



Mary Taylor, CPA
Auditor of State

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Family and Children First Council
Clermont County
1088 Wasserman Way, Suite B
Batavia, Ohio 45103

To the Members of Council:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Family and Children First Council, Clermont County, Ohio (the Council), as of and for the year ended December 31, 2006, which collectively comprise the Council's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express opinions 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 Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Family and Children First Council, Clermont County, Ohio, as of December 31, 2006, and the respective changes in financial position thereof the General Fund, Help Me Grow Special Revenue Fund, Restricted Special Revenue Fund, and the Ohio Children's Trust Fund for the year 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 our report dated October 1, 2007, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

The Management Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the Council's basic financial statements. The federal awards expenditure schedule is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. We subjected the federal awards expenditure schedule to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

October 1, 2007

**CLERMONT COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

The discussion and analysis of the Clermont County Family and Children First Council's (the Council) financial performance provides an overall review of the Council's financial activities for the year ended December 31, 2006. The intent of this discussion and analysis is to look at the Council's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Council's financial performance.

Financial Highlights

Key financial highlights for the year 2006 are as follows:

- The assets of the Council exceeded its liabilities at the close of the year ended December 31, 2006, by \$442,513 (net assets). Of this amount, \$187,303 (unrestricted net assets) may be used to meet the Council's ongoing programs.
- The Council's total net assets decreased by \$4,115, which represents a 1% decrease from 2005.
- At the end of the current year, the Council's governmental funds reported a combined ending fund balance of \$290,507. Of this amount, \$288,939 is available for spending (unreserved fund balance) on improving the well-being of children and their families.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$187,273.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Council as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole Council, presenting both an aggregate view of the Council's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the Council's most significant funds (major funds).

**CLERMONT COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

Management's Discussion and Analysis
For the Year Ended December 31, 2006
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Reporting the Council as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the Council to provide services to our citizens, the view of the Council as a whole looks at all financial transactions and asks the question, "How did we do financially during 2006?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the Council's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the Council as a whole, the financial position of the Council has improved or diminished. However, in evaluating the overall position of the Council, nonfinancial information such the Council's reliance on non-local financial resources for the operations and the need for continued growth will also need to be evaluated.

Reporting the Council's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Council are governmental funds. Fund financial reports provide detailed information about the Council's major funds.

Based on restrictions on the use of monies, the Council has established separate funds for its restricted money (state and federal grants) and for its unrestricted money. These fund financial statements focus on the Council's most significant funds. In the case of the Council, our major funds are the General Fund, Help Me Grow Special Revenue Fund, Restricted Special Revenue Fund and Children's Trust Fund. The analysis of the Council's major funds begins on page 8.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**CLERMONT COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

Management's Discussion and Analysis
For the Year Ended December 31, 2006
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The Council maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements begin on page 12 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Council, assets exceeded liabilities by \$442,513 as of December 31, 2006.

Table 1 provides a summary of the Council's net assets for 2006 compared to 2005.

Table 1
Net Assets
(In Thousands)

	Governmental Activities	
	2006	2005
Assets		
Current & Other Assets	\$571,533	\$584,527
Liabilities		
Current & Other Liabilities	129,020	137,899
Net Assets		
Restricted:		
Grants	255,210	301,815
Unrestricted	187,303	144,813
<i>Total Net Assets</i>	\$442,513	\$446,628

A portion of net assets represents resources that are subject to external restrictions on how they may be used. In the current year, this represents \$255,210 (57.7% of total net assets) a decrease of \$46,605 from 2005. Unrestricted net assets increased by \$42,490 due to a decrease in liabilities.

CLERMONT COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY
Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

Table 2 provides a summary of the changes in net assets for 2006 compared to 2005.

Table 2
Changes in Net Assets
(In Thousands)

	<u>2006</u>	<u>2005</u>
Program Revenues:		
Charges for Services	\$6,932	\$10,772
Operating Grants and Contributions	1,059,430	1,002,666
General Revenues:		
Unrestricted Grants	20,000	20,000
Other	14,965	26,975
<i>Total Revenues</i>	<u>1,101,327</u>	<u>1,060,413</u>
Program Expenses		
Human Services	1,105,442	858,333
<i>Total Expenses</i>	<u>1,105,442</u>	<u>858,333</u>
<i>Increase (Decrease) in Net Assets</i>	<u><u>(\$4,115)</u></u>	<u><u>\$202,080</u></u>

Governmental Activities

The Council's governmental activities include promoting and facilitating communication and collaboration among Clermont County child and family serving agencies to ensure that Clermont County infants, children, adolescents and their families receive appropriate and responsive services to enable youth to develop adequate skills in preparation for a successful adulthood. Some of these services are: intensive home-based services provided by Access to Better Care (ABC) funds, support for families with children enrolled in Clermont Help Me Grow is provided by ABC TANF funds, the home visitor program is provided through the Ohio Children's Trust Fund, and Help Me Grow is funded by the Ohio Department of Health. Help Me Grow provides prenatal support, newborn home visits, services to children with developmental concerns, and on-going home visitation.

Financial Analysis of the Council's Funds

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$290,507. Of this amount, \$288,939 constitutes unreserved fund balance, which is available for spending. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders at year end (\$1,568). While the bulk of the governmental fund

**CLERMONT COUNTY FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

Management's Discussion and Analysis
For the Year Ended December 31, 2006
Unaudited

balances are not reserved in the governmental fund statements, they lead to restricted net assets on the Statement of Net Assets due to their being restricted for use for a particular purpose mandated by the source of the resources such as the state and federal governments.

The General Fund is the chief operating fund of the Council. At the end of the current fiscal year, unreserved fund balance of the general fund was \$187,273. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 59% of the total general fund expenditures. This means that many of the Council's programs are paid with grants received.

Revenues exceeded expenditures in the General Fund by \$42,640 in 2006. Contributions – Governmental accounts for 90.3% of revenues in the General Fund. Contributions - Governmental consists of local contributions from Clermont County Board of Mental Retardation and Developmental Disabilities, Clermont County Mental Health and Recovery Board, Clermont County General Health District, Clermont County Department of Job and Family Services, Clermont County Board of County Commissioners, and the Clermont County Juvenile Court. The money received is used for the general operations of the Council.

The Help Me Grow Special Revenue Fund received \$652,449 in Help Me Grow grant money for the Help Me Grow program which provides prenatal support, newborn home visits, services to children with developmental concerns, and on-going home visitation. This is an increase of \$119,157 due to the timing of the money received and for the increase of services provided.

The Restricted Special Revenue Fund and the Ohio Children's Trust Fund have stayed relatively the same as last year. The money received is used for services for children with developmental disabilities.

Economic Factors and Next Year's Budget

Clermont County has experienced growth in the participation of its programs. The Council maintains a conservative approach to spending while maximizing its revenues. Current economic indicators show that the current economy should remain at its current pace. The Council will have to review alternative methods of intergovernmental funding, since the State of Ohio's fiscal condition continues to remain uncertain and the Council's portion of state-based program revenue may be affected by the fiscal year 2008 State budget bill.

All of these factors were considered in the preparation of the Council's 2006 budget. In conjunction with current economic factors, the Council has decreased its 2007 budget to account for the uncertainty of grant money.

Requests for Information

This financial report is designed to provide our citizens, creditors, and investors with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Karen Scherra, Executive Director, 1088 Wasserman Way, Suite B, Batavia, Ohio 45103, (513)732-5412.

Clermont County Family and Children First Council
Clermont County
Statement of Net Assets
December 31, 2006

	<u>Governmental</u> <u>Activities</u>
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 333,996
Intergovernmental Receivable	<u>237,537</u>
<i>Total Assets</i>	<u>571,533</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	10,172
Intergovernmental Payable	<u>118,848</u>
<i>Total Liabilities</i>	<u>129,020</u>
NET ASSETS:	
Restricted for Grants	255,210
Unrestricted	<u>187,303</u>
<i>Total Net Assets</i>	<u>\$ 442,513</u>

See accompanying notes to the basic financial statements.

Clermont County Family and Children First Council
Clermont County
Statement of Activities
For the Year Ended December 31, 2006

	Program Revenues		Net(Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	
			Governmental Activities	
Governmental Activities:				
Human Services	\$ 1,105,442	\$ 6,932	\$ 1,059,430	\$ (39,080)
<i>Total Governmental Activities</i>	<u>1,105,442</u>	<u>6,932</u>	<u>1,059,430</u>	<u>(39,080)</u>
General Revenues:				
Grants and Entitlements not Restricted to Specific Programs				20,000
Miscellaneous				<u>14,965</u>
<i>Total General Revenues</i>				<u>34,965</u>
<i>Change in Net Assets</i>				(4,115)
<i>Net Assets Beginning of Year</i>				<u>446,628</u>
<i>Net Assets End of Year</i>				<u>\$ 442,513</u>

See accompanying notes to the basic financial statements.

Clermont County Family and Children First Council
Clermont County
Balance Sheet
Governmental Funds
December 31, 2006

	Major Funds				
	General Fund	Help Me Grow Special Revenue Fund	Restricted Special Revenue Fund	Ohio Children's Trust Fund	Total Governmental Funds
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	\$ 209,042	\$ 65,230	\$ 52,448	\$ 7,276	\$ 333,996
Intergovernmental Receivable	-	204,691	1,500	31,346	237,537
<i>Total Assets</i>	<u>\$ 209,042</u>	<u>\$ 269,921</u>	<u>\$ 53,948</u>	<u>\$ 38,622</u>	<u>\$ 571,533</u>
LIABILITIES:					
Accounts Payable	6,895	105	-	3,172	10,172
Intergovernmental Payable	14,844	102,504	1,500	-	118,848
Deferred Revenue	-	120,660	-	31,346	152,006
<i>Total Liabilities</i>	<u>21,739</u>	<u>223,269</u>	<u>1,500</u>	<u>34,518</u>	<u>281,026</u>
FUND BALANCES:					
Reserved:					
Reserved for Encumbrances	30	682	856	-	1,568
Unreserved, Undesignated, Reported in:					
General Fund	187,273	-	-	-	187,273
Special Revenue Funds	-	45,970	51,592	4,104	101,666
<i>Total Fund Balances</i>	<u>187,303</u>	<u>46,652</u>	<u>52,448</u>	<u>4,104</u>	<u>290,507</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 209,042</u>	<u>\$ 269,921</u>	<u>\$ 53,948</u>	<u>\$ 38,622</u>	<u>\$ 571,533</u>

See accompanying notes to the basic financial statements.

Clermont County Family and Children First Council
Clermont County
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2006

Total Governmental Fund Balances \$ 290,507

***Amounts reported for governmental activities in the
statement of net assets are different because***

Other long-term assets are not available to pay for current-
period expenditures and therefore are deferred in the funds:

Intergovernmental Revenues 152,006

Net Assets of Governmental Activities \$ 442,513

Clermont County Family and Children First Council
Clermont County
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2006

	Major Funds				Total Governmental Funds
	General Fund	Help Me Grow Special Revenue Fund	Restricted Special Revenue Fund	Ohio Children's Trust Fund	
REVENUES:					
Charges for Services	\$ 0	\$ 0	\$ 6,932	\$ 0	\$ 6,932
Intergovernmental	20,000	652,449	12,581	62,691	747,721
Contributions - Governmental	325,287	0	0	0	325,287
Other	14,965	0	0	0	14,965
<i>Total Revenues</i>	<u>360,252</u>	<u>652,449</u>	<u>19,513</u>	<u>62,691</u>	<u>1,094,905</u>
EXPENDITURES:					
Current:					
Human Services	317,612	696,760	24,455	66,615	1,105,442
<i>Total Expenditures</i>	<u>317,612</u>	<u>696,760</u>	<u>24,455</u>	<u>66,615</u>	<u>1,105,442</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>42,640</u>	<u>(44,311)</u>	<u>(4,942)</u>	<u>(3,924)</u>	<u>(10,537)</u>
<i>Net Change in Fund Balance</i>	42,640	(44,311)	(4,942)	(3,924)	(10,537)
<i>Fund Balance at Beginning of Year</i>	<u>144,663</u>	<u>90,963</u>	<u>57,390</u>	<u>8,028</u>	<u>301,044</u>
<i>Fund Balance at End of Year</i>	<u>\$ 187,303</u>	<u>\$ 46,652</u>	<u>\$ 52,448</u>	<u>\$ 4,104</u>	<u>\$ 290,507</u>

See accompanying notes to the basic financial statements.

Clermont County Family and Children First Council
Clermont County
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2006*

Net Change in Fund Balances - Total Governmental Funds (10,537)

***Amounts reported for governmental activities in the
statement of activities are different because***

Certain intergovernmental revenues and charges for services that do not
provide current financial resources are not reported as revenues in the fund.

Charges for Services	(150)	
Intergovernmental revenue	6,572	
Total Revenue	6,422	6,422
<i>Change in Net Assets of Governmental Activities</i>		<i>(\$4,115)</i>

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006**

1. DESCRIPTION OF THE COUNCIL AND REPORTING ENTITY

A. Description of the Entity

Ohio Rev Code Section 121.37 created the Ohio Family and Children First Cabinet Council and permitted counties to establish county family and children first councils. Statutory membership of a county council consists of the following individuals:

- a. The director of the board of alcohol, drug addiction, and mental health services that serves the county;
- b. The health commissioner of the board of health of each city or general health district in the county, or their designees;
- c. The director of the county department of jobs and family services;
- d. The executive director of the county agency responsible for the administration of children services pursuant to section 5153.15 of the Revised Code;
- e. The superintendent of the county board of mental retardation and developmental disabilities.
- f. The county's juvenile court judge senior in service or their designee;
- g. The superintendent of the city, exempted village, or local school district with the largest number of pupils residing in the county, as determined by the department of education, which shall notify each county of its determination at least biennially;
- h. A school superintendent representing all other school districts with territory in the county, as designated at a biennial meeting of the superintendents of those districts;
- i. A representative of the municipal corporation with the largest population in the county;
- j. The chair of the board of county commissioners, or an individual designated by the board;
- k. A representative of the regional office of the department of youth services.
- l. A representative of the county's head start agencies, as defined in section 3301.31 of the Revised Code;
- m. A representative of the county's early intervention collaborative established pursuant to the federal early intervention program operated under the "Education of the Handicapped Act Amendments of 1986;"
- n. At least three individuals representing the interests of families in the county. Where possible, the number of members representing families shall be equal to twenty percent of the council's remaining membership.
- o. A representative of the local nonprofit entity that funds, advocates, or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

1. DESCRIPTION OF THE COUNCIL AND REPORTING ENTITY (Continued)

A county family and children first council may invite any other local public or private agency or group that funds, advocates, or provides services to children to have a representative become a permanent or temporary member of the council.

A county council's statutory responsibilities include the following:

- a. Refer to the cabinet council those children for whom the council cannot provide adequate services;
- b. Develop a plan that reviews and adjusts existing programs, fills service gaps where possible, or invents new approaches to achieve better results for families and children;
- c. Participate in the development of a county-wide comprehensive, coordinated, multi-disciplinary, interagency system for infants and toddlers with developmental disabilities or delays and their families, as established pursuant to federal grants received and administered by the department of health for early intervention services under the "Education of the Handicapped Act Amendments of 1986;"
- d. Maintain an accountability system to monitor the council's progress in achieving its purposes; and,
- e. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the county system.

As required by generally accepted accounting principles, the financial statements present the Council (the primary government). The primary government includes all funds, departments, and boards for which the Council is financially accountable. The council does not have any component units.

B. Cabinet

The Ohio Family and Children First Initiative of Clermont County was established in 1993. This organization served as a county council; however, it lacked council membership as required by Ohio Rev Code Section 121.37. In July of 1996, the Clermont County Children's Cabinet added the necessary membership to become a county council. Although legally a county council, the Council continues to refer to themselves as "the Cabinet."

C. Fiscal Agent

The Clermont County Auditor serves as the Council's fiscal agent on a contractual basis. The Clermont County Mental Health & Recovery Board is the administrative agent. Council funds are maintained on the accounting system of the County. Council records are balanced with the County records on a monthly basis.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Council have been prepared in conformity with the generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Council also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental provided they do not conflict with or contradict GASB pronouncements. The Council has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The most significant of the Council accounting policies are described below.

Basis of Presentation

The Council's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Council as a whole. These statements include the financial activities of the primary government.

The statement of net assets presents the financial condition of the governmental activities for the Council at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Council's governmental activities of the Council. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Council, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which governmental function is self-financing or draws from the general revenues of the Council.

Fund Financial Statements

During the year, the Council segregates transactions related to certain Council functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Council at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column.

Fund Accounting

The Council uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the Council are financed. Governmental fund reporting focuses on the sources, use and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Council's major governmental funds:

General Fund

This fund accounts for the general operating revenues and expenditures of the Council not recorded elsewhere. The General Fund balance is available to the Council for any purpose provided it is expended or transferred according to the general laws of Ohio.

Help Me Grow Special Revenue Fund

This fund is used to account for revenues and expenditures of programs that provide time-limited assistance to needy families with children so that the children can be cared for in their own homes or in the homes of relatives; end dependence of needy parents on government benefits by promoting job preparation, work, and marriage; prevent and reduce out-of-wedlock pregnancies, including establishing prevention and reduction goals; and encourage the formation and maintenance of two-parent families.

Restricted Special Revenue Fund

This fund accounts for revenues and expenditures of the following associated programs: Wilson Boys, School to work program, Access to Better Care and the Council's CAPTA block grant.

Ohio Children's Trust Fund

The Ohio Children's Trust Fund was created by the Ohio Legislature in 1984. This fund is used to account for revenues and expenditures relating to programs which maintain a focus on preventing child abuse/neglect, and serve as a vehicle for distributing funding to support secondary prevention programs throughout the region.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the Council are included on the Statement of Net Assets. The Statement of Activity presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Council, available means expected to be received within thirty days of year-end.

Non-exchange transactions, in which the Council receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Council must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Council on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: grants and charges for services.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The County Treasurer is the custodian for the Council's cash and cash equivalents. The County's cash pool holds the Council's cash and cash equivalents, which are reported at the County Treasurer's carrying amount. Deposit disclosures for the County as a whole may be obtained from the Clermont County Auditor, Linda L. Fraley, 101 E. Main Street, Batavia, Ohio, 45103, www.clermontauditor.org, (513)732-7150.

Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed.

All reported capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	20
Infrastructure	20-50
Vehicles	5-10
Furniture & Equipment	5-10

The Council has no capital assets to be reported.

Accrued Liabilities

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements funds.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligation of the funds.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Reserves

The Council reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

Net Assets

Net Assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Council or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. The Council applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Net assets restricted for grants are restricted by grantors and regulations of other governments.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

3. RECEIVABLES

Receivables at December 31, 2006, consisted of intergovernmental receivables arising from grants and entitlements. A summary of the principal items of intergovernmental receivables follows:

Help Me Grow-GRF	\$ 52,149
Help Me Grow-Part C	83,684
Help Me Grow-TANF	68,858
CAPTA	1,500
Ohio Children's Trust	31,346
	<u>\$ 237,537</u>

4. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor. Any disallowed costs may require refunding to the grantor. Amounts that might be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

5. RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council's staff is covered under the Mental Health and Recovery Board's insurance policy. This insurance policy is administered by the Public Entities Pool of Ohio. Acordia administers all comprehensive general liability, employee benefit liability and fleet insurance.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

5. RISK MANAGEMENT (Continued)

The Public Entities Pool of Ohio (PEP) is a risk-sharing pool available to Ohio local governments. The Pool provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For an occurrence prior to January 1, 2006 PEP retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year. For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expenses. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with PEP.

If losses exhaust PEP's retained earnings, APEEP provides *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

Property Coverage

Through 2004, PEP retained property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsured losses exceeding \$100,000 up to \$500 million per occurrence.

Beginning in 2005, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable value. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2006 was \$1,901,127.

The aforementioned casualty and property reinsurance agreements do not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2006 and 2005 the latest information available:

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

5. RISK MANAGEMENT (Continued)

<u>Casualty Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$30,997,868	\$29,719,675
Liabilities	<u>(15,875,741)</u>	<u>(15,994,168)</u>
Retained earnings	<u>\$15,122,127</u>	<u>\$13,725,507</u>

<u>Property Coverage</u>	<u>2006</u>	<u>2005</u>
Assets	\$5,125,326	\$4,443,332
Liabilities	<u>(863,163)</u>	<u>(1,068,245)</u>
Retained earnings	<u>\$4,262,163</u>	<u>\$3,375,087</u>

At December 31, 2006 and 2005, respectively, casualty coverage liabilities noted above include approximately \$14.4 million and \$14.3 million of estimated incurred claims payable. The Casualty Coverage assets and retained earnings above also include approximately \$14.4 million and \$14.3 million of unpaid claims to be billed to approximately 447 member governments in the future, as of December 31, 2006 and 2005, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Council's share of these unpaid claims collectible in future years is approximately \$40,000. This payable includes the subsequent year's contribution due if the Council terminates participation, as described in the last paragraph below.

Based on discussions with PEP the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<u>Contributions to PEP</u>	
2004	\$19,905
2005	\$20,187
2006	\$19,966

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2006
(Continued)**

5. RISK MANAGEMENT (Continued)

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP. They must provide written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the withdrawal.

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**FAMILY & CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2006**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through Ohio Department of Job & Family Services:</i>			
Temporary Assistance for Needy Families	N/A	93.558	\$ 420,821
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>420,821</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Passed through Ohio Department of Health</i>			
Special Education Grants for Infants and Families with Disabilities	N/A	84.181	148,980
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>148,980</u>
TOTAL			<u>\$ 569,801</u>

The accompanying notes to this schedule are an integral part of this schedule.

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2006**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the Council's federal award programs. The schedule has been prepared on the cash basis of accounting.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Family and Children First Council
Clermont County
1088 Wasserman Way, Suite B
Batavia, Ohio 45103

To the Members of Council:

We have audited the financial statements of the governmental activities and each major fund of the Family and Children First Council, Clermont County, Ohio (the Council) as of and for the year ended December 31, 2006, which collectively comprise the Council's basic financial statements and have issued our report thereon dated October 1, 2007. 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 Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the Council's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Council's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Council's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Council's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Council's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Council's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management, Council, the federal awarding agencies, and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

October 1, 2007



Mary Taylor, CPA

Auditor of State

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

Family and Children First Council
Clermont County
1088 Wasserman Way, Suite B
Batavia, Ohio 45103

To the Members of Council:

Compliance

We have audited the compliance of Family and Children First Council, Clermont County, Ohio (the Council), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2006. The summary of auditor's results section of the accompanying schedule of findings identifies the Council's major federal program. The Council's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the Family and Children First Council complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2006.

Internal Control Over Compliance

The Council's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Council's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that the entity's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the Council's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We intend this report solely for the information and use of management, Council, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

October 1, 2007

**FAMILY AND CHILDREN FIRST COUNCIL
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Temporary Assistance for Needy Families, CFDA #93.558
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



Mary Taylor, CPA
Auditor of State

FAMILY AND CHILDREN FIRST COUNCIL

CLERMONT 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
OCTOBER 18, 2007**