



Mary Taylor, CPA  
Auditor of State



**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Logan County Family and Children First Council  
Logan County  
P.O. Box 710  
1973 St. Rt. 47 W  
Bellefontaine, Ohio 43311

To the Members of Council:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Logan County Family and Children First Council, Logan County, Ohio (the Council), as of and for the fiscal years ended June 30, 2006 and 2005, which collectively comprise the Council's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

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 Family and Children First Council, Logan County, Ohio, as of June 30, 2006 and 2005, and the respective changes in cash financial position and the respective budgetary comparisons for the General Fund, Help Me Grow TANF Fund, Help Me Grow GRF Fund, Children's Trust Fund, Help Me Grow Part C Fund, Partnership for Success Fund, Access to Better Care Fund, and the Bryne Grant Fund thereof for the years then ended in conformity with the basis of accounting Note 1 describes.

For the fiscal years ended June 30, 2006 and 2005, the Council revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2007, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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

**Mary Taylor, CPA**  
Auditor of State

July 17, 2007

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005**

The 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 fiscal years ended June 30, 2006 and 2005, within the limits of the Council's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Council's financial performance.

**Highlights**

Key Highlights for 2006 and 2005 are as follows:

- Total net assets decreased \$7,160, or 10.5%, during 2006 and \$15,617 or 18.6% during 2005. The fund most affected by the decrease in cash and cash equivalents was the General Fund as a result of a combination of decreased revenues and increased expenditures during 2006 and 2005. Other funds were also affected in a similar manner.
- The Council's receipts are primarily from intergovernmental funding. These receipts represent 100% and 99% of the total cash received for governmental activities during the 2006 and 2005 respectively.

**Using the Basic Financial Statements**

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

**Report Components**

The statement of net assets and the statement of activities provide information about the Council's cash position and the changes in cash position at the entity wide level.

The statement of cash basis assets and fund balances and the statement of cash receipts, disbursements and changes in cash basis fund balances report the Council's cash position and the changes in cash position by fund.

The notes to the financial statements are an integral part of the financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. These financial statements follow the basis of accounting the Auditor of State prescribes or permits. The Council has elected to present its financial statements on a cash basis of accounting. This 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.

As a result of using the cash basis of accounting, certain assets and their related venues (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.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005  
(Continued)**

**Reporting the Government as a Whole**

The statement of net assets and the statement of activities reflect how the Council did financially during 2006 and 2005, within the limits of cash basis accounting. The statement of net assets presents the cash balances of the Council at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Council's general receipts.

These statements report the Council's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Council's financial health. Over time, increases or decreases in the Council's cash position is one indicator of whether the Council's financial health is improving or deteriorating. When evaluating the Council's financial condition, you should also consider other non-financial factors as well such as the condition of the Council's capital assets, the extent of any debt obligations and the reliance on non-local financial resources for operations.

In the statement of net assets and the statement of activities, the Council presents one type of activity:

**Governmental activities** - All of the Council's basic services are reported here. Intergovernmental revenue finances almost of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**Reporting the Government's Most Significant Funds**

Fund financial statements provide detailed information about the Council's major funds – not the Government as a whole. The Council establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the Council's are considered governmental. The Council's governmental fund financial statements provide a detailed view of the Council's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Council's programs. The Council's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The major funds of the Council for 2006 include the General, Help Me Grow - TANF, Help Me Grow - GRF, Children's Trust, Partnership for Success, and the Access to Better Care. In 2005 the major funds were the General, Help Me Grow – TANF, Help Me Grow GRF, Help Me Grow - Part C, and the Bryne Grant.



**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005  
(Continued)**

**The Government as a Whole**

Table 1 provides a summary of the Council's net assets for fiscal year 2006 compared to fiscal year 2005 and 2004.

**Table 1  
Net Assets – Cash Basis  
Governmental Activities**

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Assets:</b>			
Current and Other Assets	\$61,147	\$68,307	\$83,924
Total Assets	<u>61,147</u>	<u>68,307</u>	<u>83,924</u>
<b>Net Assets:</b>			
Restricted	58,491	47,883	57,806
Unrestricted	2,656	20,424	26,118
Total	<u>\$61,147</u>	<u>\$68,307</u>	<u>\$83,924</u>

As mentioned previously, net assets decreased \$7,160, or 10.5%, during 2006 and \$15,617 or 18.6% during 2005. The decrease was primarily associated with a combination of inconsistent fund levels and cost associated with established programs.

Table 2 reflects the changes in net fund balances during 2006, compared to 2005.

**Table 2  
Change in Net Assets – Cash Basis  
Governmental Activities**

	<u>2006</u>	<u>2005</u>
<b>Revenues:</b>		
Program Revenues:		
Operating Grants and Contributions	\$510,565	\$380,843
Total Program Revenues	<u>510,565</u>	<u>380,843</u>
General Revenues:		
Unrestricted Grants	110,334	82,639
Miscellaneous	3,600	3,600
Total General Revenues	<u>110,334</u>	<u>86,239</u>
Total Revenues	<u>620,899</u>	<u>467,082</u>
<b>Expenses:</b>		
Personal Services	303,027	250,652
Employees' Retirement and Insurance	79,479	82,403
Purchased Services	188,172	126,712
Supplies and Materials	13,213	9,836
Capital Outlay	1,518	
Other	42,650	13,096
Total Expenses	<u>628,059</u>	<u>482,699</u>
Decrease in Net Assets	<u>(\$7,160)</u>	<u>(\$15,617)</u>

Program receipts represent 82.2 and 81.5 percent of total receipts for 2006 and 2005 respectively and are comprised of receipts that are restricted for specific programs. The largest category of disbursements was personal services (wages). Purchased services were the second largest and this includes payment to residential providers for youth in out-of-home placements and for grant related services provided by public and not-for-profit organizations.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005  
(Continued)**

**Governmental Activities**

If you look at the Statement of Activities on pages 10 and 20, you will see that the first column lists the major services provided by the Council. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for personal services and purchased services, which account for approximately 48 and 30 percent, and 52 and 26 percent, in 2006 and 2005, of all governmental disbursements, respectively. Employees' retirement and insurance also represents a significant cost, about 13 percent in 2006 and 17 percent in 2005. The next column of the Statement entitled Program Receipts identify grants received by the Council that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by unrestricted money. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**(Table 3)  
Governmental Activities**

	<b>Total Cost of Services 2006</b>	<b>Net Cost of Services 2006</b>	<b>Total Cost of Services 2005</b>	<b>Net Cost of Services 2005</b>
Personal Services	\$303,027	(\$62,104)	\$250,652	(\$53,886)
Employees' Retirement and Insurance	79,479	(12,906)	82,403	(23,694)
Purchased Services	188,172	(17,639)	126,712	(11,875)
Supplies and Materials	13,213	(2,830)	9,836	(2,257)
Capital Outlay	1,518	(204)		
Other	42,650	(21,811)	13,090	(10,144)
<b>Total Expenses</b>	<b>\$628,059</b>	<b>(\$117,494)</b>	<b>\$482,693</b>	<b>(\$101,856)</b>

**The Government's Funds**

Total governmental funds had receipts of \$620,899 and \$467,082 and disbursements of \$628,059 and \$482,699 in 2006 and 2005, respectively. The greatest change within governmental funds occurred within the General Fund in 2006 and the Help Me Grow – TANF Fund in 2005. The fund balance of the General Fund decreased \$17,768 as a result of increased personal and purchased services costs. The fund balance of the Help Me Grow – TANF Fund decreased for similar reasons. The Council plans to offset deficit spending by controlling costs and looking for additional funding.

**General Fund Budgeting Highlights**

The Council's primary operating fund is the General Fund. In both 2006 and 2005, no significant change was made between the original and final budget. Final disbursements in 2006 and 2005 were budgeted at \$166,706 and \$103,071, while actual disbursements were \$136,846 and \$93,644 respectively. In both years, actual revenues were less than budgeted.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005  
(Continued)**

**Capital Assets and Debt Administration**

The Council has no capital assets and no debt.

**Contacting the Council's Financial Management**

This financial report is designed to provide our citizens, and other users with a general overview of the Council's finances and to reflect the Council's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Sara Tracey, Treasurer, Logan County Educational Service Center, 121 South Opera Street, Bellefontaine, Ohio 43311.

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**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
JUNE 30, 2006**

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$61,147</u>
Total Assets	<u><u>61,147</u></u>
<b>Net Assets</b>	
<b>Restricted for:</b>	
Other Purposes	58,491
Unrestricted	<u>2,656</u>
Total Net Assets	<u><u>\$61,147</u></u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<b>Cash Disbursements</b>	<b>Program Cash Receipts Operating Grants and Contributions</b>	<b>Net (Disbursements) Receipts and Changes Fund Balances</b>
			<b>Governmental Activities</b>
<b>Governmental Activities</b>			
Personal Services	(\$303,027)	\$240,923	(\$62,104)
Employees' Retirement and Insurance	(79,479)	66,573	(12,906)
Purchased Services	(188,172)	170,533	(17,639)
Supplies and Materials	(13,213)	10,383	(2,830)
Capital Outlay	(1,518)	1,314	(204)
Other	(42,650)	20,839	(21,811)
<b>Total Governmental Activities</b>	<b>(\$628,059)</b>	<b>\$510,565</b>	<b>(117,494)</b>
<b>General Receipts</b>			
Grants and Entitlements not Restricted to Specific Programs			110,334
Total General Receipts			110,334
Change in Net Assets			(7,160)
Net Assets Beginning of Year			68,307
Net Assets End of Year			\$61,147

*See accompanying notes to the basic financial statements.*

LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
JUNE 30, 2006

	General	Help Me Grow TANF	Help Me Grow GRF	Children's Trust Fund	Partnership for Success	Access to Better Care	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>								
Equity in Pooled Cash and Cash Equivalents	\$2,656		\$26,176	\$8,731	\$2,989	\$13,489	\$7,106	\$61,147
Total Assets	<u>2,656</u>		<u>26,176</u>	<u>8,731</u>	<u>2,989</u>	<u>13,489</u>	<u>7,106</u>	<u>61,147</u>
<b>Fund Balances</b>								
<b>Reserved:</b>								
Reserved for Encumbrances	15,145	\$20,923	5,916		2,886		2,798	47,668
Unreserved, Reported in:								
General Fund	(12,489)							(12,489)
Special Revenue Funds		(20,923)	20,260	8,731	103	13,489	4,308	25,968
Total Fund Balances	<u>\$2,656</u>		<u>\$26,176</u>	<u>\$8,731</u>	<u>\$2,989</u>	<u>\$13,489</u>	<u>\$7,106</u>	<u>\$61,147</u>

See accompanying notes to the basic financial statements.

LOGAN COUNTY 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, 2006

	General	Help Me Grow TANF	Help Me Grow GRF	Children's Trust Fund	Partnership For Success	Access to Better Care	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>								
Intergovernmental	\$110,334	\$224,277	\$47,025	\$15,486	\$75,000	\$13,489	\$135,288	\$620,899
Total Receipts	<u>110,334</u>	<u>224,277</u>	<u>47,025</u>	<u>15,486</u>	<u>75,000</u>	<u>13,489</u>	<u>135,288</u>	<u>620,899</u>
<b>Disbursements</b>								
Personal Services	52,777	131,337	27,519		20,192		71,202	303,027
Employees' Retirement and Insurance	10,730	45,967	9,432		311		13,039	79,479
Purchased Services	35,057	40,571	11,202	6,755	43,186		51,401	188,172
Supplies and Materials	2,574	4,258			3,285		3,096	13,213
Capital Outlay	192	1,326						1,518
Other	20,371	2,800	372		5,037		14,070	42,650
Total Disbursements	<u>121,701</u>	<u>226,259</u>	<u>48,525</u>	<u>6,755</u>	<u>72,011</u>		<u>152,808</u>	<u>628,059</u>
Receipts Over (Under) Disbursements	(11,367)	(1,982)	(1,500)	8,731	2,989	13,489	(17,520)	(7,160)
Other Financing Sources (Uses)								
Advances In	13,077	14,424					5,054	32,555
Advances Out	(19,478)	(12,442)					(635)	(32,555)
Total Other Financing Sources	<u>(6,401)</u>	<u>1,982</u>					<u>4,419</u>	
Net Change in Fund Balances	(17,768)		(1,500)	8,731	2,989	13,489	(13,101)	(7,160)
Fund Balances Beginning of Year	<u>20,424</u>		<u>27,676</u>				<u>20,207</u>	<u>68,307</u>
Fund Balances End of Year	<u><u>\$2,656</u></u>		<u><u>\$26,176</u></u>	<u><u>\$8,731</u></u>	<u><u>\$2,989</u></u>	<u><u>\$13,489</u></u>	<u><u>\$7,106</u></u>	<u><u>\$61,147</u></u>

See accompanying notes to the basic financial statements.



**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$157,832	\$166,706	\$110,334	(\$56,372)
Total Receipts	<u>157,832</u>	<u>166,706</u>	<u>110,334</u>	<u>(56,372)</u>
<b>Disbursements</b>				
Personal Services	73,787	78,861	52,777	26,084
Employees' Retirement and Insurance	38,946	38,946	22,187	16,759
Purchased Services	30,050	32,550	37,289	(4,739)
Supplies and Materials	1,700	1,700	2,880	(1,180)
Capital Outlay	900	900	192	708
Other	12,449	13,749	21,521	(7,772)
Total Disbursements	<u>157,832</u>	<u>166,706</u>	<u>136,846</u>	<u>29,860</u>
Excess of Receipts Over (Under) Disbursements			<u>(26,512)</u>	<u>(26,512)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In			13,077	13,077
Advances Out			(19,478)	(19,478)
Total Other Financing Sources (Uses)			<u>(6,401)</u>	<u>(6,401)</u>
Net Change in Fund Balance			(32,913)	(32,913)
Fund Balance Beginning of Year	5,636	5,636	5,636	
Prior Year Encumbrances Appropriated	<u>14,788</u>	<u>14,788</u>	<u>14,788</u>	
Fund Balance End of Year	<u>\$20,424</u>	<u>\$20,424</u>	<u>(\$12,489)</u>	<u>(\$32,913)</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW TANF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$190,789	\$231,417	\$224,277	(\$7,140)
Total Receipts	<u>190,789</u>	<u>231,417</u>	<u>224,277</u>	<u>(7,140)</u>
<b>Disbursements</b>				
Personal Services	116,720	134,941	131,336	3,605
Employees' Retirement and Insurance	38,250	44,235	60,813	(16,578)
Purchased Services	40,478	44,748	44,693	55
Supplies and Materials	2,300	2,800	5,944	(3,144)
Capital Outlay		1,600	1,596	4
Other	16,041	25,465	2,800	22,665
Total Disbursements	<u>213,789</u>	<u>253,789</u>	<u>247,182</u>	<u>6,607</u>
Excess of Receipts Over (Under) Disbursements	<u>(23,000)</u>	<u>(22,372)</u>	<u>(22,905)</u>	<u>(533)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In			14,424	14,424
Advances Out	(12,442)	(12,442)	(12,442)	
Total Other Financing Sources (Uses)	<u>(12,442)</u>	<u>(12,442)</u>	<u>1,982</u>	<u>14,424</u>
Net Change in Fund Balance	(35,442)	(34,814)	(20,923)	13,891
Fund Balance Beginning of Year	(26,992)	(26,992)	(26,992)	
Prior Year Encumbrances Appropriated	<u>26,992</u>	<u>26,992</u>	<u>26,992</u>	
Fund Balance End of Year	<u>(\$35,442)</u>	<u>(\$34,814)</u>	<u>(\$20,923)</u>	<u>\$13,891</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW GRF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$47,025	\$50,558	\$47,025	(\$3,533)
Total Receipts	<u>47,025</u>	<u>50,558</u>	<u>47,025</u>	<u>(3,533)</u>
<b>Disbursements</b>				
Personal Services	29,062	29,062	27,519	1,543
Employees' Retirement and Insurance	11,980	11,980	13,436	(1,456)
Purchased Services	12,125	12,125	13,114	(989)
Other	13,858	17,391	372	17,019
Total Disbursements	<u>67,025</u>	<u>70,558</u>	<u>54,441</u>	<u>16,117</u>
Excess of Receipts Over (Under) Disbursements	(20,000)	(20,000)	(7,416)	12,584
Fund Balance Beginning of Year	24,043	24,043	24,043	
Prior Year Encumbrances Appropriated	<u>3,633</u>	<u>3,633</u>	<u>3,633</u>	
Fund Balance End of Year	<u><u>\$7,676</u></u>	<u><u>\$7,676</u></u>	<u><u>\$20,260</u></u>	<u><u>\$12,584</u></u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
CHILDREN'S TRUST FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$15,250	\$15,250	\$15,486	\$236
Total Receipts	<u>15,250</u>	<u>15,250</u>	<u>15,486</u>	<u>236</u>
<b>Disbursements</b>				
Personal Services				
Employees' Retirement and Insurance				
Purchased Services	15,243	15,243	6,755	8,488
Supplies and Materials				
Other				
Total Disbursements	<u>15,243</u>	<u>15,243</u>	<u>6,755</u>	<u>8,488</u>
Excess of Receipts Over (Under) Disbursements	7	7	8,731	8,724
Fund Balance Beginning of Year				
Fund Balance End of Year	<u>\$7</u>	<u>\$7</u>	<u>\$8,731</u>	<u>\$8,724</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PARTNERSHIP FOR SUCCESS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$75,000	\$75,000	\$75,000	
Total Receipts	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	
<b>Disbursements</b>				
Personal Services	19,738	19,738	20,192	(\$454)
Employees' Retirement and Insurance	2,307	2,307	1,975	332
Purchased Services	43,000	43,000	44,409	(1,409)
Supplies and Materials	3,455	3,455	3,285	170
Capital Outlay	6,500	6,500	5,036	1,464
Total Disbursements	<u>75,000</u>	<u>75,000</u>	<u>74,897</u>	<u>103</u>
Excess of Receipts Over (Under) Disbursements			<u>103</u>	<u>103</u>
Net Change in Fund Balance			103	103
Fund Balance Beginning of Year				
Fund Balance End of Year			<u>\$103</u>	<u>\$103</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
ACCESS TO BETTER CARE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental		\$13,489	\$13,489	
Total Receipts		13,489	13,489	
<b>Disbursements</b>				
Purchased Services		13,489		13,489
Total Disbursements		13,489		13,489
Excess of Receipts Over (Under) Disbursements			13,489	13,489
Net Change in Fund Balance			13,489	13,489
Fund Balance Beginning of Year				
Fund Balance End of Year			\$13,489	\$13,489

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
JUNE 30, 2005**

	<b>Governmental Activities</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$68,307
Total Assets	<u>68,307</u>
<b>Net Assets</b>	
<b>Restricted for:</b>	
Other Purposes	47,883
Unrestricted	<u>20,424</u>
Total Net Assets	<u>\$68,307</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<b>Program Cash Receipts</b>	<b>Net (Disbursements) Receipts and Changes Fund Balances</b>
<b>Cash Disbursements</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>
<b>Governmental Activities</b>		
Personal Services	\$196,766	(\$53,886)
Employees' Retirement and Insurance	58,709	(23,694)
Purchased Services	114,837	(11,875)
Supplies and Materials	7,579	(2,257)
Other	2,952	(10,144)
Total Governmental Activities	\$380,843	(101,856)
<b>General Receipts</b>		
Grants and Entitlements not Restricted to Specific Programs		82,639
Miscellaneous		3,600
Total General Receipts		86,239
Change in Net Assets		(15,617)
Net Assets Beginning of Year (Restated - See Note 4)		83,924
Net Assets End of Year		\$68,307

*See accompanying notes to the basic financial statements.*



LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY

STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
JUNE 30, 2005

	<u>General</u>	<u>Help Me Grow TANF</u>	<u>Help Me Grow GRF</u>	<u>Help Me Grow Part C</u>	<u>Bryne Grant</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$20,424		\$27,676	\$6,758	\$6,978	\$6,471	\$68,307
Total Assets	<u>20,424</u>		<u>27,676</u>	<u>6,758</u>	<u>6,978</u>	<u>6,471</u>	<u>68,307</u>
<b>Fund Balances</b>							
<b>Reserved:</b>							
Reserved for Encumbrances	14,788	\$26,992	3,633	7,624	3,303	2,486	58,826
<b>Unreserved, Reported in:</b>							
General Fund	5,636						5,636
Special Revenue Funds		(26,992)	24,043	(866)	3,675	3,985	3,845
Total Fund Balances	<u>\$20,424</u>	<u>\$0</u>	<u>\$27,676</u>	<u>\$6,758</u>	<u>\$6,978</u>	<u>\$6,471</u>	<u>\$68,307</u>

See accompanying notes to the basic financial statements.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<b>General</b>	<b>Help Me Grow TANF</b>	<b>Help Me Grow GRF</b>	<b>Help Me Grow Part C</b>	<b>Bryne Grant</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Receipts</b>							
Intergovernmental	\$82,639	\$168,942	\$48,266	\$61,871	\$10,000	\$91,764	\$463,482
Miscellaneous	3,600						3,600
Total Receipts	<u>86,239</u>	<u>168,942</u>	<u>48,266</u>	<u>61,871</u>	<u>10,000</u>	<u>91,764</u>	<u>467,082</u>
<b>Disbursements</b>							
Personal Services	37,897	127,691	29,638	36,545		18,881	250,652
Employees' Retirement and Insurance	19,463	35,963	13,296	10,854		2,827	82,403
Purchased Services	8,152	23,942	4,584	12,028	2,370	75,636	126,712
Supplies and Materials	1,792	1,105		4,120		2,819	9,836
Other	11,552	892			652		13,096
Total Disbursements	<u>78,856</u>	<u>189,593</u>	<u>47,518</u>	<u>63,547</u>	<u>3,022</u>	<u>100,163</u>	<u>482,699</u>
Receipts Over (Under) Disbursements	7,383	(20,651)	748	(1,676)	6,978	(8,399)	(15,617)
<b>Other Financing Sources (Uses)</b>							
Advances In		12,442				635	13,077
Advances Out	(13,077)						(13,077)
Total Other Financing Sources	<u>(13,077)</u>	<u>12,442</u>				<u>635</u>	
Net Change in Fund Balances	(5,694)	(8,209)	748	(1,676)	6,978	(7,764)	(15,617)
Fund Balances Beginning of Year (As Restated - see Note 4)	<u>26,118</u>	<u>8,209</u>	<u>26,928</u>	<u>8,434</u>		<u>14,235</u>	<u>83,924</u>
Fund Balances End of Year	<u>\$20,424</u>	<u>\$27,676</u>	<u>\$6,758</u>	<u>\$6,978</u>	<u>\$6,471</u>	<u>\$68,307</u>	

See accompanying notes to the basic financial statements.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$112,463	\$112,463	\$86,239	(\$26,224)
Total Receipts	<u>112,463</u>	<u>112,463</u>	<u>86,239</u>	<u>(26,224)</u>
<b>Disbursements</b>				
Personal Services	50,624	50,624	37,897	12,727
Employees' Retirement and Insurance	16,269	16,269	26,821	(10,552)
Purchased Services	7,250	7,250	10,633	(3,383)
Supplies and Materials	1,700	1,700	3,382	(1,682)
Capital Outlay	900	900		900
Other	35,720	26,328	14,911	11,417
Total Disbursements	<u>112,463</u>	<u>103,071</u>	<u>93,644</u>	<u>9,427</u>
Excess of Receipts Over (Under) Disbursements		<u>9,392</u>	<u>(7,405)</u>	<u>(16,797)</u>
<b>Other Financing Sources (Uses)</b>				
Advances Out			(13,078)	(13,078)
Total Other Financing Sources (Uses)			<u>(13,078)</u>	<u>(13,078)</u>
Net Change in Fund Balance		9,392	(20,483)	(29,875)
Fund Balance Beginning of Year	13,747	13,747	13,747	
Prior Year Encumbrances Appropriated	<u>12,372</u>	<u>12,372</u>	<u>12,372</u>	
Fund Balance End of Year	<u>\$26,119</u>	<u>\$35,511</u>	<u>\$5,636</u>	<u>(\$29,875)</u>

*See accompanying notes to the basic financial statements.*

**FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW TANF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$183,149	\$183,149	\$168,942	(\$14,207)
Total Receipts	<u>183,149</u>	<u>183,149</u>	<u>168,942</u>	<u>(14,207)</u>
<b>Disbursements</b>				
Personal Services	116,400	116,400	127,691	(11,291)
Employees' Retirement and Insurance	33,187	33,187	50,701	(17,514)
Purchased Services	29,862	29,862	33,874	(4,012)
Supplies and Materials	2,200	2,200	3,428	(1,228)
Other	1,500	1,500	892	608
Total Disbursements	<u>183,149</u>	<u>183,149</u>	<u>216,586</u>	<u>(33,437)</u>
Excess of Receipts Over (Under) Disbursements			<u>(47,644)</u>	<u>(47,644)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In			12,442	12,442
Total Other Financing Sources (Uses)			<u>12,442</u>	<u>12,442</u>
Net Change in Fund Balance			(35,202)	(35,202)
Fund Balance Beginning of Year	(20,787)	(20,787)	(20,787)	
Prior Year Encumbrances Appropriated	<u>28,997</u>	<u>28,997</u>	<u>28,997</u>	
Fund Balance End of Year	<u>\$8,210</u>	<u>\$8,210</u>	<u>(\$26,992)</u>	<u>(\$35,202)</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW GRF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$48,267	\$48,267	\$48,266	(\$1)
Total Receipts	<u>48,267</u>	<u>48,267</u>	<u>48,266</u>	<u>(1)</u>
<b>Disbursements</b>				
Personal Services	29,743	29,743	29,638	105
Employees' Retirement and Insurance	14,562	14,562	16,929	(2,367)
Purchased Services	3,662	3,662	4,584	(922)
Other	300	300		300
Total Disbursements	<u>48,267</u>	<u>48,267</u>	<u>51,151</u>	<u>(2,884)</u>
Excess of Receipts Over (Under) Disbursements			<u>(2,885)</u>	<u>(2,885)</u>
Net Change in Fund Balance			(2,885)	(2,885)
Fund Balance Beginning of Year	17,995	17,995	17,995	
Prior Year Encumbrances Appropriated	<u>8,933</u>	<u>8,933</u>	<u>8,933</u>	
Fund Balance End of Year	<u>\$26,928</u>	<u>\$26,928</u>	<u>\$24,043</u>	<u>(\$2,885)</u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW PART C FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Receipts</b>				
Intergovernmental	\$61,178	\$61,178	\$61,871	\$693
Total Receipts	<u>61,178</u>	<u>61,178</u>	<u>61,871</u>	<u>693</u>
<b>Disbursements</b>				
Personal Services	36,516	36,516	36,545	(29)
Employees' Retirement and Insurance	10,538	10,538	15,137	(4,599)
Purchased Services	11,407	11,407	14,869	(3,462)
Supplies and Materials	1,617	1,617	4,620	(3,003)
Other	1,100	1,100		1,100
Total Disbursements	<u>61,178</u>	<u>61,178</u>	<u>71,171</u>	<u>(9,993)</u>
Excess of Receipts Over (Under) Disbursements			<u>(9,300)</u>	<u>(9,300)</u>
Net Change in Fund Balance			(9,300)	(9,300)
Fund Balance Beginning of Year	(1,896)	(1,896)	(1,896)	
Prior Year Encumbrances Appropriated	<u>10,330</u>	<u>10,330</u>	<u>10,330</u>	
Fund Balance End of Year	<u><u>\$8,434</u></u>	<u><u>\$8,434</u></u>	<u><u>(\$866)</u></u>	<u><u>(\$9,300)</u></u>

*See accompanying notes to the basic financial statements.*

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
BRYNE GRANT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget Positive (Negative)</u>	
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
<b>Receipts</b>				
Intergovernmental		\$15,000	\$10,000	(\$5,000)
Total Receipts		<u>15,000</u>	<u>10,000</u>	<u>(5,000)</u>
<b>Disbursements</b>				
Purchased Services		5,000	5,109	(109)
Other		10,000	1,216	8,784
Total Disbursements		<u>15,000</u>	<u>6,325</u>	<u>8,675</u>
Excess of Receipts Over (Under) Disbursements			<u>3,675</u>	<u>3,675</u>
Net Change in Fund Balance			3,675	3,675
Fund Balance Beginning of Year				
Fund Balance End of Year			<u><u>\$3,675</u></u>	<u><u>\$3,675</u></u>

*See accompanying notes to the basic financial statements.*

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**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005**

**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 per cent 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 and 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 county commissioners or an individual designated by the board;
- k. A representative of the regional office of the department of youth services;
- l. A representative of the county's head start agencies, as defined in section 3301.32 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.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005  
(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 Council's 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 Family and Children First 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.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005  
(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 funds, 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 follow the basis of accounting the Auditor of State prescribes or permits.

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

**1. Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the Council as a whole. These statements include the financial activities of the primary government.

The Statement of Net Assets presents the financial condition of the governmental activities 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.

**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.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 and Temporary Aid to Needy Families (TANF) Fund** – This Fund is to account for State Help Me Grow and Federal TANF grant monies.

**Help Me Grow GRF Fund** – This Fund is used to account for State Help Me Grow grant monies.

**Help Me Grow and Part C Fund** – This Fund is used to account for State Help Me Grow and Federal Part C grant monies.

**Partnership in Success Fund** – This Fund is used to account for money from the Department of Youth Services which is used to mobilize communities around issues related to families and children and engage them in action, and reduce duplication of effort between and among state and local agencies.

**Access to Better Care Fund** – This Fund is used to account for money from the Mental Health, Drug Abuse Board of Logan/Champaign Counties. The money is used for reimbursement on a unit rate basis for facilitation of strength based family teams from a variety of agencies and for costs associated with training for additional facilitators.

**Children's Trust Fund** – This Fund accounts for money received from the Ohio Department of Job and Family Services. The money is used for child abuse and neglect prevention and can be used for training, direct programming, or other needs relating back to prevention of child abuse and neglect.

**Bryne Grant** – This fund accounts for the Bryne Grant monies.

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. This 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.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005  
(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 the Ohio Revised Code, the Logan County Educational Service Center (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 Assets**

These statements report restricted net assets 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**

All funds are legally required to be budgeted and appropriated. Ohio Rev. Code Section 121.37(B)(4) requires the Council to file an annual budget with its administrative agent. The major documents prepared are the budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control has been established by Council at the fund level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect at the time final appropriations were passed by Council.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

**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.

**3. CHANGE IN BASIS OF ACCOUNTING**

For 2004 and 2003 the Council reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. For 2006 and 2005 the Council has implemented the cash basis of accounting described in Note 2. The fund financial statements now present each major fund in a separate column with non-major funds aggregated and presented in a single column, rather than a column for each fund type.

**4. ACCOUNTING CHANGE**

The June 30, 2004 ending balance was restated for July 01, 2004. The United Way Fund and the Title II Formula Grant Fund were determined to be funds of the Family and Children First Council, Logan County for the 2005 and 2006 years.

Ending Balance, June 30, 2004	\$69,689
United Way Fund Balance, June 30, 2004	9,355
Title II Formula Grant, June 30, 2004	<u>4,880</u>
Restated Balance, July 01, 2004	<u>\$83,924</u>

**5. CASH AND CASH EQUIVALENTS**

The Council's cash pool is maintained by the Logan County Educational Service Center. 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, 2006 was \$61,147 and June 30, 2005 was \$68,307.

**6. BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for 2006 and 2005 are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis).

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)**

**7. INTERFUND BALANCES**

Unpaid interfund cash advances at June 30, 2006 were as follows:

	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
General	\$19,478	
Help Me Grow - TANF		\$14,424
Other Governmental		5,054
Totals	\$19,478	\$19,478

Unpaid interfund cash advances at June 30, 2005 were as follows:

	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
General	\$13,077	
Help Me Grow - TANF		\$12,442
Other Governmental		635
Totals	\$13,077	\$13,077

**8. RETIREMENT SYSTEM**

**School Employees Retirement System**

The Council contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, by calling (800) 878-5853 or by visiting the SERS website at [ohsers.org](http://ohsers.org).

Plan members are required to contribute 10 percent of their annual covered salary and the Council is required to contribute at an actuarially determined rate. The current Council rate is 14 percent of annual covered payroll. A portion of the Council's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2006, 10.58 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2006, 2005, and 2004 were \$28,761, \$24,627, and \$20,758, respectively; 100 percent has been contributed for fiscal years 2006, 2005 and 2004.

**9. POSTEMPLOYMENT BENEFITS**

The Council provides comprehensive health care benefits to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. The system is on a pay-as-you-go basis.

**LOGAN COUNTY FAMILY AND CHILDREN FIRST COUNCIL  
LOGAN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**9. POSTEMPLOYMENT BENEFITS (Continued)**

SERS coverage is made available to service retirees with ten or more years of qualifying service credit, and to disability and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2006, employer contributions to fund health care benefits were 3.42 percent of covered payroll, compared to 3.43 percent of covered payroll for fiscal year 2005. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2006, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For 2006 and 2005, the Council paid no surcharge. For the Council, the amount contributed to fund health care benefits during the 2006 fiscal year equaled \$9,297.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the projected claims less premium contributions for the next fiscal year. Expenses for health care at June 30, 2006 were \$158,751,207. As of June 30, 2006, the value of the health care fund was \$295.6 million, which is about 221 percent of next year's projected net health care costs. On the basis of actuarial projections, the allocated contributions will be insufficient, in the long term, to provide for a health care reserve equal to at least 150 percent of estimated annual net claim costs. SERS has approximately 59,492 participants currently receiving health care benefits.

**10. RISK MANAGEMENT**

The Council is covered under the Logan County Educational Service Center's insurance policy.





# Mary Taylor, CPA

## Auditor of State

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

Logan County Family and Children First Council  
Logan County  
P.O. Box 710  
1973 St. Rt. 47 W  
Bellefontaine, Ohio 43311

To the Members of Council:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Logan County Family and Children First Council, Logan County (the Council) as of and for the fiscal years ended June 30, 2006 and 2005, which collectively comprise the Council's basic financial statements and have issued our report thereon dated July 17, 2007, wherein we noted the Council revised its financial statement presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Council's internal control over financial reporting to determine our auditing procedures to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Council's management dated July 17, 2007, we reported an other matter involving internal control over financial reporting we did not deem a reportable condition.

#### **Compliance and Other Matters**

As part of reasonably assuring whether the Council's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402  
Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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We intend this report solely for the information and use of the audit committee, management, and Members of Council. It is not intended for anyone other than these specified parties.

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

**Mary Taylor, CPA**  
Auditor of State

July 17, 2007



**Mary Taylor, CPA**  
Auditor of State

**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  
SEPTEMBER 4, 2007**