

**COUNCIL FOR OLDER ADULTS**

**DELAWARE, OHIO**

*FINANCIAL STATEMENTS*

**DECEMBER 31, 2004 AND 2003**

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





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Council for Older Adults

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, 2004 through December 31, 2004. 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

July 5, 2005

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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, 2004 and 2003 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, 2004 and 2003, 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 16, 2005 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing 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 16, 2005

**Council for Older Adults  
Statements of Financial Position  
December 31, 2004 and 2003**

Assets

	<u>2004</u>	<u>2003</u>
Current assets:		
Cash and cash equivalents	\$ 120,256	137,303
Investments	1,117,822	361,120
Accounts receivable (net of allowance for doubtful accounts of \$8,082 and \$12,500, respectively)	70,195	38,325
Inventory	1,204	1,588
Prepaid expenses	<u>5,719</u>	<u>2,911</u>
Total current assets	1,315,196	541,247
Property and equipment - at cost:		
Vehicle	36,236	13,200
Equipment, furniture and fixtures	<u>191,053</u>	<u>201,970</u>
	227,289	215,170
Less accumulated depreciation	<u>(111,662)</u>	<u>(115,565)</u>
Net property and equipment	115,627	99,605
Other long term asset (net of accumulated amortization of \$136,422 and \$117,033, respectively)	57,468	76,857
Beneficial interest in assets held by others	12,487	12,487
Deposits	<u>4,675</u>	<u>4,675</u>
	<u>\$ 1,505,453</u>	<u>734,871</u>

See accompanying notes to financial statements



**Council for Older Adults  
Statements of Financial Position  
December 31, 2004 and 2003**

**Liabilities and Net Assets**

	<b><u>2004</u></b>	<b><u>2003</u></b>
Current liabilities:		
Accounts payable	\$ 158,166	122,208
Accrued payroll	31,442	27,529
Payroll taxes and benefits payable	6,971	12,060
Grants payable	39,494	24,340
Accrued compensated absences	<u>26,436</u>	<u>21,994</u>
Total current liabilities	262,509	208,131
Unrestricted net assets	1,242,944	526,740
Commitments	<u>                    </u>	<u>                    </u>
	<b>\$ <u>1,505,453</u></b>	<b><u>734,871</u></b>

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Activities  
For the Years Ended December 31, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
Changes in unrestricted net assets:		
Support and revenue:		
Property tax levy	\$ 3,163,761	2,248,621
Nutrition program grants	285,686	275,679
Operating grants	109,963	119,049
Donations	102,214	91,385
Service fees	102,183	101,353
Advertising	24,085	26,866
Interest	21,745	10,708
Fundraising	16,383	37,203
Other	<u>1,821</u>	<u>18,299</u>
Total support and revenue	<u>3,827,841</u>	<u>2,929,163</u>
Expenses:		
Program services:		
Senior Choices	1,713,285	1,692,367
Nutrition, home repair, counseling and other grants	520,633	444,540
Outreach and special events	326,037	246,868
Adult Protective Services	65,850	56,381
Council Communicator	<u>64,136</u>	<u>54,666</u>
Total program services	2,689,941	2,494,822
Management and supporting services	<u>421,696</u>	<u>414,506</u>
Total expenses	<u>3,111,637</u>	<u>2,909,328</u>
Change in net assets	716,204	19,835
Net assets - beginning of year	<u>526,740</u>	<u>506,905</u>
Net assets - end of year	\$ <u><u>1,242,944</u></u>	<u><u>526,740</u></u>

See accompanying notes to financial statements

**Council for Older Adults**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2004**  
**With Comparative Totals for the Year Ended December 31, 2003**

	<u>2004</u>								
	<u>Senior Choices</u>	<u>Nutrition, Home Repair and Counseling and Other Grants</u>	<u>Outreach and Special Events</u>	<u>Adult Protective Services</u>	<u>Council Communicator</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>	<u>2003 Totals</u>
Salaries	\$ 322,033	-	147,901	39,015	-	508,949	220,871	729,820	641,641
Payroll taxes and fringe benefits	<u>81,018</u>	<u>-</u>	<u>36,836</u>	<u>8,681</u>	<u>-</u>	<u>126,535</u>	<u>60,509</u>	<u>187,044</u>	<u>172,075</u>
Total personnel costs	403,051	-	184,737	47,696	-	635,484	281,380	916,864	813,716
Contract services	1,152,645	-	-	-	-	1,152,645	-	1,152,645	1,200,028
Grants	-	520,633	-	-	-	520,633	-	520,633	444,540
Professional	24,680	-	15,304	3,575	15,230	58,789	35,379	94,168	76,190
Rent	27,147	-	14,343	3,267	-	44,757	18,604	63,361	59,975
Supplies	13,967	-	31,033	1,126	-	46,126	10,891	57,017	44,690
Printing	246	-	11,762	174	32,425	44,607	1,167	45,774	52,595
Depreciation	16,106	-	7,369	1,951	-	25,426	11,037	36,463	32,070
Advertising	1,933	-	31,373	-	398	33,704	191	33,895	27,545
Operating service fees	7,351	-	4,968	-	15,753	28,072	3,329	31,401	-
Travel and meals	17,085	-	1,326	2,336	330	21,077	7,872	28,949	16,728
Amortization	7,905	-	3,617	958	-	12,480	6,905	19,385	21,005
Insurance	8,674	-	3,664	1,156	-	13,494	5,634	19,128	17,323
Equipment rental	5,280	-	4,909	661	-	10,850	3,665	14,515	8,163
Telephone	8,508	-	1,746	678	-	10,932	2,919	13,851	17,196
Postage	6,071	-	2,526	720	-	9,317	4,250	13,567	14,786
Training	3,614	-	1,649	824	-	6,087	4,277	10,364	1,113
Utilities	4,047	-	1,852	490	-	6,389	2,773	9,162	9,566
Dues and subscriptions	516	-	1,644	162	-	2,322	4,213	6,535	27,604
Sponsorships	2,208	-	1,486	-	-	3,694	1,514	5,208	-
Levy campaign	-	-	-	-	-	-	5,000	5,000	4,000
Repairs and maintenance	2,251	-	290	76	-	2,617	438	3,055	3,798
Bad debts	-	-	-	-	-	-	-	-	6,280
Other	<u>-</u>	<u>-</u>	<u>439</u>	<u>-</u>	<u>-</u>	<u>439</u>	<u>10,258</u>	<u>10,697</u>	<u>10,417</u>
	<u>\$ 1,713,285</u>	<u>520,633</u>	<u>326,037</u>	<u>65,850</u>	<u>64,136</u>	<u>2,689,941</u>	<u>421,696</u>	<u>3,111,637</u>	<u>2,909,328</u>

See accompanying notes to financial statements

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

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

See accompanying notes to financial statements

**Council for Older Adults  
Statements of Cash Flows  
For the Years Ended December 31, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
Cash flows from operating activities:		
Excess of revenues over expenses	\$ 716,204	19,835
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	36,463	32,070
Amortization	19,385	21,005
Bad debts	-	6,280
Loss on disposal of property and equipment	3,740	3,060
(Increase) in accounts and interest receivable	(31,867)	(3,591)
Decrease in inventory	384	1
(Increase) decrease in prepaid expenses	(2,808)	656
(Increase) in deposits and other assets	-	(12,487)
Increase in accounts payable and accrued expenses	39,223	2,498
(Increase) decrease in grants payable	<u>15,154</u>	<u>(30,539)</u>
Net cash provided from (used by) operating activities	795,878	38,788
Cash flows from investing activities:		
Purchase of property and equipment	(56,224)	(36,803)
Purchase of investments	(858,410)	(1,048,546)
Proceeds from maturing investments	<u>101,709</u>	<u>932,000</u>
Net cash provided from (used by) investing activities	<u>(812,925)</u>	<u>(153,349)</u>
Net change in cash and cash equivalents	(17,047)	(114,561)
Cash and cash equivalents - beginning of the year	<u>137,303</u>	<u>251,864</u>
Cash and cash equivalents - end of the year	\$ <u>120,256</u>	<u>137,303</u>

See accompanying notes to financial statements

**Council for Older Adults  
Notes to Financial Statements  
December 31, 2004 and 2003**

(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, 2004 and 2003**

(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 the extent allowable by law. 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 \$28,330 for 2004 and \$27,528 for 2003.

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, 2004 and 2003**

(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 uninsured account balances totaling \$798,726 and \$53,076 at December 31, 2004 and 2003, respectively.

(3) Investments

Investments as of December 31, 2004 and 2003 consist of the following:

	<u>2004</u>	<u>2003</u>
Certificates of deposit and money market funds	\$ 1,110,420	348,553
Mortgage-backed securities	<u>7,401</u>	<u>12,567</u>
	<u>\$ 1,117,821</u>	<u>361,120</u>

The certificates of deposit bear interest ranging from 2.12% to 3.6% and mature through June 2007. 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, 2004:

	<u>January 1,</u> <u>2004</u>	<u>Additions</u>	<u>Disposals</u>	<u>December 31,</u> <u>2004</u>
Vehicles	\$ 13,200	23,036	-	36,236
Equipment, furniture and fixtures	201,970	33,188	(44,105)	191,053
Less accumulated depreciation	<u>(115,565)</u>	<u>(36,463)</u>	<u>40,366</u>	<u>(111,662)</u>
	<u>\$ 99,605</u>	<u>19,761</u>	<u>(3,739)</u>	<u>115,627</u>



**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2004 and 2003**

(5) Leases

The Council rents office space under an operating lease which expires in March 2007. The lease required a \$4,675 security deposit. Future minimum lease payments total \$61,680 per year for 2005 and 2006, and \$15,420 for 2007. The Council may be liable for rent adjustments due to increases in assessed value of the property for real estate tax purposes. Rent was \$61,410 for 2004 and \$59,975 for 2003.

The Council was obligated under an operating lease which expires in October 2006 for certain office equipment. Future minimum lease payments under the lease are as follows: 2005 - \$6,600 and 2006 - \$5,500. Lease payments totaled \$6,600 and \$6,050 for 2004 and 2003, respectively.

(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.

The market value of the Fund at December 31, 2004 was \$18,880, 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, 2004 and 2003**

**(8) Grants Payable and Commitments**

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, 2004 for services provided through December 31, 2004.

The Council is obligated under these grant agreements for services performed through December 31, 2004 as follows:

Help Line	\$ 7,678
Community Action Organization	5,689
Senior Services for Independent Living	5,009
Delaware Speech and Hearing	4,081
Alzheimers Association	3,870
Heritage Day Health Centers	3,218
Senior Citizens Inc.	2,328
Central Ohio Mental Health Center	2,228
Delaware Area Transit Agency	2,175
Grady Memorial Hospital	1,700
Life Care Alliance	1,163
Catholic Social Services	<u>355</u>
	<u>\$ 39,494</u>

The following grants have been awarded by the Council for terms to begin in 2005:

Park Avenue Senior Center (operating)	\$ 132,180
Alzheimers Association (counseling)	63,000
Community Action Organization (home repair)	60,000
Help Line - Volunteer Connections	53,251
LifeCare Alliance (chores, home repairs, support services)	51,577
Delaware Area Transit Agency	34,000
Delaware Speech and Hearing (education/hearing devices)	30,000
Senior Services for Independent Living (supportive/ transportation services)	30,000
Catholic Social Services (assistance)	26,460
Creative Housing Inc. (accessible housing)	25,000
Heritage Day Health Centers (adult day care)	21,938
Department of Jobs and Family Services (summer chores)	14,886
Grady Memorial Hospital (DRIVE program and 55 Alive)	11,585
Delaware County Juvenile Court (chore services)	7,500
People in Need (emergency assistance)	6,000
Central Ohio Mental Health Center (counseling, support services)	5,985
Other	<u>19,510</u>
	<u>\$ 592,872</u>

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2004 and 2003**

**(9) Grants**

The Council provided grants to the following organizations during 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Senior Citizens, Inc. (operating)	\$ 110,872	100,811
Community Action Organization (home repair services)	57,700	57,000
Alzheimers Association (counseling)	53,539	57,596
Senior Services for Independent Living (supportive/transportation services)	52,313	43,874
Help Line - Volunteer Connections	50,415	41,203
Delaware Speech & Hearing (hearing screening/hearing aids)	26,513	19,352
Delaware Creative Housing (housing)	25,000	-
Catholic Social Services (assistance)	20,324	15,376
Delaware Area Transit Agency (transportation)	20,293	-
Heritage Day Health Centers (adult day care)	19,972	4,460
Life Care Alliance (support and chore service)	19,789	-
Meals on Wheels (operating)	17,500	36,000
Ohio Department of Job and Family Services (summer chores)	12,278	14,962
Central Ohio Mental Health Center (counseling support services)	9,475	13,797
Delaware County Juvenile Court (chore service)	7,500	6,000
People In Need (emergency assistance)	6,000	5,000
Grady Memorial Hospital (DRIVE program)	5,284	2,046
Help Line – (211 project)	-	7,999
Other	<u>5,866</u>	<u>19,064</u>
	<u>\$ 520,633</u>	<u>444,540</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>2004</u>	<u>2003</u>
Grady Memorial Hospital (community nutrition)	\$ 508,810	540,107
Heritage Day Health (adult day care)	114,900	102,633
VRI Lifeline (emergency response)	80,619	58,361
Senior Services for Independent Living (homemaker, personal care and transportation)	71,003	121,813
Grady Home Care (homemaker and personal care)	69,278	70,282
Health Care Depot (homemaker and personal care)	44,191	8,857
Delaware Area Transit Authority (transportation)	43,585	76,914

**Council for Older Adults**  
**Notes to Financial Statements, continued**  
**December 31, 2004 and 2003**

(10) Contract Services (continued)

HomeCare Network (homemaker and personal care)	40,145	76,729
Sun Home Health (homemaker and personal care)	39,154	17,603
Columbus Prescription	36,758	41,400
Pacesetter (meal delivery)	26,927	3,920
Easton Healthcare (homemaker and personal care)	15,854	-
Interim Health Care (homemaker and personal care)	13,639	11,314
Life Center – New Albany (adult day care)	13,541	18,632
Guardian program	6,000	-
Lifecare Alliance (homemaker)	5,534	-
Kelly Assisted Living (homemaker and personal care)	-	4,304
Grady Memorial Hospital (emergency response)	-	22,640
Other	<u>22,707</u>	<u>24,519</u>
	<b>\$ <u>1,152,645</u></b>	<b><u>1,200,028</u></b>

(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 \$48,267 and \$59,667 in 2004 and 2003, respectively, and the contract will be renegotiated annually.

**Council For Older Adults**  
**Schedule of Federal, State and Local Funding Received**  
**12/31/2004**

	<u>Amount</u>
 <u>Delaware County</u>	
Delaware County Senior Services Levy	\$ 3,163,761
Adult Protective Services Grant	48,267
 <u>Central Ohio Area Agency on Aging:</u>	
Title III-E National Family Caregiver Support Program	42,945
Title III-C/USDA	147,539
State Block Grant	14,016
PASSPORT	111,096
Medicares grant	16,851
Other	1,900
 <u>United Way</u>	
Delaware County Senior Nutrition – Under 60	<u>13,035</u>
	 \$ <u>3,559,410</u>

# Wolf, Rogers, Dickey & Co.

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## **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, 2004, and have issued our report thereon dated March 16, 2005. 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.

### 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 reportable 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 caused by error or fraud 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.

### 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*.

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.

Wolf, Rogers, Dickey & Co.

Certified Public Accountants

Delaware, Ohio  
March 16, 2005



**Auditor of State  
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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  
AUGUST 04, 2005**