



Mary Taylor, CPA
Auditor of State

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Family and Children First Council
Fulton County
606 South Shoop Avenue
Wauseon, Ohio 43567-1712

To the Members of the Board:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Family and Children First Council, Fulton County, Ohio (the Council), as of and for the year ended December 31, 2007, 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 and each major fund of the Family and Children First Council, Fulton County, Ohio, as of December 31, 2007, and the respective changes in cash financial position and the respective budgetary comparison for the General and Help Me Grow funds thereof for the year then ended in conformity with the basis of accounting Note 1 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 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 30, 2008

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED**

The discussion and analysis of the Family and Children First Council's (the Council) financial performance provides an overall review of the Council's financial activities for the year ended December 31, 2007, 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 basic financial statements and notes to the basic financial statements to enhance their understanding of the Council's financial performance.

Financial Highlights

Key financial highlights for the year 2007 are as follows:

- Net assets increased \$32,638, resulting from the receipt of a new grant during the year.
- Program specific receipts in the form of operating grants comprise the largest percentage of the Council's receipts, making up 99.5% of all the dollars coming into the Council. General receipts in the form of miscellaneous make up the other 0.5%.
- The Council had \$297,454 in disbursements during 2007. The Help Me Grow program was expanded during the year as a result of the new grant received.

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.

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

The Statement of Net Assets – 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 finances and a longer-term view of those finances. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Council as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund 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. 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 and disbursements are recorded when cash is received or paid.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

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.

Reporting the Council as a Whole

The statement of net assets and the statement of activities reflect how the Council did financially during 2007, within the limitations of the cash basis of accounting. The Statement of Net Assets – Cash Basis presents the cash balances of the governmental activities of the Council at year end. The Statement of Activities – Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include 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 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 reliance on non-local financial resources for operations, and the need for continued growth.

The Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis present governmental activities, which include all the Council's services. The Council has no business-type activities.

Reporting the Council's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the Council's major funds – not the Council 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 operating funds of the Council are governmental.

Governmental Funds - The Council's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the Council's governmental operations and the health 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 health programs. The Council's significant governmental funds are presented on the financial statements in separate columns. The Council's major governmental funds are the General Fund and the Help Me Grow Fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

The Council as a Whole

Table 1 provides a summary of the Council's net assets for 2007 compared to 2006 on the cash basis:

	Governmental Activities		
	2007	2006	Change
Assets			
Cash with Fiscal Agent	<u>\$ 53,948</u>	<u>\$ 21,310</u>	<u>\$ 32,638</u>
Net Assets			
Restricted	40,855	7,602	33,253
Unrestricted	<u>13,093</u>	<u>13,708</u>	<u>(615)</u>
Total Net Assets	<u>\$ 53,948</u>	<u>\$ 21,310</u>	<u>\$ 32,638</u>

As mentioned previously, net assets increased \$32,638. The increase is primarily the result of receiving a new grant during the year.

Table 2 reflects the change in net assets in 2007 and provides a comparison to prior year amounts.

**Table 2
Changes in Net Assets**

	Governmental Activities		
	2007	2006	Change
Receipts			
Program Cash Receipts			
Operating Grants and Contributions	\$ 328,407	\$ 256,146	\$ 72,261
General Receipts			
Miscellaneous	1,685	6,359	(4,674)
Total Receipts	<u>330,092</u>	<u>262,505</u>	<u>67,587</u>
Disbursements			
General	20,742	19,103	1,639
Help Me Grow	276,712	262,268	14,444
Total Disbursements	<u>297,454</u>	<u>281,371</u>	<u>16,083</u>
Change in Net Assets	32,638	(18,866)	51,504
Net Assets Beginning of Year	<u>21,310</u>	<u>40,176</u>	<u>(18,866)</u>
Net Assets End of Year	<u>\$ 53,948</u>	<u>\$ 21,310</u>	<u>\$ 32,638</u>

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

In 2007, 99.5 percent of the Council's total receipts were from program receipts, consisting mainly of grants from the Ohio Department of Health.

Governmental Activities

If you look at the Statement of Activities – Cash Basis, 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 general and Help Me Grow programs, which account for 7% and 93% of all governmental disbursements, respectively. The net cost 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 state subsidies. 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 for both the current and prior years is presented in Table 3.

**Table 3
Governmental Activities**

	Total Cost of Services 2007	Net Cost of Services 2007	Total Cost of Services 2006	Net Cost of Services 2006
General	\$ 20,742	\$ 742	\$ 19,103	\$ (897)
Help Me Grow	276,712	(31,695)	262,268	26,122
Totals	\$ 297,454	\$ (30,953)	\$ 281,371	\$ 25,225

The Council's Funds

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

The focus of the Council's governmental funds is to provide information on receipts, disbursements, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the year.

At the end of 2007, the Council's governmental funds reported total ending fund balances of \$53,948. \$42,984 of the total is unreserved fund balance, which is available for spending. The remainder of fund balance is reserved to indicate it is not available for new spending.

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

The general fund is the chief operating fund of the Council. At the end of 2007, unreserved fund balance in the general fund was \$13,093. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total general fund expenditures. Unreserved fund balance represents 63% of the total general fund expenditures.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2007
UNAUDITED
(Continued)**

Expenditures exceeded revenues in the general fund by \$737 in 2007. Intergovernmental revenues consist of a grant received from the Ohio Department of Health. Salaries and benefits account for the majority of expenditures in the general fund.

The Help Me Grow special revenue fund accounts for state grant monies for the Help Me Grow Program. The Help Me Grow program is for Ohio's expectant parents, newborns, infants, and toddlers and provides health and developmental services so children start school healthy and ready to learn. At the end of 2007, the total fund balance was \$40,855.

General Fund Budgeting Highlights

The Council's budget is prepared according to Ohio law and is based on accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances.

During the course of 2007, the Council amended its appropriations several times, and the budgetary statement reflects both the original and final appropriated amounts. There were no significant changes between the original and the final estimated receipts.

Contacting the Council's Financial Management

This financial report is designed to provide our citizens and readers with a general overview of the Council's finances and to reflect the Council's accountability for the money it receives. Questions concerning any of the information in this report, or requests for additional information, should be directed to Jane Sauder, Fiscal Officer, 606 S. Shoop Ave, Wauseon, OH 43567-1712

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

***Statement of Net Assets - Cash Basis
December 31, 2007***

	<u>Primary Government Governmental Activities</u>
Assets	
Cash with Fiscal Agent	<u>\$ 53,948</u>
Net Assets	
Restricted for:	
Other Purposes	40,855
Unrestricted	<u>13,093</u>
<i>Total Net Assets</i>	<u>\$ 53,948</u>

See accompanying notes to the basic financial statements

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

***Statement of Activities - Cash Basis
For the Year Ended December 31, 2007***

	Disbursements	Program Receipts Operating Grants and Contributions	Net (Disbursements) Receipts and Changes in Net Assets Governmental Activities
Governmental Activities			
General	\$ 20,742	\$ 20,000	\$ (742)
Help Me Grow Program	276,712	308,407	31,695
<i>Total Governmental Activities</i>	297,454	328,407	30,953
General Receipts			
Miscellaneous			1,685
Change in Net Assets			32,638
<i>Net Assets Beginning of Year</i>			21,310
<i>Net Assets End of Year</i>			\$ 53,948

See accompanying notes to the basic financial statements

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

***Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2007***

	General	Help Me Grow	Total Governmental Funds
Assets			
Cash with Fiscal Agent	\$ 13,093	\$ 40,855	\$ 53,948
Fund Balances			
Reserved:			
Reserved for Encumbrances		10,964	10,964
Unreserved:			
Undesignated, Reported in:			
General Fund	13,093		13,093
Special Revenue Funds		29,891	29,891
<i>Total Fund Balances</i>	\$ 13,093	\$ 40,855	\$ 53,948

See accompanying notes to the basic financial statements

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

***Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2007***

	General	Help Me Grow	Total Governmental Funds
Receipts			
Intergovernmental	\$ 20,000	\$ 308,407	\$ 328,407
Miscellaneous	5	1,680	1,685
<i>Total Receipts</i>	<u>20,005</u>	<u>310,087</u>	<u>330,092</u>
Disbursements			
Salaries	16,203	44,593	60,796
Supplies	216	16,284	16,500
Equipment		4,675	4,675
Contract	320	133,604	133,924
Advertising		341	341
Travel and Expense	1,347	10,886	12,233
Medicare Tax	234	655	889
Insurance		2,753	2,753
Paid in Lieu of Insurance		1,185	1,185
PERS	2,244	6,178	8,422
Workers Comp	167	586	753
Other	11	54,972	54,983
<i>Total Disbursements</i>	<u>20,742</u>	<u>276,712</u>	<u>297,454</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(737)</u>	<u>33,375</u>	<u>32,638</u>
Other Financing Sources (Uses)			
Transfers In	960	838	1,798
Transfers Out	(838)	(960)	(1,798)
<i>Total Other Financing Sources (Uses)</i>	<u>122</u>	<u>(122)</u>	
<i>Net Change in Fund Balances</i>	(615)	33,253	32,638
<i>Fund Balances Beginning of Year</i>	<u>13,708</u>	<u>7,602</u>	<u>21,310</u>
<i>Fund Balances End of Year</i>	<u>\$ 13,093</u>	<u>\$ 40,855</u>	<u>\$ 53,948</u>

See accompanying notes to the basic financial statements

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2007**

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
Receipts				
Intergovernmental	\$ 22,685	\$ 22,685	\$ 20,000	\$ (2,685)
Miscellaneous	5,600	5,600	5	(5,595)
<i>Total Receipts</i>	<u>28,285</u>	<u>28,285</u>	<u>20,005</u>	<u>(8,280)</u>
Disbursements				
Salary	17,500	17,594	16,203	1,391
Supplies	2,500	2,500	216	2,284
Contract	500	500	320	180
Travel and Expense	3,000	3,000	1,347	1,653
Medicare Tax	260	260	234	26
Insurance	600			
PERS	2,425	2,425	2,244	181
Workers Compensation	500	167	167	
Other	1,000	1,000	11	989
<i>Total Disbursements</i>	<u>28,285</u>	<u>27,446</u>	<u>20,742</u>	<u>6,704</u>
<i>Excess of Receipts Over (Under) Disbursements</i>		<u>839</u>	<u>(737)</u>	<u>(1,576)</u>
Other Financing Sources (Uses)				
Transfers In			960	960
Transfers Out		(838)	(838)	
<i>Total Other Financing Sources (Uses)</i>		<u>(838)</u>	<u>122</u>	<u>960</u>
<i>Net Change in Fund Balances</i>		1	(615)	(616)
<i>Fund Balances Beginning of Year</i>	<u>13,708</u>	<u>13,708</u>	<u>13,708</u>	
<i>Fund Balances End of Year</i>	<u>\$ 13,708</u>	<u>\$ 13,709</u>	<u>\$ 13,093</u>	<u>\$ (616)</u>

See accompanying notes to the basic financial statements

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
Help Me Grow
For the Year Ended December 31, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Receipts				
Intergovernmental	\$ 240,000	\$ 240,000	\$ 308,407	\$ 68,407
Miscellaneous	141,850	140,093	1,680	(138,413)
<i>Total Receipts</i>	381,850	380,093	310,087	(70,006)
Disbursements				
Salary	56,500	49,500	44,593	4,907
Supplies	18,000	23,000	16,284	6,716
Equipment	4,000	6,000	4,675	1,325
Contract	160,000	167,475	144,027	23,448
Advertising	2,000	2,000	341	1,659
Travel and Expense	11,000	11,060	10,966	94
Medicare Tax	819	819	655	164
Insurance	10,000	10,000	2,753	7,247
Paid in Lieu of Insurance	2,500	2,500	1,185	1,315
PERS	7,825	7,825	6,178	1,647
Workers Compensation	1,695	735	586	149
Other	107,511	107,511	55,433	52,078
<i>Total Disbursements</i>	381,850	388,425	287,676	100,749
<i>Excess of Receipts Over (Under) Disbursements</i>		(8,332)	22,411	30,743
Other Financing Sources (Uses)				
Transfers In			838	838
Transfers Out		(960)	(960)	
<i>Total Other Financing Sources (Uses)</i>		(960)	(122)	838
<i>Net Change in Fund Balances</i>		(9,292)	22,289	31,581
Prior Year Encumbrances Appropriated	7,602	7,602	7,602	
<i>Fund Balances Beginning of Year</i>				
<i>Fund Balances End of Year</i>	\$ 7,602	\$ (1,690)	\$ 29,891	\$ 31,581

See accompanying notes to the basic financial statements

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 1 – REPORTING ENTITY

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

- a. The director of the board of alcohol, drug addiction, and mental health services that serves the county, 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;
- b. The health commissioner of the board of health of each city or general health district in the county, or their designees;
- c. The director of the county department of human services;
- d. The executive director of the county agency responsible for the administration of children services pursuant to section 5153.15 of the Revised Code;
- e. The superintendent of the county board of mental retardation and developmental disabilities;
- f. The county's juvenile court judge senior in service;
- g. The superintendent of the city, exempted village, or local school district with the largest number of pupils residing in the county, as determined by the department of education, which shall notify each county of its determination at least biennially;
- h. A school superintendent representing all other school districts with territory in the county, as designated at a biennial meeting of the superintendents of those districts;
- i. A representative of the largest city in the county;
- j. The chair of the board of county commissioners, or an individual designated by the board;
- k. A representative of the regional office of the department of youth services;
- l. A representative of the county's head start agencies, as defined in section 3301.31 of the Revised Code;
- m. A representative of the county's early intervention collaborative established pursuant to the federal early intervention program operated under the "Education of the Handicapped Act Amendments of 1986"; and,
- n. At least three individuals representing the interests of families in the county. Where possible, the number of members representing families shall be equal to 20 percent of the council's remaining membership.

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.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 1 – REPORTING ENTITY – (CONTINUED)

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from 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, multi-disciplinary, interagency system for infants and toddlers with developmental disabilities or delays and their families, as established pursuant to federal grants received and administered by the department of health for early intervention services under the "Education of the Handicapped Act Amendments of 1986";
- 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.

B. Public Entity Risk Pools

The Council participates in a public entity risk pool. Note 4 to the financial statements provide additional information for this entity. This organization is the Public Entities Pool of Ohio (PEP).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2C, these financial statements are presented on the 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. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Council's accounting policies.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Council as a whole. These statements include the financial activities of the primary government. These statements usually distinguish between those activities of the Council that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Council has no business-type activities.

The statement of net assets presents the cash balances of the governmental activities of the Council at year end. The statement of activities compares disbursements and program receipts for each program or function of the Council's governmental activities. Disbursements are reported by object. An object is the purpose of the expenditure for which the Council is responsible. Program receipts include grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be sent back to the Ohio Department of Health. 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 on the cash basis or draws from the general receipts of the Council.

Fund Financial Statements

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

B. 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. Funds are used to segregate resources that are restricted as to use. The funds of the Council are presented in one category: governmental.

Governmental Funds

Governmental funds are those through which most governmental functions of the Council are financed. The following are the Council's major governmental funds:

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.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

The Help Me Grow special revenue fund accounts for state grant monies for the Help Me Grow Program.

C. Basis of Accounting

The Council's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Council's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

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 yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and their related expenses) are not recorded in these financial statements.

D. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount the Council may appropriate. The appropriations resolution is the Council's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Council. The legal level of control has been established by the Council at the object level for all funds.

ORC Section 121.37(B) establishes budgetary requirements for the Council. The Council's administrative agent shall serve as the Council's appointing authority for any employees of the council. The Council shall file an annual budget with its administrative agent, with copies filed with the County Auditor and with the Board of County Commissioners. Subject to estimated resources, the Council may, by resolution, transfer appropriations from one appropriation item to another, reduce or increase any item, create new items, and make additional appropriations or reduce the total appropriation. Such appropriation modifications shall be certified to the county budget commission for approval.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Council.

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

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

E. Cash

The County Treasurer is the custodian for the Council's cash. The County's cash and investment pool holds the Council's cash, which is reported at the County Treasurer's carrying amount. Deposit disclosures for the County as a whole may be obtained by writing Beverly Schlosser, Fulton County Treasurer, 152 S. Fulton Street, Wauseon, OH 43567, 419-337-9252.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

G. Accumulated Leave

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

H. Employer Contributions to Cost-Sharing Pension Plans

The Council recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 5 and 6, the employer contributions include portions for pension benefits and for postretirement health care benefits.

I. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include limitations imposed by grantors.

The Council's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

J. Fund Balance Reserves

The Council reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

K. Interfund Transactions

Exchange 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 cash disbursements to the funds that initially paid for them are not presented in the financial statements.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 3 - 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 the general fund and the major special revenue fund 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 expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to:

Major Special Revenue Fund:	
Help Me Grow Fund	\$ 10,964

NOTE 4 - RISK MANAGEMENT

The Council is exposed to various risks of property and casualty losses, and injuries to employees.

The Council insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Council belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles. PEP does not require its Membership to be jointly responsible for the liabilities of other.

A. Public Entity Risk Pool

Casualty Coverage

For an occurrence prior to January 1, 2006, PEP retains casualty risks up to \$250,000 per occurrence, including claim adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$10,000,000 in the aggregate per year.

For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. Governments can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with PEP.

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

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 4 - RISK MANAGEMENT – (CONTINUED)

Property Coverage

Beginning in 2005, APEEP established a risk-sharing property program. Under the program, Travelers reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. This amount was increased to \$300,000 in 2007. For 2007, APEEP reinsures members for specific losses exceeding \$100,000 up to \$300,000 per occurrence, subject to an annual aggregate loss payment. For 2006, APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000 in 2006, or \$100,000 and \$300,000 in 2007, Travelers will then reinsure specific losses exceeding \$100,000 up to their \$600 million per occurrence limit. The aggregate stop-loss limit for 2007 was \$2,014,548.

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

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

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Assets	\$37,560,071	\$36,123,194
Liabilities	<u>(17,340,825)</u>	<u>(16,738,904)</u>
Net Assets	<u>\$20,219,246</u>	<u>\$19,384,290</u>

At December 31, 2007 and 2006, respectively, the liabilities above include approximately \$15.9 million and \$15.0 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$15.0 million and \$14.4 million of unpaid claims to be billed to approximately 443 member governments in the future, as of December 31, 2007 and 2006, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Government's share of these unpaid claims collectible in future years is approximately \$500. This payable includes the subsequent year's contribution due if the Government terminates participation, as described in the last paragraph below.

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

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 4 - RISK MANAGEMENT – (CONTINUED)

<u>Contributions to PEP</u>	
2005	\$200
2006	\$100
2007	\$232

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

Cincinnati Insurance Company holds the coverage for building contents with a \$550,000 limit and a \$500 deductible. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in coverage from the prior year.

B. Worker's Compensation

The Council pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

C. Employee Benefits

The Council provided health insurance to eligible employees through a County Consortium. The Council provides life insurance in the amount of \$15,000 for eligible employees and accidental death and dismemberment insurance to most employees through Ft. Dearborn Life.

NOTE 5 - DEFINED BENEFIT PENSION PLAN

The Council participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 5 - DEFINED BENEFIT PENSION PLAN – (CONTINUED)

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2007, members of all three plans were required to contribute 9.5 percent of their annual covered salary to fund pension obligations. The Council's contribution rate for pension benefits for 2007 was 13.85 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Council's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005, were \$8,422, \$6,954, and \$7,702, respectively. The full amount has been contributed for 2007, 2006, and 2005. Contributions to the member-directed plan for 2007 were \$240 made by the Council and \$165 made by plan members.

NOTE 6 - POSTEMPLOYMENT BENEFITS

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment

Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers".

A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 employer contribution rate was 13.85 percent of covered payroll; 5 percent was the portion used to fund health care from January 1 – June 30, 2007 and 6 percent from July 1 – December 31, 2007.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2006, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase .5 to 5 percent for the next 8 years and 4 percent annually after 9 years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)**

NOTE 6 - POSTEMPLOYMENT BENEFITS – (CONTINUED)

The number of active contributing participants in the traditional and combined plans was 374,979. Actual employer contributions for 2007 which were used to fund postemployment benefits were \$3,336. The actual contribution and the actuarial required contribution amounts are the same. OPERS' net assets available for the payment of benefits at December 31, 2006 (the latest information available), was \$12 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

On September 9, 2005, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care cost. Member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

NOTE 7 - INTERFUND TRANSFERS

During 2007, the following transfers were made:

Transfers from the General Fund to:	
Major Governmental Fund	<u>\$ 838</u>
Transfers from the Major Governmental Fund to:	
General Fund	<u>\$ 960</u>

General Fund transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In 2007, funds were also transferred into the General Fund from the Help Me Grow Fund to finance administrative costs associated with the Help Me Grow Program.

NOTE 8 – CONTINGENT LIABILITIES

Amounts grantor agencies pay to the Council are subject to audit and adjustment by the grantor, principally the state government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

NOTE 9 – RELATED PARTY TRANSACTION

The Council entered into a contract in 2006 with the Ohio State University (OSU) Extension for partial preparation of the Council's annual plan. The Ohio State University (OSU) Extension's Educator for Family and Consumer Sciences, Cheryl Spires, is a member of the Council. Payments made during 2007 to the Ohio State University (OSU) Extension, in accordance with this contract, amounted to \$3,250.

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Mary Taylor, CPA

Auditor of State

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

Family and Children First Council
Fulton County
606 South Shoop Avenue
Wauseon, Ohio 43567-1712

To the Members of the Board:

We have audited the financial statements of the governmental activities and each major fund of the Family and Children First Council, Fulton County, Ohio (the Council), as of and for the year ended December 31, 2007, which collectively comprise the Council's basic financial statements and have issued our report thereon dated July 30, 2008, wherein we noted the Council uses a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

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

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2007-001.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe the significant deficiency described above is also a material weakness.

We also noted certain matters that we reported to the Council's management in a separate letter dated July 30, 2008.

Compliance and Other Matters

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

We intend this report solely for the information and use of the audit committee, management, and Members of the Board. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

July 30, 2008

**FAMILY AND CHILDREN FIRST COUNCIL
FULTON COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2007**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2007-001

Material Weakness-- Monitoring of Financial Activity

The Council's annual financial report contained classification errors requiring adjustment to the financial statements. The following errors were noted:

- Help Me Grow Fund – Encumbrances were not appropriately presented as a reservation of fund balance. One adjustment was required totaling \$10,964.
- Budgetary Statements – Final and budgeted revenues and expenditures contained erroneous postings and/or classifications, encumbrances outstanding at year end were not included in expenditure amounts, variance column contained computation errors, and the prior year encumbrances were not appropriately included on the budgetary statements. The Help Me Grow Fund budgetary statements required seven adjustments totaling \$43,961.
- The Council's annual financial report contained errors requiring modification to Management's Discussion and Analysis and the notes to the financial statements resulting from the above noted adjustments and failure to prepare current and complete disclosures.

As a result, the financial statements did not correctly reflect the financial activity of the Council. Inaccurate posting of transactions impedes the ability of the Family and Children First Council to accurately assess the financial status of the Council.

We recommend the Fiscal Officer post all transactions in accordance with the guidance established by the Auditor of State and prepare current and complete note disclosures. Further, the Council should adopt policies and procedures including a final review of the financial statements by the Finance and Audit Committee to ensure that errors and omissions are detected and corrected.

Official's Response

We did not receive a response from Officials to this finding.

FAMILY AND CHILDREN FIRST COUNCIL
LUCAS COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2006-001	Material Weakness – Monitoring of Financial Activity	No	Not Corrected - Repeated as Finding #2007-001 in this report.



Mary Taylor, CPA
Auditor of State

FULTON FAMILY AND CHILDREN FIRST COUNCIL

FULTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 26, 2008**