(1,444)
(Increase) decrease in accounts and interest receivable	8,369	(27,725)
(Increase) in inventory	(1,484)	(782)
(Increase) in prepaid expenses	(2,623)	-
Increase in accounts payable and accrued expenses	34,764	54,889
(Decrease) in grants payable	(8,273)	(23,592)
Increase (decrease) in unearned revenue	<u>(15,917)</u>	<u>15,917</u>
Net cash used by operating activities	(138,125)	(95,359)
Cash flows from (used by) investing activities:		
Purchase of property and equipment	(28,250)	(10,716)
Purchase of investments	(7,955)	(8,297)
Proceeds from maturing investments	<u>200,000</u>	<u>140,000</u>
Net cash provided from (used by) investing activities	163,795	120,987
Cash flows from and net cash used by financing activities -		
Payments on capital lease obligation	<u>(2,099)</u>	<u>(2,520)</u>
Net change in cash and cash equivalents	23,571	23,108
Cash and cash equivalents - beginning of the year	<u>58,089</u>	<u>34,981</u>
Cash and cash equivalents - end of the year	\$ <u>81,660</u>	<u>58,089</u>

See accompanying notes to financial statements

**Council for Older Adults  
Notes to Financial Statements  
December 31, 1999 and 1998**

**(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 Aging Services property tax levy which was approved by Delaware County voters in November 1994, and renewed in May 1999.

**Cash and Cash Equivalents**

Cash is maintained in three bank accounts. The checking account is used for operations. Funds not needed for weekly expenditures are kept in an interest bearing account. All three accounts are considered cash and cash equivalents for the statement of cash flows.

**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. The council capitalizes assets whose cost exceeds \$100 and whose useful life exceeds one year.

**Compensated Absences**

A liability is accrued for vacation time 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 received.

**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.

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 1999**

(1) Summary of Significant Accounting Policies (continued)

Retirement Plan

The Council has 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 5% of an eligible employee's annual wages. Total pension expense was \$12,961 for 1999 and \$7,681 for 1998.

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.

Reclassifications

Certain reclassifications have been made to 1998 balances to conform with 1999 presentation.

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.

(2) Investments

Investments as of December 31, 1999 and 1998 consist of the following:

	<u>1999</u>	<u>1998</u>
Certificates of deposit	\$ -	200,000
Mortgage-backed securities	<u>122,222</u>	<u>116,525</u>
	<u>\$ 122,222</u>	<u>316,525</u>

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 1999 and 1998**

**(2) Investments (continued)**

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 financial statements include an unrealized loss on these securities of \$2,259 at December 31, 1999.

**(3) Equipment**

The following schedule summarizes the changes in property and equipment for the year ended December 31, 1999:

	January 1, <u>1999</u>	Additions	December 31, <u>1999</u>
Vehicles	\$ -	13,200	13,200
Leasehold improvements	21,103	-	21,103
Furniture and fixtures	94,597	15,051	109,648
Less accumulated depreciation	<u>(61,991)</u>	<u>(22,679)</u>	<u>(84,670)</u>
	\$ <u>53,709</u>	<u>5,572</u>	<u>59,281</u>

**(4) Leases**

The Council rents office space under an operating lease which expires in February 2000. The lease required a security deposit of \$1,250 and monthly payments of \$1,521 and \$1,447 for 1999 and 1998, respectively. The lease has been extended on a month to month basis through February 2001.

The Council is obligated under an operating lease which expires in September 2002 for certain office equipment. Future minimum lease payments under the lease total \$8,085 as follows: 2000 - \$2,940; 2001 - \$2,940; 2002 - \$2,205. Lease payments for 1999 totaled \$735.

**(5) Other Long Term Asset**

Pursuant to a grant agreement with Willow Brook Christian Village dated March 6, 1996, the Council funded leasehold improvements of \$118,890 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. Under terms of the agreement, 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 this asset in August 1996 using the straight-line method over ten years. The unamortized amount represents an approximation of what would be owed to the Council should the adult day care program cease to operate.

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 1999 and 1998**

**(6) 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, 1999 for services provided through December 31, 1999.

The Council is obligated under these grant agreements for services performed through December 31, 1999 as follows:

Delaware Speech and Hearing	\$ 5,280
Senior Services for Independent Living	3,317
Help Line - Connections	2,889
Community Action Organization	2,252
Meals on Wheels	1,742
Delaware County Juvenile Court	1,505
Heritage Day Health	1,425
Alzheimers Association	1,055
Park Avenue Senior Citizens	<u>917</u>
	<b>\$ <u>20,382</u></b>

The following grants have been awarded by the Council for terms to begin in 2000:

Willow Brook (expansion of adult day care facility)	\$ 75,000
Park Avenue Senior Center (operating)	69,440
Alzheimers Association (counseling)	61,637
Community Action Organization (home repair)	60,000
Senior Services for Independent Living (supportive/ transportation services)	41,000
Help Line - Volunteer Connections	38,486
Delaware Speech and Hearing (education/hearing devices)	22,130
Meals on Wheels (operating)	22,000
Catholic Social Services (assistance)	19,943
Heritage Day Health Centers (adult day care)	19,060
Central Ohio Rural Consortium (summer chores)	13,500
Delaware County Juvenile Court (chore services)	5,000
People in Need (emergency assistance)	5,000
Other	<u>2,760</u>
	<b>\$ <u>454,956</u></b>

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 1999 and 1998**

**(7) Grants**

The Council provided grants to the following organizations during 1999 and 1998:

	<u>1999</u>	<u>1998</u>
Alzheimers Association (counseling)	\$ 57,000	53,506
Community Action Organization (home repair services)	46,716	52,068
Senior Services for Independent Living (supportive/transportation services)	39,768	46,774
Help Line - Volunteer Connections	24,200	23,921
Meals on Wheels (operating)	20,000	19,418
Senior Citizens, Inc. (operating)	13,530	8,146
Heritage Day Health Centers (adult day care)	13,106	15,322
Central Ohio Rural Consortium (summer chores)	13,000	13,000
Delaware Speech & Hearing (hearing screening/hearing aids)	9,755	9,743
Delaware County Juvenile Court (chore service)	5,000	5,000
People In Need (emergency assistance)	5,000	2,500
Grady Memorial Hospital-Community Nutrition Program	-	66,245
United Way	-	2,600
Other	<u>4,404</u>	<u>5,157</u>
	\$ <u>251,479</u>	<u>323,400</u>

**(8) Fundraising**

Revenues and expenses associated with the annual Senior Extravaganza fundraising event are summarized below and included in the indicated statement of activities captions.

	<u>1999</u>	<u>1998</u>
<b>Revenues:</b>		
Donations	\$ 5,500	16,557
Ticket sales	6,919	11,581
Booth rental	3,110	6,780
Other	<u>634</u>	<u>-</u>
	16,163	34,918
<b>Expenses:</b>		
Supplies and fees	8,380	11,592
Advertising	1,814	1,906
Printing	74	1,560
Other	<u>1,033</u>	<u>2,297</u>
	<u>11,301</u>	<u>17,355</u>
 Net revenue	 \$ <u>4,862</u>	 <u>17,563</u>

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 1999 and 1998**

(9) 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.

(10) 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 IIC, USDA and State Block Grants as well as PASSPORT Medicaid funds.

(11) Management Compensation, Pension and Deferred Compensation Plans

The Council employs the Director under an employment agreement which expires on May 31, 2001. The agreement provides for a base salary, life insurance, professional development benefits and annual increases.

In addition, the Council maintains a nonqualified defined contribution pension plan for the Director. The Council contributes at a rate which has been established in the Director's employment agreement and is calculated as a percentage of base salary. Contributions are held by the Council as trustee for the plan. These contributions and earnings thereon are for the benefit of the plan participant. However, the plan assets are subject to the general creditors of the Council if the Council becomes insolvent.

(12) 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 1999. The market value of the Fund was \$12,293 as of September 30, 1999, the latest date for which information was available.

WOLF, ROGERS, DICKEY & CO.

CERTIFIED PUBLIC ACCOUNTANTS  
38 SOUTH FRANKLIN STREET  
P. O. BOX 352  
DELAWARE, OHIO 43015-0352

TELEPHONE 740-362-9031  
FAX: 740-363-7799

**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, 1999, and have issued our report thereon dated February 16, 2000. We conducted our 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.

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*. However, we noted certain immaterial instances of non-compliance, which we have reported to management of the Council in a separate letter dated February 16, 2000.

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. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Council in a separate letter dated February 16, 2000.

This report is intended solely for the information and use of the audit committee, management and the Board of Trustees and other officials authorized to receive this report under Section 117.26, Ohio Revised Code and is not intended to be and should not be used by anyone other than these specified parties.

*Wolf, Rogers, Dickey & Co.*  
Certified Public Accountants

Delaware, Ohio  
February 16, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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.

By: *Susan Babbitt*

Date: MAY 9, 2000