



Dave Yost • Auditor of State

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY
JUNE 30, 2016 AND 2015**

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**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY
JUNE 30, 2016 AND 2015**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Family and Children First Council
Logan County
1973 SR 47 West
P.O. Box 710
Bellefontaine, Ohio 43311

To the Council:

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Family and Children First Council, Logan County, Ohio (the Council), as of and for the fiscal years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Council's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Family and Children First Council, Logan County, Ohio, as of June 30, 2016 and 2015, and the respective changes in cash financial position and the respective budgetary comparison for the General, Help Me Grow – GRF, Help Me Grow – Part C, Project Child, Engage, Innovation (2015 only), and Family Centered Services and Support (2015 only) Funds thereof for the fiscal years then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

Other Information

We applied no procedures to Management's Discussion & Analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2017, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

May 22, 2017

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)**

The management's discussion and analysis of the Logan 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 June 30, 2016, within the limitations of the Council's cash basis of accounting. The intent of this discussion and analysis is to look at the Council's financial performance as a whole; readers should also review the cash-basis basic financial statements and the notes to the financial statements to enhance their understanding of the Council's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- The total net cash position of the governmental activities increased \$30,579, which represents a 36.51% increase from fiscal year 2015.
- The Council had \$266,216 in cash disbursements related to governmental activities; 74.39% of these cash disbursements were offset by program specific grants or contributions.
- The Council's major funds are the General Fund, Help Me Grow - GRF Fund, Help Me Grow- Part C Fund, Project Child Fund, and the Engage Fund.
- The general fund had cash receipts and other financing sources of \$102,639 in 2016. The cash disbursements of the general fund totaled \$83,792 in 2016. The general fund's cash balance increased \$18,847 from 2015 to 2016.

Using these Basic Financial Statements (BFS)

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Council's cash basis of accounting.

The statement of net position - cash basis and statement of activities - cash basis provide information about the activities of the whole Council, presenting both an aggregate view of the Council's cash basis finances. 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 remains for future spending. The fund financial statements also look at the Council's most significant funds with all other non-major funds presented in total in one column. In the case of the Council, the General Fund, Help Me Grow - GRF Fund, Help Me Grow- Part C Fund, Project Child Fund, and the Engage Fund are the major governmental funds.

Reporting the Council as a Whole

Statement of Net Position and the Statement of Activities

The statement of net position - cash basis and the statement of activities - cash basis answer the question, "How did we do financially during 2016?" These statements include *only net position* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

These two statements report the Council's net position and changes in net cash position on a cash basis. This change in net cash position is important because it tells the reader that, for the Council as a whole, the cash basis financial position of the Council has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Council's facility conditions, mandated federal and State programs and other factors.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)
(Continued)**

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and liabilities and their related expenses (such as accounts payable and expenses for goods or services received, but not yet paid and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the statement of net position - cash basis and the statement of activities - cash basis, the governmental activities includes the Council's programs and services including administration and support services as well as various community and social services.

The statement of net position - cash basis and the statement of activities - cash basis can be found on pages 9-10 of this report.

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 objectives. 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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The Council has no proprietary or fiduciary funds.

Fund financial reports provide detailed information about the Council's major funds. The Council uses several funds to account for its financial transactions. However, these financial statements focus on the Council's most significant funds. The Council's major governmental funds are the General Fund, Help Me Grow - GRF Fund, Help Me Grow- Part C Fund, Project Child Fund, and the Engage Fund. The analysis of the Council's major governmental funds begins on page 6.

Governmental Funds

The Council's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Council's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Council programs. Since the Council is reporting on the cash basis of accounting, there are no differences in the net position and fund cash balances or changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 11-17 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-31 of this report.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)
(Continued)**

Government-Wide Financial Analysis

Recall that the statement of net position - cash basis provides the perspective of the Council as a whole.

The table below provides a summary of the Council's net cash position for 2016 and 2015.

Net Cash Position		
	Governmental Activities 2016	Governmental Activities 2015
Assets:		
Equity in pooled cash and cash equivalents	\$114,338	\$83,759
Total assets	114,338	83,759
Net Position:		
Restricted	57,276	98,473
Unrestricted	57,062	(14,714)
Total net position	\$114,338	\$83,759

The total net cash position of the Council's governmental activities increased \$30,579 from fiscal year 2015. The balance of government-wide unrestricted net cash position is \$57,062.

The table below shows the changes in net cash position for fiscal year 2016 and 2015.

Change in Net Cash Position		
	Governmental Activities 2016	Governmental Activities 2015
Cash Receipts:		
Program cash receipts:		
Operating grants and contributions	\$198,032	\$129,701
Total program cash receipts	198,032	129,701
General cash receipts:		
Grants and entitlements not restricted for specific programs	98,763	95,828
Total general cash receipts	98,763	95,828
Total cash receipts	296,795	225,529
Cash Disbursements:		
Personal services	81,884	74,445
Employee retirement and insurance	36,974	28,242
Purchased services	124,102	189,558
Materials and supplies	8,595	1,024
Capital outlay	1,751	526
Other	12,910	13,287
Total cash disbursements	266,216	307,082
Change in net cash position	30,579	(81,553)
Net cash position at beginning of year	83,759	165,312
Net cash position at end of year	\$114,338	\$83,759

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)
(Continued)**

Governmental Activities

Governmental cash position increased \$30,579 in 2016 over 2015. Total governmental cash disbursements of \$266,216 were offset by program cash receipts of \$198,032.

The primary sources of cash receipts for governmental activities are derived from operating grants and contributions. These revenue sources represent 66.73% of total governmental cash receipts.

The largest cash disbursement of the Council is for purchased services. These cash disbursements totaled \$124,102 or 46.62% of total governmental cash disbursements for fiscal year 2016.

Financial Analysis of the Government's Funds

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

Governmental Funds

The Council's governmental funds are accounted for using the cash basis of accounting.

The Council's governmental funds reported a combined fund cash balance of \$114,338, which is \$30,579 greater than last year's total of \$83,759. The schedule on the following page indicates the fund cash balance and the total change in fund cash balance as of June 30, 2016 and 2015, for all major and non-major governmental funds.

	Fund Cash Balance June 30, 2016	Fund Cash Balance June 30, 2015	Increase (Decrease)
Major Funds:			
General	\$60,501	\$41,654	\$18,847
Help Me Grow - GRF	(3,439)	37,710	(41,149)
Help Me Grow - Part C	2,807	(44,363)	47,170
Project Child	23,809	26,446	(2,637)
Engage	18,900	18,900	
Other Non-major Governmental Funds	11,760	3,412	8,348
Total	\$114,338	\$83,759	\$30,579

General Fund

The general fund had cash receipts of \$98,763 and transfers in of \$3,876 in 2016. The cash disbursements of the general fund totaled \$83,792 in 2016. The general fund's cash balance increased \$18,847 from 2015 to 2016.

Help Me Grow – GRF Fund

The Help Me Grow - GRF Fund had cash receipts of \$15,022 in 2016. The cash disbursements of the Help Me Grow – GRF Fund totaled \$56,171 in 2016. The Help Me Grow - GRF Fund's cash balance decreased \$41,149 from 2015 to 2016.

Help Me Grow – Part C Fund

The Help Me Grow – Part C Fund had cash receipts of \$128,868 in 2016. The cash disbursements of the Help Me Grow – Part C Fund totaled \$81,698 in 2016. The Help Me Grow – Part C Fund's cash balance increased \$47,170 from 2015 to 2016, with an ending balance of \$2,807.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(UNAUDITED)
(Continued)**

Project Child Fund

The Project Child Fund had cash receipts of \$500 in 2016. The cash disbursements of the Project Child Fund totaled \$3,137 in 2016. The Project Child Fund's cash balance decreased \$2,637 from 2015 to 2016.

Engage Fund

The Engage Fund had no cash receipts or cash disbursements in 2016. The Engage Fund had an ending balance of \$18,900 in 2016.

Capital Assets and Debt Administration

Capital Assets

The Council does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements. The Council had \$1,751 in capital outlay disbursements during fiscal year 2016.

Debt Administration

The Council had no long-term debt obligations outstanding at June 30, 2016 or June 30, 2015.

Current Financial Related Activities

The Council is reviewed by its members and the community to determine how they can realize efficiency and service gap filling. Agencies are challenged to improve the way services are delivered by striving towards a seamless service delivery system. The Council is constantly assessing needs of its members and acting to facilitate the provision of services cost-effectively.

Contacting the Council's Financial Management

This financial report is designed to provide our citizens with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Keith Thomas, Treasurer of the Midwest Regional Educational Service Center, Fiscal Agent for Logan County Family and Children First Council, 121 S. Opera St. Bellefontaine, Ohio 43311.

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**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS
JUNE 30, 2016**

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents.	\$ 114,338
Net position:	
Restricted for:	
Youth Led Prevention.	4,140
Help Me Grow.	2,807
Project Child.	23,809
Engage.	18,900
United Way	6,746
Other purposes.	874
Unrestricted.	57,062
Total net position.	\$ 114,338

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Cash</u> <u>Disbursements</u>	<u>Program Receipts</u> <u>Operating Grants</u> <u>and Contributions</u>	<u>Net (Disbursements)</u> <u>Receipts and Changes</u> <u>in Net Position</u> <u>Governmental</u> <u>Activities</u>
Governmental activities:			
Personal services.	\$ 81,884	\$ 41,260	\$ (40,624)
Employees retirement and insurance	36,974	14,980	(21,994)
Purchased services.	124,102	125,734	1,632
Materials and supplies	8,595	6,360	(2,235)
Capital outlay	1,751	2,761	1,010
Other.	12,910	6,937	(5,973)
Totals	<u>\$ 266,216</u>	<u>\$ 198,032</u>	<u>(68,184)</u>
 General receipts:			
Grants and entitlements not restricted to specific programs			<u>98,763</u>
Total general receipts			<u>98,763</u>
Change in net position			30,579
Net position at beginning of year			<u>83,759</u>
Net position at end of year.			<u>\$ 114,338</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
 LOGAN COUNTY
 STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 JUNE 30, 2016

	General	Help Me Grow - GRF	Help Me Grow - Part C	Project Child	Engage	Nonmajor Governmental Funds	Total Governmental Funds
Assets:							
Equity in pooled cash and cash equivalents.	\$ 60,501	\$ (3,439)	\$ 2,807	\$ 23,809	\$ 18,900	\$ 11,760	\$ 114,338
Total assets	<u>\$ 60,501</u>	<u>\$ (3,439)</u>	<u>\$ 2,807</u>	<u>\$ 23,809</u>	<u>\$ 18,900</u>	<u>\$ 11,760</u>	<u>\$ 114,338</u>
Fund balances:							
Restricted:							
Youth Led Prevention.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,140	\$ 4,140
Help Me Grow.	-	-	2,807	-	-	-	2,807
Project Child.	-	-	-	23,809	-	-	23,809
United Way	-	-	-	-	-	6,746	6,746
Engage.	-	-	-	-	18,900	-	18,900
Other purposes.	-	-	-	-	-	874	874
Assigned for Encumbrances	60,501	-	-	-	-	-	60,501
Unassigned (deficit)	-	(3,439)	-	-	-	-	(3,439)
Total fund balances (deficit)	<u>\$ 60,501</u>	<u>\$ (3,439)</u>	<u>\$ 2,807</u>	<u>\$ 23,809</u>	<u>\$ 18,900</u>	<u>\$ 11,760</u>	<u>\$ 114,338</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General	Help Me Grow - GRF	Help Me Grow - Part C	Project Child	Engage	Nonmajor Governmental Funds	Total Governmental Funds
Receipts:							
From local sources:							
Other local revenues	\$ 83,013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,013
Contributions and donations	-	-	-	500	-	15,000	15,500
Intergovernmental	15,750	15,022	128,868	-	-	38,642	198,282
Total receipts	<u>98,763</u>	<u>15,022</u>	<u>128,868</u>	<u>500</u>	<u>-</u>	<u>53,642</u>	<u>296,795</u>
Disbursements:							
Personal services	30,980	29,690	20,967	-	-	247	81,884
Employees retirement and insurance	22,943	5,416	8,515	-	-	100	36,974
Purchased services	28,747	14,019	46,217	700	-	34,419	124,102
Materials and supplies	790	-	1,045	2,437	-	4,323	8,595
Capital outlay	-	-	1,751	-	-	-	1,751
Other	332	7,046	3,203	-	-	2,329	12,910
Total disbursements	<u>83,792</u>	<u>56,171</u>	<u>81,698</u>	<u>3,137</u>	<u>-</u>	<u>41,418</u>	<u>266,216</u>
Excess of receipts over (under) disbursements	<u>14,971</u>	<u>(41,149)</u>	<u>47,170</u>	<u>(2,637)</u>	<u>-</u>	<u>12,224</u>	<u>30,579</u>
Other financing sources (uses):							
Transfers in	3,876	-	-	-	-	-	3,876
Transfers (out)	-	-	-	-	-	(3,876)	(3,876)
Total other financing sources (uses)	<u>3,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,876)</u>	<u>-</u>
Net change in fund balances	18,847	(41,149)	47,170	(2,637)	-	8,348	30,579
Fund balances (deficit) at							
beginning of year	41,654	37,710	(44,363)	26,446	18,900	3,412	83,759
Fund balances (deficit) at end of year	<u>\$ 60,501</u>	<u>\$ (3,439)</u>	<u>\$ 2,807</u>	<u>\$ 23,809</u>	<u>\$ 18,900</u>	<u>\$ 11,760</u>	<u>\$ 114,338</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
From local sources:				
Other local revenues	\$ 96,494	\$ 96,494	\$ 83,013	\$ (13,481)
Intergovernmental.	15,750	15,750	15,750	-
Total receipts.	<u>112,244</u>	<u>112,244</u>	<u>98,763</u>	<u>(13,481)</u>
Disbursements:				
Personal services.	30,980	30,980	30,980	-
Employees retirement and insurance	23,083	23,083	22,943	140
Purchased services.	41,313	43,315	29,912	13,403
Materials and supplies	1,500	1,500	790	710
Capital outlay	2,000	2,000	-	2,000
Other.	6,992	6,992	60,833	(53,841)
Total disbursements	<u>105,868</u>	<u>107,870</u>	<u>145,458</u>	<u>(37,588)</u>
Excess (deficiency) of receipts over (under) disbursements.	<u>6,376</u>	<u>4,374</u>	<u>(46,695)</u>	<u>(51,069)</u>
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	1,125	1,125
Transfers in	-	-	3,876	3,876
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,001</u>	<u>5,001</u>
Net change in fund balance	6,376	4,374	(41,694)	(46,068)
Fund balance at beginning of year.	31,192	31,192	31,192	-
Prior year encumbrances appropriated	10,462	10,462	10,462	-
Fund balance (deficit) at end of year	<u>\$ 48,030</u>	<u>\$ 46,028</u>	<u>\$ (40)</u>	<u>\$ (46,068)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HELP ME GROW - GRF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental.	\$ 20,030	\$ 20,030	\$ 15,022	\$ (5,008)
Total receipts.	<u>20,030</u>	<u>20,030</u>	<u>15,022</u>	<u>(5,008)</u>
Disbursements:				
Personal services.	16,911	16,911	29,690	(12,779)
Employees retirement and insurance	2,141	2,141	5,416	(3,275)
Purchased services.	30,013	31,642	14,019	17,623
Other.	7,046	7,046	7,046	-
Total disbursements	<u>56,111</u>	<u>57,740</u>	<u>56,171</u>	<u>1,569</u>
Net change in fund balance	(36,081)	(37,710)	(41,149)	(3,439)
Fund balance at beginning of year	37,427	37,427	37,427	-
Prior year encumbrances appropriated	283	283	283	-
Fund balance (deficit) at end of year	<u>\$ 1,629</u>	<u>\$ -</u>	<u>\$ (3,439)</u>	<u>\$ (3,439)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HELP ME GROW - PART C FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental	\$ 124,559	\$ 124,559	\$ 128,868	\$ 4,309
Total receipts.	<u>124,559</u>	<u>124,559</u>	<u>128,868</u>	<u>4,309</u>
Disbursements:				
Personal services.	20,817	20,817	20,967	(150)
Employees retirement and insurance	9,716	9,716	8,515	1,201
Purchased services.	44,493	44,501	46,237	(1,736)
Materials and supplies	253	253	1,045	(792)
Capital outlay	1,600	1,600	1,751	(151)
Other.	3,203	3,203	6,010	(2,807)
Total disbursements	<u>80,082</u>	<u>80,090</u>	<u>84,525</u>	<u>(4,435)</u>
Excess (deficiency) of receipts over (under) disbursements.	<u>44,477</u>	<u>44,469</u>	<u>44,343</u>	<u>(126)</u>
Other financing sources (uses):				
Refund of prior year's receipts.	-	-	20	20
Transfers in	-	-	106	106
Transfers (out).	(106)	(106)	(106)	-
Total other financing sources (uses)	<u>(106)</u>	<u>(106)</u>	<u>20</u>	<u>126</u>
Net change in fund balance	44,371	44,363	44,363	-
Fund balance (deficit) at				
beginning of year	(45,775)	(45,775)	(45,775)	-
Prior year encumbrances appropriated	1,412	1,412	1,412	-
Fund balance at end of year	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROJECT CHILD FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
From local sources:				
Contributions and donations	\$ -	\$ -	\$ 500	\$ 500
Total receipts.	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
Disbursements:				
Purchased services.	3,000	3,000	700	2,300
Materials and supplies	2,000	2,000	2,462	(462)
Other.	-	-	23,809	(23,809)
Total disbursements	<u>5,000</u>	<u>5,000</u>	<u>26,971</u>	<u>(21,971)</u>
Excess (deficiency) of receipts over (under) disbursements.	<u>(5,000)</u>	<u>(5,000)</u>	<u>(26,471)</u>	<u>(21,471)</u>
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	25	25
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>25</u>	<u>25</u>
Net change in fund balance	(5,000)	(5,000)	(26,446)	(21,446)
Fund balance at beginning of year	25,963	25,963	25,963	-
Prior year encumbrances appropriated	483	483	483	-
Fund balance at end of year	<u>\$ 21,446</u>	<u>\$ 21,446</u>	<u>\$ -</u>	<u>\$ (21,446)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENGAGE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Disbursements:				
Other.	\$ -	\$ 18,900	\$ 18,900	\$ -
Total disbursements	<u>-</u>	<u>18,900</u>	<u>18,900</u>	<u>-</u>
Net change in fund balance	-	(18,900)	(18,900)	-
Fund balance at beginning of year	18,900	18,900	18,900	-
Fund balance at end of year	<u>\$ 18,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

1. DESCRIPTION OF THE COUNCIL AND REPORTING ENTITY

A. Description of the Entity

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

- a. At least three individuals who are not employed by an agency represented on the council and whose families are or have received services from an agency represented on the council or another county's council. Where possible, the number of members representing families shall be equal to twenty percent of the council's membership;
- b. The director of the board of alcohol, drug addiction, and mental health services that serves the county, or, in the case of a county that has a board of alcohol and drug addiction services and a community mental health board, the directors of both boards. If a board of alcohol, drug addiction, and mental health services covers more than one county, the director may designate a person to participate on the county's council;
- c. The health commissioner, or the commissioner's designee, of the board of health of each city or general health district in the county. If the county has two or more health districts, the health commissioner membership may be limited to the commissioners of the two districts with the largest populations;
- d. The director of the county department of job and family services;
- e. The executive director of the public children services agency;
- f. The superintendent of the county board of mental retardation and developmental disabilities;
- 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 board of county commissioners 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 president of the board of 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 3301.32 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 "Individuals with Disabilities Education Act of 2004"; and,
- n. A representative of a local nonprofit entity that funds advocates or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(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. Make periodic reports to the cabinet council regarding the number of children referred to the county council and the progress made in meeting the needs of each child;
- c. 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;
- d. Participate in the development of a countywide, comprehensive, coordinated, multidisciplinary, 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";
- e. Maintain an accountability system to monitor the Council's progress in achieving its purposes; and,
- f. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the county system.

The Logan County Family and Children First Council's (the "Council") management believes these financial statements present all activities for which the Council is financially accountable.

1. Council Membership

The County's Council membership included Children's Services, Board of Alcohol Drug Addiction and Mental Health Services; Board of Mental Retardation and Developmental Disabilities, and the Juvenile Court. The purpose of the Family and Children First Council is to identify ways in which the Child Serving System can provide services to the community in the most efficient and effective manner. A Council Director has been hired to administer all of the Council's Programs. Because these programs affect all of the agencies within the Council membership, the salary of this employee is paid from the State administrative grant received by the Council and pooled funding derived from each of the Council agencies in the County. Grant administration appropriations are utilized toward the Council Director's salary.

2. Executive Finance Committee

The Executive Finance Committee is a governing and policy making body. The Council is responsible for determining the need for staff positions pursuant to established goals, objectives, and policy statements. The committee is responsible for the creation of all standing committees and task groups of the Council.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

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

B. Reporting Entity

A reporting entity is comprised of the primary government and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the Council consists of all fund, departments, and activities that are not legally separate from the Council. They comprise the Council's legal entity, which provides various services including human, social, health and educational services to families and children. The Council, the Executive Finance Committee, and the Director have direct responsibility for these activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

These financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

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

1. Government-Wide Financial Statements

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

2. 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 fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 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. The Council utilizes the governmental category of funds.

4. Governmental Funds

Governmental funds are those through which most governmental functions of the Council typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. The following are the Council's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. 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 and the by-laws of the Council.

Help Me Grow - (GRF) Fund - This fund is used to account for State Help Me Grow grant monies.

Help Me Grow Part C Fund - This fund is used to account for State Help Me Grow Part C grant monies.

Project Child Fund - This fund accounts for money received for early childhood initiatives including additional funding to support Help Me Grow, Toasty Tots Program, and other collaborative efforts for the birth to age 6 populations.

Engage Fund - This fund accounts for State funding for the Engage program.

The other governmental funds of the Council account for grants and other resources whose use is restricted for a particular purpose.

5. Measurement Focus

The Council has elected to present its financial statements on a cash basis of accounting. The basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Council's cash basis of accounting, receipts are recognized when received in cash, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

6. Basis of Accounting

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Cash

As required by Ohio Revised Code, the Midwest Regional Educational Service Center (the "ESC") is custodian for the Council's cash. The Council's assets are held in the ESC's cash and investment pool, and are valued at the ESC Treasurer's reported carrying amount.

C. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. Acquisitions of property are not reflected as an asset under the basis of accounting the Council uses.

D. Long-term Debt Obligations

The Council did not have any bonds or other long-term debt obligations.

E. Net Position

These statements report restricted net position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use.

The Council first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

F. Budgetary Process

Ohio Revised Code Section 121.37(5)(A) requires the Council to file an annual budget with its administrative agent which is the Midwest Regional Educational Service Center. The budget can be amended throughout the year by the Council. The legal level of budgetary control has been established by Council at the fund, function level.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the estimated receipts and disbursements when the original budget was adopted by the Council. The amounts reported as the final budgeted amounts on the budgetary statements reflect the final estimated receipts and disbursements adopted by Council.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payment for unused leave. Unpaid leave is not reflected as a liability under the basis of accounting the Council uses.

H. Interfund Receivables/Payables

The Council reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Interfund Transactions

Exchanges transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

J. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Council must observe constraints imposed upon the use of the resources in the governmental-fund resources. The classifications are as follows:

Non-spendable - The non-spendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Council. Those committed amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Council for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the Council, which includes giving the administrative/fiscal agent the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Council applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Pensions

For purposes of measuring the net pension liability, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

3. ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2016, the Council has implemented GASB Statement No. 72, "Fair Value Measurement and Application", GASB Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68", GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", and GASB Statement No. 79, "Certain External Investment Pools and Pool Participants".

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of GASB Statement No. 72 did not have an effect on the financial statements of the Council.

GASB Statement No. 73 improves the usefulness of information about pensions included in the general purposes external financial reports of state and local governments for making decisions and assessing accountability. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the Council.

GASB Statement No. 76 identifies - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the Council.

GASB Statement No. 79 establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the Council.

4. CASH AND CASH EQUIVALENTS

The Council's cash pool is maintained by the Midwest Regional Educational Service Center (ESC). The Ohio Revised Code prescribes allowable deposits and investments, and the ESC is responsible for meeting compliance. The Council's carrying amount of cash on deposit at June 30, 2016 was \$114,338.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

5. BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based on accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statements of receipts, disbursements, and changes in fund balance - budget and actual - budgetary basis presented for 2016 are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and cash basis is the outstanding year-end encumbrances are treated as disbursements (budgetary basis) rather than as reservation of fund balance (cash basis).

6. INTERFUND BALANCES

During fiscal year 2016, the general fund received a transfer from the nonmajor governmental funds in the amount of \$3,876. The purpose of this transfer was to close the children's trust fund due to there no longer being any activity to account for involving this grant. Prior to closing the children's trust fund, the general fund would pay for services that were covered under the children's trust fund grant. Then, in order to use the children's trust fund grant monies, an invoice would be sent to the County where the children's trust fund grant monies were held to reimburse the general fund. The Council determined that there were allowable expenditures that could be billed under the children's trust fund monies that would allow the money to be transferred into the general fund. Transfers between governmental funds are eliminated on the government-wide statement of activities.

7. PENSION PLAN

A. Net Pension Liability

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability represents the Council's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the Council's obligation for this liability to annually required payments. The Council cannot control benefit terms or the manner in which pensions are financed; however, the Council does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

7. PENSION PLAN (Continued)

B. Plan Description - School Employees Retirement System (SERS)

Plan Description - The Council non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

*Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the Council is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2016, the allocation to pension, death benefits, and Medicare B was 14 percent. None of the employer contribution rate was allocated to the Health Care Fund.

The Council's contractually required contribution to SERS was \$8,052 for fiscal year 2016.

C. Net Pension Liability

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Council's proportion of the net pension liability was based on the Council's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

7. PENSION PLAN (Continued)

Proportionate share of the net pension liability	\$105,442
Proportion of the net pension liability	0.00184788%

D. Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2015, are presented below:

Wage inflation	3.25 percent
Future salary increases, including inflation	4.00 percent to 22 percent
COLA or ad hoc COLA	3 percent
Investment rate of return	7.75 percent net of investments expense, including inflation
Actuarial cost method	Entry age normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

7. PENSION PLAN (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	<u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Council's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Council's proportionate share of the net pension liability	\$146,210	\$105,442	\$71,112

E. Changes Between Measurement Date and Report Date

In April 2016, the SERS Board adopted certain assumption changes which impacted their annual actuarial valuation prepared as of June 30, 2016. The most significant change is a reduction in the discount rate from 7.75 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the Schools District's net pension liability is expected to be significant.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

8. POST-EMPLOYMENT BENEFITS

A. School Employees Retirement System

Health Care Plan Description - The Council contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2016, no portion of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2016, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The Council's contributions for health care for the fiscal years ended June 30, 2016 & 2015 were \$0 and \$727, respectively. 100 percent has been contributed for fiscal year 2015.

9. RISK MANAGEMENT

A. Property and Liability

The Council is covered under the Midwest Regional Educational Service Center's (the "ESC") insurance policy. Coverage provided under this policy included general liability, employee liability, and employers' liability. There has been no significant change in coverage from last year. Settled claims have not exceeded this commercial coverage in any of the past three years.

B. Health Insurance

The Council's employees are covered under the ESC's health insurance plan. The Council pays monthly premiums to the ESC for employee medical benefits.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Continued)**

10. CONTINGENCIES

A. Grants

The Council received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Council at June 30, 2016.

B. Litigation

There are currently no matters in litigation with the Council as defendant.

11. SUBSEQUENT EVENT

On July 1, 2016, the Mental Health, Drug and Alcohol Services Board of Logan and Champaign Counties became the administrative/fiscal agent for the Council.

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**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

The management's discussion and analysis of the Logan 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 June 30, 2015, within the limitations of the Council's cash basis of accounting. The intent of this discussion and analysis is to look at the Council's financial performance as a whole; readers should also review the cash-basis basic financial statements and the notes to the financial statements to enhance their understanding of the Council's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- The total net cash position of the governmental activities decreased \$81,553, which represents a 49.33% decrease from fiscal year 2014.
- The Council had \$307,082 in cash disbursements related to governmental activities; 42.24% of these cash disbursements were offset by program specific grants or contributions.
- The Council's major funds are the General Fund, the Innovation Fund, Help Me Grow - GRF Fund, Help Me Grow- Part C Fund, Family Centered Services and Support Fund, Project Child Fund, and the Engage Fund.
- The General Fund had cash receipts of \$95,828 in 2015. The cash disbursements of the General Fund totaled \$106,095 in 2015. The General fund had advances in of \$8,379 and transfers in of \$7,340. The General Fund's cash balance increased \$5,452 from 2014 to 2015.

Using these Basic Financial Statements (BFS)

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Council's cash basis of accounting.

The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis provide information about the activities of the whole Council, presenting both an aggregate view of the Council's cash basis finances. 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 remains for future spending. The fund financial statements also look at the Council's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Council, the General Fund, Innovation Fund, Help Me Grow - GRF Fund, Help Me Grow- Part C Fund, Family Centered Services and Support Fund, Project Child Fund, and the Engage Fund are the major governmental funds.

Reporting the Council as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis answer the question, "How did we do financially during 2015?" These statements include *only net position* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)
(Continued)**

These two statements report the Council's net position and changes in net cash position on a cash basis. This change in net cash position is important because it tells the reader that, for the Council as a whole, the cash basis financial position of the Council has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Council's facility conditions, mandated federal and State programs and other factors.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and liabilities and their related expenses (such as accounts payable and expenses for goods or services received, but not yet paid and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis, the governmental activities includes the Council's programs and services including administration and support services as well as various community and social services.

The Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis can be found on pages 39-40 of this report.

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 objectives. 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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The Council has no proprietary or fiduciary funds.

Fund financial reports provide detailed information about the Council's major funds. The Council uses several funds to account for its financial transactions. However, these financial statements focus on the Council's most significant funds. The Council's major governmental funds are the General Fund, Innovation Fund, Help Me Grow - GRF Fund, Help Me Grow- Part C Fund, Family Centered Services and Support Fund, Project Child Fund, and the Engage Fund. The analysis of the Council's major governmental funds begins on page 36.

Governmental Funds

The Council's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Council's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Council programs. Since the Council is reporting on the cash basis of accounting, there are no differences in the net position and fund cash balances or changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 41-49 of this report.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)
(Continued)**

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-63 of this report.

Government-Wide Financial Analysis

Recall that the statement of net position - cash basis provides the perspective of the Council as a whole.

The table below provides a summary of the Council's net cash position for 2015 and 2014.

Net Cash Position		
	Governmental Activities 2015	Governmental Activities 2014
Assets		
Equity in pooled cash and cash equivalents	\$83,759	\$165,312
Total assets	83,759	165,312
Net Position:		
Restricted	98,473	129,110
Unrestricted	(14,714)	36,202
Total net position	\$83,759	\$165,312

The total net cash position of the Council's governmental activities decreased \$81,553 from fiscal year 2014. The balance of government-wide unrestricted net cash position is a deficit of \$14,714.

The table below shows the changes in net cash position for fiscal year 2015 and 2014.

Change in Net Cash Position		
	Governmental Activities 2015	Governmental Activities 2014
Cash Receipts:		
Program cash receipts:		
Operating grants and contributions	\$129,701	\$300,352
Total program cash receipts	129,701	300,352
General cash receipts:		
Grants and entitlements not restricted for specific programs	95,828	128,689
Total general cash receipts	95,828	128,689
Total cash receipts	225,529	429,041

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)
(Continued)**

**Change in Net Cash Position
(Continued)**

	Governmental Activities 2015	Governmental Activities 2014
Cash Disbursements:		
Personal services	74,445	123,931
Employee retirement and insurance	28,242	64,189
Purchased services	189,558	173,708
Materials and supplies	1,024	2,720
Capital outlay	526	568
Other	13,287	1,100
Total cash disbursements	307,082	366,216
Change in net cash position	(81,553)	62,825
Net cash position at beginning of year	165,312	102,487
Net cash position at end of year	\$83,759	\$165,312

Governmental Activities

Governmental cash position decreased \$81,553 in 2015 from 2014. Total governmental cash disbursements of \$307,082 were offset by program cash receipts of \$129,701.

The primary sources of cash receipts for governmental activities are derived from operating grants and contributions. These revenue sources represent 57.51% of total governmental cash receipts.

The largest cash disbursement of the Council is for purchased services. These cash disbursements totaled \$189,558 or 61.73% of total governmental cash disbursements for fiscal year 2015.

Financial Analysis of the Government's Funds

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

Governmental Funds

The Council's governmental funds are accounted for using the cash basis of accounting.

The Council's governmental funds reported a combined fund cash balance of \$83,759, which is \$81,553 below last year's total of \$165,312. The schedule on the following page indicates the fund cash balance and the total change in fund cash balance as of June 30, 2015 and 2014, for all major and non-major governmental funds.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)
(Continued)**

	Fund Cash Balance June 30, 2015	Fund Cash Balance June 30, 2014	Increase (Decrease)
Major Funds:			
General	\$41,654	\$36,202	\$5,452
Innovation	2,329	39,139	(36,810)
Help Me Grow - GRF	37,710	36,088	1,622
Help Me Grow - Part C	(44,363)	-	(44,363)
Family Centered Services and Support	(12,005)	853	(12,858)
Project Child	26,446	29,204	(2,758)
Engage	18,900		18,900
Other Non-major Governmental Funds	13,088	23,826	(10,738)
Total	\$83,759	\$165,312	(\$81,553)

General Fund

The General Fund had cash receipts of \$95,828, advances in of \$8,379, and transfers in of \$7,340 in 2015. The cash disbursements of the General Fund totaled \$106,095 in 2015. The General Fund's cash balance increased \$5,452 from 2014 to 2015.

Innovation Fund

The Innovation Fund did not have any cash receipts in 2015. The cash disbursements of the Innovation Fund totaled \$36,810 in 2015. The Innovation Fund's cash balance decreased \$36,810 from 2014 to 2015.

Help Me Grow – GRF Fund

The Help Me Grow - GRF Fund had cash receipts of \$27,405 in 2015. The cash disbursements of the Help Me Grow – GRF Fund totaled \$25,783 in 2015. The Help Me Grow - GRF Fund's cash balance increased \$1,622 from 2014 to 2015.

Help Me Grow – Part C Fund

The Help Me Grow – Part C Fund had cash receipts of \$43,953 in 2015. The cash disbursements of the Help Me Grow – Part C Fund totaled \$79,937 and an advance out to the General fund of \$8,379 in 2015. The Help Me Grow – Part C Fund's cash balance decreased \$44,363 from 2014 to 2015, with an ending deficit balance of \$44,363.

Family Centered Services and Support Fund

The Family Centered Services and Support Fund had cash receipts of \$19,245 in 2015. The cash disbursements of the Family Centered Services and Support Fund totaled \$32,103 in 2015. The Family Centered Services and Support Fund ended the year with a deficit balance of \$12,005.

Project Child Fund

The Project Child Fund had cash receipts of \$200 in 2015. The cash disbursements of the Project Child Fund totaled \$2,958 in 2015. The Project Child Fund's cash balance decreased \$2,758 from 2014 to 2015.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)
(Continued)**

Engage Fund

The Engage Fund had cash receipts of \$18,900 in 2015 and no cash disbursements. The Engage Fund had a zero balance in 2014 and an ending balance of \$18,900 in 2015.

Capital Assets and Debt Administration

Capital Assets

The Council does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements. The Council had \$526 in capital outlay disbursements during fiscal year 2015.

Debt Administration

The Council had no long-term debt obligations outstanding at June 30, 2015 or June 30, 2014.

Current Financial Related Activities

The Council is reviewed by its members and the community to determine how they can realize efficiency and service gap filling. Agencies are challenged to improve the way services are delivered by striving towards a seamless service delivery system. The Council is constantly assessing needs of its members and acting to facilitate the provision of services cost-effectively.

Contacting the Council's Financial Management

This financial report is designed to provide our citizens with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Keith Thomas, Treasurer of the Midwest Regional Educational Service Center, Fiscal Agent for Logan County Family and Children First Council, 121 S. Opera St. Bellefontaine, Ohio 43311.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS
JUNE 30, 2015**

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents. . . .	\$ 83,759
 Net position:	
Restricted for:	
Youth Led Prevention.	4,140
Children's Trust.	3,876
Help Me Grow.	37,710
Project Child.	26,446
Engage.	18,900
United Way	5,072
Innovation.	2,329
Unrestricted.	(14,714)
Total net position.	\$ 83,759

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Cash Disbursements	Program Receipts Operating Grants and Contributions	Net (Disbursements) Receipts and Changes in Net Position Governmental Activities
Governmental activities:			
Personal services.	\$ 74,445	\$ 38,022	\$ (36,423)
Employees retirement and insurance	28,242	11,774	(16,468)
Purchased services.	189,558	74,809	(114,749)
Materials and supplies	1,024	872	(152)
Capital outlay	526	289	(237)
Other.	13,287	3,935	(9,352)
Totals	\$ 307,082	\$ 129,701	(177,381)
 General receipts:			
Grants and entitlements not restricted to specific programs			95,828
Total general receipts			95,828
Change in net position			(81,553)
Net position at beginning of year			165,312
Net position at end of year.			\$ 83,759

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	Innovation	Help Me Grow - GRF	Help Me Grow - Part C	Family Centered Services and Support	Project Child	Engage	Nonmajor Governmental Funds	Total Governmental Funds
Assets:									
Equity in pooled cash and cash equivalents.	\$ 41,654	\$ 2,329	\$ 37,710	\$ (44,363)	\$ (12,005)	\$ 26,446	\$ 18,900	\$ 13,088	\$ 83,759
Total assets	<u>41,654</u>	<u>\$ 2,329</u>	<u>\$ 37,710</u>	<u>\$ (44,363)</u>	<u>\$ (12,005)</u>	<u>\$ 26,446</u>	<u>\$ 18,900</u>	<u>\$ 13,088</u>	<u>\$ 83,759</u>
Fund balances:									
Restricted:									
Youth Led Prevention.	-	-	-	-	-	-	-	4,140	4,140
Children's trust.	-	-	-	-	-	-	-	3,876	3,876
Help Me Grow.	-	-	37,710	-	-	-	-	-	37,710
Project Child.	-	-	-	-	-	26,446	-	-	26,446
Engage.	-	-	-	-	-	-	18,900	-	18,900
Innovation.	-	2,329	-	-	-	-	-	-	2,329
United Way	-	-	-	-	-	-	-	5,072	5,072
Assigned for Encumbrances	10,462	-	-	-	-	-	-	-	10,462
Unassigned	31,192	-	-	(44,363)	(12,005)	-	-	-	(25,176)
Total fund balances	<u>\$ 41,654</u>	<u>\$ 2,329</u>	<u>\$ 37,710</u>	<u>\$ (44,363)</u>	<u>\$ (12,005)</u>	<u>\$ 26,446</u>	<u>\$ 18,900</u>	<u>\$ 13,088</u>	<u>\$ 83,759</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General	Innovation	Help Me Grow - GRF	Help Me Grow - Part C	Family Centered Services and Support	Project Child	Engage	Nonmajor Governmental Funds	Total Governmental Funds
Receipts:									
Other local revenues	\$ 80,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,078
Contributions and donations	-	-	-	-	-	200	-	19,998	20,198
Intergovernmental	15,750	-	27,405	43,953	19,245	-	18,900	-	125,253
Total receipts	<u>95,828</u>	<u>-</u>	<u>27,405</u>	<u>43,953</u>	<u>19,245</u>	<u>200</u>	<u>18,900</u>	<u>19,998</u>	<u>225,529</u>
Disbursements:									
Personal services	31,290	-	18,359	17,248	-	-	-	7,548	74,445
Employees retirement and insurance	16,499	-	3,756	2,734	-	-	-	5,253	28,242
Purchased services	51,595	36,810	2,572	55,695	32,103	2,842	-	7,941	189,558
Materials and supplies	130	-	-	-	-	116	-	778	1,024
Capital outlay	-	-	-	526	-	-	-	-	526
Other	6,581	-	1,096	3,734	-	-	-	1,876	13,287
Total disbursements	<u>106,095</u>	<u>36,810</u>	<u>25,783</u>	<u>79,937</u>	<u>32,103</u>	<u>2,958</u>	<u>-</u>	<u>23,396</u>	<u>307,082</u>
Excess of receipts over (under) disbursements	<u>(10,267)</u>	<u>(36,810)</u>	<u>1,622</u>	<u>(35,984)</u>	<u>(12,858)</u>	<u>(2,758)</u>	<u>18,900</u>	<u>(3,398)</u>	<u>(81,553)</u>
Other financing sources (uses)									
Transfers in	7,340	-	-	-	-	-	-	-	7,340
Transfers (out)	-	-	-	-	-	-	-	(7,340)	(7,340)
Advances in	8,379	-	-	-	-	-	-	-	8,379
Advances (out)	-	-	-	(8,379)	-	-	-	-	(8,379)
Total other financing sources (uses)	<u>15,719</u>	<u>-</u>	<u>-</u>	<u>(8,379)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,340)</u>	<u>-</u>
Net change in fund balances	5,452	(36,810)	1,622	(44,363)	(12,858)	(2,758)	18,900	(10,738)	(81,553)
Fund balances at beginning of year	36,202	39,139	36,088	-	853	29,204	-	23,826	165,312
Fund balances at end of year	<u>\$ 41,654</u>	<u>\$ 2,329</u>	<u>\$ 37,710</u>	<u>\$ (44,363)</u>	<u>\$ (12,005)</u>	<u>\$ 26,446</u>	<u>\$ 18,900</u>	<u>\$ 13,088</u>	<u>\$ 83,759</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Other local revenues	\$ 52,258	\$ 87,896	\$ 80,078	\$ (7,818)
Intergovernmental	9,364	15,750	15,750	-
Total receipts	<u>61,622</u>	<u>103,646</u>	<u>95,828</u>	<u>(7,818)</u>
Disbursements:				
Personal services	15,569	32,659	31,290	1,369
Employees retirement and insurance	9,182	19,261	16,499	2,762
Purchased services	30,650	64,295	61,601	2,694
Materials and supplies	157	330	330	-
Other	3,671	7,700	7,480	220
Total disbursements	<u>59,229</u>	<u>124,245</u>	<u>117,200</u>	<u>7,045</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,393</u>	<u>(20,599)</u>	<u>(21,372)</u>	<u>(773)</u>
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	643	643
Transfers in	-	59,030	59,030	-
Transfers (out)	-	(51,690)	(51,690)	-
Advances in	-	8,379	8,379	-
Total other financing sources (uses)	<u>-</u>	<u>15,719</u>	<u>16,362</u>	<u>643</u>
Net change in fund balance	2,393	(4,880)	(5,010)	(130)
Fund balance at beginning of year	35,162	35,162	35,162	-
Prior year encumbrances appropriated	1,040	1,040	1,040	-
Fund balance at end of year	<u>\$ 38,595</u>	<u>\$ 31,322</u>	<u>\$ 31,192</u>	<u>\$ (130)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INNOVATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Disbursements:				
Purchased services.	\$ -	\$ 39,139	\$ 36,810	\$ 2,329
Total disbursements	<u>-</u>	<u>39,139</u>	<u>36,810</u>	<u>2,329</u>
Net change in fund balance	-	(39,139)	(36,810)	2,329
Fund balance at beginning of year	39,139	39,139	39,139	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance (deficit) at end of year.	<u>\$ 39,139</u>	<u>\$ -</u>	<u>\$ 2,329</u>	<u>\$ 2,329</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HELP ME GROW - GRF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental	\$ 38,580	\$ 27,405	\$ 27,405	\$ -
Total receipts.	<u>38,580</u>	<u>27,405</u>	<u>27,405</u>	<u>-</u>
Disbursements:				
Personal services.	29,486	19,371	18,359	1,012
Employees retirement and insurance	6,381	4,192	3,756	436
Purchased services.	4,795	3,150	2,855	295
Materials and supplies	761	500	-	500
Other.	1,668	1,096	1,096	-
Total disbursements	<u>43,091</u>	<u>28,309</u>	<u>26,066</u>	<u>2,243</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(4,511)</u>	<u>(904)</u>	<u>1,339</u>	<u>2,243</u>
Other financing sources (uses):				
Transfers in	-	36,088	36,088	-
Transfers (out).	-	(36,088)	(36,088)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,511)	(904)	1,339	2,243
Fund balance at beginning of year	34,888	34,888	34,888	-
Prior year encumbrances appropriated	1,200	1,200	1,200	-
Fund balance at end of year	<u>\$ 31,577</u>	<u>\$ 35,184</u>	<u>\$ 37,427</u>	<u>\$ 2,243</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HELP ME GROW - PART C FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Intergovernmental	\$ 178,027	\$ 111,456	\$ 56,730	\$ (54,726)
Total receipts	<u>178,027</u>	<u>111,456</u>	<u>56,730</u>	<u>(54,726)</u>
Disbursements:				
Personal services	37,295	18,025	17,248	777
Employees retirement and insurance	6,478	3,131	2,734	397
Purchased services	109,733	53,029	56,452	(3,423)
Materials and supplies	8,069	3,900	79	3,821
Capital outlay	-	-	1,056	(1,056)
Other	8,856	4,280	3,780	500
Total disbursements	<u>170,431</u>	<u>82,365</u>	<u>81,349</u>	<u>1,016</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,596</u>	<u>29,091</u>	<u>(24,619)</u>	<u>(53,710)</u>
Other financing sources (uses):				
Refund of prior year's receipts	-	(12,777)	(12,777)	-
Transfers in	-	622	622	-
Transfers (out)	-	(622)	(622)	-
Advances (out)	-	(8,088)	(8,379)	(291)
Total other financing sources (uses)	<u>-</u>	<u>(20,865)</u>	<u>(21,156)</u>	<u>(291)</u>
Net change in fund balance	7,596	8,226	(45,775)	(54,001)
Fund balance (deficit) at beginning of year	(481)	(481)	(481)	-
Prior year encumbrances appropriated	481	481	481	-
Fund balance (deficit) at end of year	<u>\$ 7,596</u>	<u>\$ 8,226</u>	<u>\$ (45,775)</u>	<u>\$ (54,001)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FAMILY CENTERED SERVICES AND SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts:				
Intergovernmental	\$ 30,644	\$ 29,607	\$ 19,245	\$ (10,362)
Total receipts.	<u>30,644</u>	<u>29,607</u>	<u>19,245</u>	<u>(10,362)</u>
Disbursements:				
Purchased services.	31,497	30,460	33,236	(2,776)
Total disbursements	<u>31,497</u>	<u>30,460</u>	<u>33,236</u>	<u>(2,776)</u>
Net change in fund balance	(853)	(853)	(13,991)	(13,138)
Fund balance at beginning of year	853	853	853	-
Fund balance (deficit) at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,138)</u>	<u>\$ (13,138)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROJECT CHILD FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Contributions and donations	\$ -	\$ 200	\$ 200	\$ -
Total receipts.	<u>-</u>	<u>200</u>	<u>200</u>	<u>-</u>
Disbursements:				
Purchased services.	7,000	7,000	3,325	3,675
Materials and supplies	-	300	116	184
Total disbursements	<u>7,000</u>	<u>7,300</u>	<u>3,441</u>	<u>3,859</u>
Net change in fund balance	(7,000)	(7,100)	(3,241)	3,859
Fund balance at beginning of year	<u>29,204</u>	<u>29,204</u>	<u>29,204</u>	<u>-</u>
Fund balance at end of year	<u>\$ 22,204</u>	<u>\$ 22,104</u>	<u>\$ 25,963</u>	<u>\$ 3,859</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENGAGE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts:				
Intergovernmental	\$ -	\$ -	\$ 18,900	\$ 18,900
Total receipts.	<u>-</u>	<u>-</u>	<u>18,900</u>	<u>18,900</u>
Net change in fund balance	-	-	18,900	18,900
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,900</u>	<u>\$ 18,900</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

1. DESCRIPTION OF THE COUNCIL AND REPORTING ENTITY

A. Description of the Entity

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

- a. At least three individuals who are not employed by an agency represented on the council and whose families are or have received services from an agency represented on the council or another county's council. Where possible, the number of members representing families shall be equal to twenty percent of the council's membership;
- b. The director of the board of alcohol, drug addiction, and mental health services that serves the county, or, in the case of a county that has a board of alcohol and drug addiction services and a community mental health board, the directors of both boards. If a board of alcohol, drug addiction, and mental health services covers more than one county, the director may designate a person to participate on the county's council;
- c. The health commissioner, or the commissioner's designee, of the board of health of each city or general health district in the county. If the county has two or more health districts, the health commissioner membership may be limited to the commissioners of the two districts with the largest populations;
- d. The director of the county department of job and family services;
- e. The executive director of the public children services agency;
- f. The superintendent of the county board of mental retardation and developmental disabilities;
- 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 board of county commissioners 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 president of the board of 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 3301.32 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 "Individuals with Disabilities Education Act of 2004"; and,
- n. A representative of a local nonprofit entity that funds advocates or provides services to children and families.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(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. Make periodic reports to the cabinet council regarding the number of children referred to the county council and the progress made in meeting the needs of each child;
- c. 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;
- d. Participate in the development of a countywide, comprehensive, coordinated, multidisciplinary, 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";
- e. Maintain an accountability system to monitor the Council's progress in achieving its purposes; and,
- f. Establish a mechanism to ensure ongoing input from a broad representation of families who are receiving services within the county system.

The Logan County Family and Children First Council's (the "Council") management believes these financial statements present all activities for which the Council is financially accountable.

1. Council Membership

The County's Council membership included Children's Services, Board of Alcohol Drug Addiction and Mental Health Services; Board of Mental Retardation and Developmental Disabilities, and the Juvenile Court. The purpose of the Family and Children First Council is to identify ways in which the Child Serving System can provide services to the community in the most efficient and effective manner. A Council Director has been hired to administer all of the Council's Programs. Because these programs affect all of the agencies within the Council membership, the salary of this employee is paid from the State administrative grant received by the Council and pooled funding derived from each of the Council agencies in the County. Grant Administration Appropriations are utilized toward the Council Director's salary.

2. Executive Finance Committee

The Executive Finance Committee is a governing and policy making body. The Council is responsible for determining the need for staff positions pursuant to established goals, objectives, and policy statements. The committee is responsible for the creation of all standing committees and task groups of the Council.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

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

B. Reporting Entity

A reporting entity is comprised of the primary government and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the Council consists of all fund, departments, and activities that are not legally separate from the Council. They comprise the Council's legal entity, which provides various services including human, social, health and educational services to families and children. The Council, the Executive Finance Committee, and the Director have direct responsibility for these activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

These financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

The Council's Basic Financial Statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

1. Government-Wide Financial Statements

The Statement of Net Position 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 Position presents the financial condition of the governmental activities of 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. 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 of the goods or services offered by the program and 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 each governmental program is self-financing or draws from the general revenues of the Council.

2. 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 fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 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. The Council utilizes the governmental category of funds.

4. Governmental Funds

Governmental funds are those through which most governmental functions of the Council typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. The following are the Council's major governmental funds:

General Fund - The General Fund accounts for all financial resources except those required to be accounted for in another fund. 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 and the by-laws of the Council.

Innovation Fund - This fund is used to account for the State innovation grant monies.

Help Me Grow - (GRF) Fund - This fund is used to account for State Help Me Grow grant monies.

Help Me Grow Part C Fund - This fund is used to account for State Help Me Grow Part C grant monies.

Project Child Fund - This fund accounts for money received for early childhood initiatives including additional funding to support Help Me Grow, Toasty Tots Program, and other collaborative efforts for the birth to age 6 populations.

Family Centered Services and Support Fund - This fund accounts for State funds held to maintain children and youth in their own homes and communities by providing non-clinical family centered support.

Engage Fund - This fund accounts for State funding for the Engage program.

The other governmental funds of the Council account for grants and other resources whose use is restricted for a particular purpose.

5. Measurement Focus

The Council has elected to present its financial statements on a cash basis of accounting. The basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Council's cash basis of accounting, receipts are recognized when received in cash, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Basis of Accounting

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

B. Cash

As required by Ohio Revised Code, the Midwest Regional Educational Service Center (the "ESC") is custodian for the Council's cash. The Council's assets are held in the ESC's cash and investment pool, and are valued at the ESC Treasurer's reported carrying amount. Logan County is the custodian of the cash held in the Children's Trust Fund. At June 30, 2015, the amount held by Logan County was \$3,876.

C. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. Acquisitions of property are not reflected as an asset under the basis of accounting the Council uses.

D. Long-term Debt Obligations

The Council did not have any bonds or other long-term debt obligations.

E. Net Position

These statements report restricted net position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use.

The Council first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

F. Budgetary Process

Ohio Revised Code Section 121.37(5)(A) requires the Council to file an annual budget with its administrative agent which is the Midwest Regional Educational Service Center. The budget can be amended throughout the year by the Council. The legal level of budgetary control has been established by Council at the fund, function level.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the estimated receipts and disbursements when the original budget was adopted by the Council. The amounts reported as the final budgeted amounts on the budgetary statements reflect the final estimated receipts and disbursements adopted by Council.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payment for unused leave. Unpaid leave is not reflected as a liability under the basis of accounting the Council uses.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Interfund Receivables/Payables

The Council reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

I. Pensions

For purposes of measuring the net pension liability, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

J. Interfund Transactions

Exchanges transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

K. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Council must observe constraints imposed upon the use of the resources in the governmental-fund resources. The classifications are as follows:

Non-spendable - The non-spendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Council. Those committed amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Council for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the Council, which includes giving the administrative/fiscal agent the authority to constrain monies for intended purposes.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Council applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

3. ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2015, the Council has implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27", GASB Statement No. 69 "Government Combinations and Disposals of Government Operations", and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 effected the Council's pension plan disclosures, as presented in Note 7 to the financial statements.

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the Council.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities. The implementation of GASB Statement No. 71 did not have an effect on the financial statements of the Council.

4. CASH AND CASH EQUIVALENTS

The Council's cash pool is maintained by the Midwest Regional Educational Service Center and Logan County. The Ohio Revised Code prescribes allowable deposits and investments, and the ESC and Logan County are responsible for meeting compliance. The Council's carrying amount of cash on deposit at June 30, 2015 was \$83,759.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

5. BUDGETARY BASIS OF ACCOUNTING

The budgetary basis as provided by law is based on accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statements of Receipts, Disbursements, and Changes in Fund Balance - Budget and Actual – (Non-GAAP Budgetary Basis) presented for 2015 are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and cash basis is the outstanding year-end encumbrances are treated as disbursements (budgetary basis) rather than as reservation of fund balance (cash basis).

6. INTERFUND BALANCES

During 2015, the Help Me Grow - Part C Fund repaid the outstanding advance, in the amount of \$8,379 to the General Fund. There were no unpaid cash advances at June 30, 2015. The United Way Fund also transferred \$7,340 to the General fund to cover grant provided services from 2014.

7. PENSION PLAN

A. Net Pension Liability

For fiscal year 2015, Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68" were effective. These GASB pronouncements had no effect on beginning net position as reported June 30, 2014, as the net pension liability is not reported in the accompanying financial statements. The net pension liability has been disclosed below.

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability represents the Council's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the Council's obligation for this liability to annually required payments. The Council cannot control benefit terms or the manner in which pensions are financed; however, the Council does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

7. PENSION PLAN (Continued)

B. Plan Description - School Employees Retirement System (SERS)

Plan Description - The Council non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the Council is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The Council's contractually required contribution to SERS was \$10,422 for fiscal year 2015.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

7. PENSION PLAN (Continued)

C. Net Pension Liability

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Council's proportion of the net pension liability was based on the Council's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	SERS
Proportionate share of the net pension liability	\$220,804
Proportion of the net pension liability	0.004363%

D. Actuarial Assumptions – SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage inflation	3.25 percent
Future salary increases, including inflation	4.00 percent to 22 percent
COLA or ad hoc COLA	3 percent
Investment rate of return	7.75 percent net of investments expense, including inflation
Actuarial cost method	Entry age normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

**FAMILY AND CHILDREN FIRST COUNCIL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

7. PENSION PLAN (Continued)

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	<u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Council's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	<u>1% Decrease (6.75%)</u>	<u>Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
District's proportionate share of the net pension liability	\$315,022	\$220,804	\$141,559

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

8. POST-EMPLOYMENT BENEFITS

School Employees Retirement System

Plan Description - The Council participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 (the latest information available) was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income and the SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "Employers/Audit Resources".

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2015, 0.82 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the actuarially determined amount was \$20,450.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The Council's contributions for health care (including surcharge) for the fiscal year ended June 30, 2015 was \$727; 100 percent has been contributed for fiscal year 2015.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2015, this actuarially required allocation was 0.74 percent of covered payroll. The Council's contributions for Medicare Part B for the fiscal year ended June 30, 2015 was \$77; 100 percent has been contributed for fiscal year 2015.

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)**

9. RISK MANAGEMENT

A. Property and Liability

The Council is covered under the Midwest Regional Educational Service Center's (the "ESC") insurance policy. Coverage provided under this policy included general liability, employee liability, and employers' liability. There has been no significant change in coverage from last year. Settled claims have not exceeded this commercial coverage in any of the past three years.

B. Health Insurance

The Council's employees are covered under the ESC's health insurance plan. The Council pays monthly premiums to the ESC for employee medical benefits.

10. CONTINGENCIES

A. Grants

The Council received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Council at June 30, 2015.

B. Litigation

There are currently no matters in litigation with the Council as defendant.

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Dave Yost • Auditor of State

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

Family and Children First Council
Logan County
1973 SR 47 West
P.O. Box 710
Bellefontaine, Ohio 43311

To the Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Family and Children First Council, Logan County, (the Council) as of and for the fiscal years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated May 22, 2017, wherein we noted the Council uses a special purpose framework other than generally accepted accounting principles.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Council's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Council's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

May 22, 2017

**FAMILY AND CHILDREN FIRST COUNCIL
LOGAN COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2016 AND 2015**

Finding Number	Finding Summary	Status	Additional Information
2014-001	Material Weakness – Accuracy of Financial Statement Reporting	Not Corrected	Compiler's reporting was not presented properly. Corrective action will be taken. See Management Letter

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LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL

LOGAN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 18, 2017**