



OHIO AUDITOR OF STATE
KEITH FABER



**MAHONING COUNTY FAMILY AND CHILDREN FIRST COUNCIL
MAHONING COUNTY
JUNE 30, 2024 AND 2023**

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INDEPENDENT AUDITOR'S REPORT

Mahoning County Family and Children First Council
Mahoning County
222 West Federal Street
Youngstown, Ohio 44503

To the Executive Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities and each major fund of the Mahoning County Family and Children First Council, Mahoning County, Ohio (the Council), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities and each major fund of the Mahoning County Family and Children First Council, as of June 30, 2024 and 2023, and the respective changes in cash-basis financial position for the years then ended in accordance with the cash-basis of accounting described in Note 2.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Council, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2025, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Council's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

May 1, 2025

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Mahoning County Family and Children First Council

Mahoning County

Statement of Net Position - Cash Basis

For the Year Ending June 30, 2024

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents with fiscal agent	<u>\$326,685</u>
<i>Total Assets</i>	<u><u>326,685</u></u>
Net Position	
Restricted for:	
Local, State and Federally Funded Programs	448,858
Unrestricted (Deficit)	<u>(122,173)</u>
<i>Total Net Position</i>	<u><u>\$326,685</u></u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council
Mahoning County
Statement of Activities - Cash Basis
For the Year Ended June 30, 2024

		Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government	\$ 233,363	\$ 63,028	\$ -	\$ (170,335)
Social Services	81,733	-	243,130	161,397
<i>Total Governmental Activities</i>	<u>315,096</u>	<u>63,028</u>	<u>243,130</u>	<u>(8,938)</u>
General Cash Receipts:				
Local Sources				161,800
Miscellaneous				885
<i>Total General Cash Receipts</i>				<u>162,685</u>
Change in Net Position				153,747
<i>Net Position Beginning of Year</i>				<u>172,938</u>
<i>Net Position End of Year</i>				<u>\$ 326,685</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council
Mahoning County
Statement of Assets and Fund Balances
June 30, 2024

	General	Help Me Grow	Family Centered Services	Flexible Funding Pool	Multi System Youth	Total Governmental Funds
Assets						
Cash and cash equivalents with fiscal agent	\$ (122,173)	\$ -	\$ 60,457	\$ 287,548	\$ 100,853	\$ 326,685
<i>Total Assets</i>	<u>(122,173)</u>	<u>-</u>	<u>60,457</u>	<u>287,548</u>	<u>100,853</u>	<u>326,685</u>
Fund Balances						
Restricted:						
Local, State and Federally Funded Programs	-	-	60,457	287,548	100,853	448,858
Unassigned (Deficit)	<u>(122,173)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(122,173)</u>
<i>Total Fund Balances</i>	<u>\$ (122,173)</u>	<u>\$ -</u>	<u>\$ 60,457</u>	<u>\$ 287,548</u>	<u>\$ 100,853</u>	<u>\$ 326,685</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council
Mahoning County
Statement of Receipts, Disbursements and Changes in Fund Balances
For the Year Ended June 30, 2024

	General	Help Me Grow	Family Centered Services	Flexible Funding Pool	Multi System Youth	Operational Capacity Building	Total Governmental Funds
Cash Receipts							
Local Sources	\$ 4,300	\$ -	\$ -	\$ 157,500	\$ -	\$ -	\$ 161,800
Intergovernmental - State	-	-	21,980	-	103,954	30,750	156,684
Intergovernmental - Federal	-	-	86,446	-	-	-	86,446
Charges for Services	63,028	-	-	-	-	-	63,028
Miscellaneous	189	-	-	696	-	-	885
<i>Total Receipts</i>	<u>67,517</u>	<u>-</u>	<u>108,426</u>	<u>158,196</u>	<u>103,954</u>	<u>30,750</u>	<u>468,843</u>
Cash Disbursements							
Personal Services	15,539	-	10,677	21,398	3,600	30,750	81,964
Contractual Services	90,886	18,994	39,564	-	699	-	150,143
Community Services	-	-	-	-	81,733	-	81,733
Supplies and Materials	1,256	-	-	-	-	-	1,256
Miscellaneous	-	-	-	-	-	-	-
<i>Total Disbursements</i>	<u>107,681</u>	<u>18,994</u>	<u>50,241</u>	<u>21,398</u>	<u>86,032</u>	<u>30,750</u>	<u>315,096</u>
<i>Net Change in Fund Balances</i>	(40,164)	(18,994)	58,185	136,798	17,922	-	153,747
<i>Fund Balances Beginning of Year</i>	(82,009)	18,994	2,272	150,750	82,931	-	172,938
<i>Fund Balances End of Year</i>	<u>\$ (122,173)</u>	<u>\$ -</u>	<u>\$ 60,457</u>	<u>\$ 287,548</u>	<u>\$ 100,853</u>	<u>\$ -</u>	<u>\$ 326,685</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 1 – Reporting Entity

Ohio Revised Code Section 121.37 created the Ohio Family and Children First Cabinet Council and required each Board of County Commissioners to establish a County Family and Children First Council. Statutory membership of County Council consists of the following individuals:

1. At least three individuals representing the interest of families in the County. Where possible, the number of members representing families shall be equal to twenty percent of the Council's remaining membership;
2. 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 Addition, and Mental Health Services covers more than one County, the Director may designate a person to participate on the County's Council;
3. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City or General Health District in the County. If the County has two or more health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
4. The Director of the County Department of Job and Family Services;
5. The Executive Director of the public children services agency or the County agency responsible for the administration of children services pursuant to the Ohio Revised Code Section 5153.15;
6. The Superintendent of the County Board of Developmental Disabilities or if the Superintendent serves as Superintendent as more than one County Board of Developmental Disabilities, the Superintendent's designee;
7. 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 Ohio Department of Education, which shall notify each County of its determination at least biennially;
8. 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;
9. A representative of the municipal corporation with the largest population in the County;
10. The President of the Board of County Commissioners or an individual designated by the Board;
11. A representative of the regional office of the Ohio Department of Youth Services;
12. A representative of the County's Head Start agencies, as defined in Ohio Revised Code Section 3301.32;
13. 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

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 1 – Reporting Entity (continued)

14. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

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.

The purpose of the County Council is to streamline and coordinate existing government services for families seeking services for their children. In seeking to fulfill its purpose, a County Council shall provide for the following:

1. Referrals to the Cabinet Council of those children for whom the County Council cannot provide adequate services;
2. Development and implementation of a process that annually evaluates and prioritizes services, fills service gaps where possible, and invents new approaches to achieve better results for families and children;
3. Participation 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 “Individuals with Disabilities Education Act of 2004”;
4. Maintenance of an accountability system to monitor the County Council’s progress in achieving results for families and children; and
5. Establishment of 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.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

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

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Council as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash balance 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 function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Council is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

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 a 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. Each major fund is presented in a separate column.

Fund Accounting

The Council uses funds to maintain its financial records during the year. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts. The Council classifies each fund as either governmental, proprietary or fiduciary. The Council reports only governmental funds.

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:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported 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.

Help Me Grow This fund is made up of three programs combined to form the Help Me Grow Program. They are Early Intervention Services Part C, central coordination for Part C and home visiting, and central coordination for the Maternal, Infant and Early Childhood Home Visiting (MIECHV) program, all from the Ohio Department of Health. These monies are for the promotion of the well-being of young children through home-based specialized services and public awareness, with a special emphasis on early intervention and prevention.

Family Centered Services Fund This fund accounts for monies from the State to provide services to support and encourage family activities and memberships within the community.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Flexible Funding Pool This fund accounts for monies received from members for the general support of the Council programs. The expenditure of these funds is monitored and approved by an advisory Clinical Committee.

Multi System Youth This fund accounts for monies received from members for the general support of the multiple support youth programs. The expenditure of these funds is monitored and approved by an advisory Clinical Committee.

Operational Capacity Building Fund This fund accounts for monies from the County to assist in the costs of the Council.

Administrative/Fiscal Agent

Ohio Revised Code Section 121.37(B)(5)(a) requires the Council to select an administrative agent to provide fiscal and administrative services to the Council. As of July 1, 2023 the Council Selected the Mahoning County Children Services Board (the Board). The Council authorizes the Board, as fiscal agent and administrative agent, to subcontract with, designate, and/or seek assistance from any agencies and/or organizations that it deems necessary in order to complete the obligations set forth in the agreement. The Board agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

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 this 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 expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

A Family and Children First Council established under Ohio Revised Code Section 121.37 is not a taxing authority and is not subject to Ohio Revised Code Chapter 5705. As of October 1, 1997, all Family and Children First Councils are required to file an annual budget with its Administrative Agent. This budget includes appropriations, estimated resources and encumbrances.

Appropriations The Council is required by its fiscal agent to adopt annual appropriations.

Estimated Resources The Council's estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of July 1.

Encumbrances The Council reserves (encumbers) appropriations when commitments are made, in accordance with the procedures of its fiscal agent. Encumbrances outstanding at year-end are carried over and are not reappropriated.

Mahoning County Family and Children First Council

Mahoning County Notes to the Basic Financial Statements For the Year Ended June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

All monies (grants, contracts, fees and other receipts) paid to the Council are deposited by the fiscal agent to the Council's funds which have been created for the purpose of accounting for Council receipts and disbursements

Deposits and Investments

The Mahoning County Auditor is the custodian for the Council's cash and investments. The County's cash and investment pool holds the Council's cash and investments, which are reported at the County Auditor's carrying amount. Individual fund integrity is maintained through Council records. Interest in the pool is presented as "Equity in Cash or Cash Equivalents".

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

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.

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.

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.

Repayment from funds responsible for particular case disbursements to the funds that initially paid for them are not presented in the financial statement.

Fund Balances

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the Council for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the Council, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

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

Net Cash Position

Net position is reported as restricted when enabling legislation or creditors, grantors or laws of regulations of other governments have imposed limitations on its use.

The Council first applies restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted net position is available.

Note 3 – Accountability and Compliance

Accountability

At June 30, 2024, the General Fund had a deficit fund of \$122,173.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 3 – Accountability and Compliance (continued)

Although the Council is not required to comply with Ohio Revised Code section 5705.09, accountability requirements mandate that a special revenue fund should be created to maintain the integrity of the expenditures and receipts of restricted grant funds. The Council's accounting records did not reflect the JJC RECLAIM Coordination Service fund activity in a separate fund but included it in the general operating fund of the Council. The remaining balance was from a corrected entry which was between the JJC RECLAIM Coordination Service and the General Fund.

Note 4 – Equity in Pooled Cash and Cash Equivalents

The County maintains a depository which includes the funds of the Council. The Ohio Revised Code prescribes allowable deposits and investments. The Council's carrying amount of cash on deposit with the County at June 30, 2024, was \$326,685. The County is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposit accounts.

Note 5 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System (OPERS)

Plan Description – All Council employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. While members (e.g. Council employees) may elect the member-defined plan and the combined plan, substantially all employee members are in the OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 5 – Defined Benefit Pension Plans (continued)

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 5 – Defined Benefit Pension Plans (continued)

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>State and Local</u>
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	<u>0.0</u>
Total Employer	<u><u>14.0 %</u></u>
Employee	<u><u>10.0 %</u></u>

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Council's contractually required contribution was \$12,157 for fiscal year 2024

Note 6 – Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 6 – Postemployment Benefits (continued)

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022,

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 6 – Postemployment Benefits (continued)

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by the OPERS Board of Trustees, a portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2024, state and local employers contributed at a rate of 14.0 % of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2024 was 4.0 percent.

The Council’s contributions allocated to fund post-employment healthcare benefits for the year ended June 30, 2024 was \$0.

Note 7 – Risk Management

The Council is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, errors and omissions, employee injuries, and natural disasters. To mitigate these risks, the Council is a named covered member under Mahoning County’s insurance coverage policy.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2024

Note 7 – Risk Management (continued)

The County is a member of County Risk Sharing Authority, Inc. (CORSAs) which is a shared risk pool of sixty-one counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omission liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA are managed by an elected Board of not more than nine trustees. Only County Commissioners of member counties are eligible to serve on the Board. No county may have more than one representative on the Board at any one time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

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

There were no significant reductions in insurance coverage from the prior year in any category of risk. Settled claims have not exceeded coverage in any of the past three years.

Note 8 – Contingent Liabilities

Management is not currently aware of any pending litigation.

Amounts grantor agencies pay to the Council are subject to audit and adjustment by the grantor. 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.

Mahoning County Family and Children First Council

Mahoning County

Statement of Net Position - Cash Basis

For the Year Ending June 30, 2023

	Governmental Activities
Assets	
Cash and cash equivalents with fiscal agent	\$172,938
<i>Total Assets</i>	<u>172,938</u>
Net Position	
Restricted for:	
Local, State and Federally Funded Programs	254,947
Unrestricted (Deficit)	<u>(82,009)</u>
<i>Total Net Position</i>	<u>\$172,938</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council
Mahoning County
Statement of Activities - Cash Basis
For the Year Ended June 30, 2023

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government	\$323,343	\$74,897		(\$248,446)
Social Services	508,298		\$586,137	77,839
<i>Total Governmental Activities</i>	<u>\$831,641</u>	<u>\$74,897</u>	<u>\$586,137</u>	<u>(170,607)</u>
General Cash Receipts:				
Grants/Entitlements not Restricted for Specific Programs				12,571
Local Sources				308,137
Miscellaneous				<u>874</u>
<i>Total General Cash Receipts</i>				<u>321,582</u>
Change in Net Position				150,975
<i>Net Position Beginning of Year</i>				<u>21,963</u>
<i>Net Position End of Year</i>				<u>\$172,938</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council
Mahoning County
Statement of Assets and Fund Balances
June 30, 2023

	General	Help Me Grow	Family Centered Services	Flexible Funding Pool	Multi System Youth	Total Governmental Funds
Assets						
Cash and cash equivalents with fiscal agent	\$ (82,009)	\$ 18,994	\$ 2,272	\$ 150,750	\$ 82,931	\$ 172,938
<i>Total Assets</i>	<u>(82,009)</u>	<u>18,994</u>	<u>2,272</u>	<u>150,750</u>	<u>82,931</u>	<u>172,938</u>
Fund Balances						
Restricted:						
Local, State and Federally Funded Programs	-	18,994	2,272	150,750	82,931	254,947
Unassigned (Deficit)	<u>(82,009)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,009)</u>
<i>Total Fund Balances</i>	<u>\$ (82,009)</u>	<u>\$ 18,994</u>	<u>\$ 2,272</u>	<u>\$ 150,750</u>	<u>\$ 82,931</u>	<u>\$ 172,938</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council
Mahoning County
Statement of Receipts, Disbursements and Changes in Fund Balances
For the Year Ended June 30, 2023

	General	Help Me Grow	Family Centered Services	Flexible Funding Pool	Multi System Youth	Operational Capacity Building	Total Governmental Funds
Cash Receipts							
Local Sources	\$ 5,700	\$ -	\$ -	\$ 302,437	\$ -	\$ -	\$ 308,137
Intergovernmental - State	12,571	-	21,340	38,658	475,642	15,750	563,961
Intergovernmental - Federal	-	-	34,747	-	-	-	34,747
Charges for Services	74,897	-	-	-	-	-	74,897
Miscellaneous	290	-	-	584	-	-	874
<i>Total Receipts</i>	<u>93,458</u>	<u>-</u>	<u>56,087</u>	<u>341,679</u>	<u>475,642</u>	<u>15,750</u>	<u>982,616</u>
Cash Disbursements							
Personal Services	37,811	-	4,745	131,073	3,600	15,750	192,979
Contractual Services	50,351	-	54,837	525	4,524	-	110,237
Community Services	-	-	-	-	508,298	-	508,298
Supplies and Materials	14,882	-	5,002	-	-	-	19,884
Miscellaneous	243	-	-	-	-	-	243
<i>Total Disbursements</i>	<u>103,287</u>	<u>-</u>	<u>64,584</u>	<u>131,598</u>	<u>516,422</u>	<u>15,750</u>	<u>831,641</u>
<i>Net Change in Fund Balances</i>	(9,829)	-	(8,497)	210,081	(40,780)	-	150,975
<i>Fund Balances Beginning of Year</i>	<u>(72,180)</u>	<u>18,994</u>	<u>10,769</u>	<u>(59,331)</u>	<u>123,711</u>	<u>-</u>	<u>21,963</u>
<i>Fund Balances End of Year</i>	<u>\$ (82,009)</u>	<u>\$ 18,994</u>	<u>\$ 2,272</u>	<u>\$ 150,750</u>	<u>\$ 82,931</u>	<u>\$ -</u>	<u>\$ 172,938</u>

See accompanying notes to the basic financial statements

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 1 – Reporting Entity

Ohio Revised Code Section 121.37 created the Ohio Family and Children First Cabinet Council and required each Board of County Commissioners to establish a County Family and Children First Council. Statutory membership of County Council consists of the following individuals:

1. At least three individuals representing the interest of families in the County. Where possible, the number of members representing families shall be equal to twenty percent of the Council's remaining membership;
2. 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 Addition, and Mental Health Services covers more than one County, the Director may designate a person to participate on the County's Council;
3. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City or General Health District in the County. If the County has two or more health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
4. The Director of the County Department of Job and Family Services;
5. The Executive Director of the public children services agency or the County agency responsible for the administration of children services pursuant to the Ohio Revised Code Section 5153.15;
6. The Superintendent of the County Board of Developmental Disabilities or if the Superintendent serves as Superintendent as more than one County Board of Developmental Disabilities, the Superintendent's designee;
7. 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 Ohio Department of Education, which shall notify each County of its determination at least biennially;
8. 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;
9. A representative of the municipal corporation with the largest population in the County;
10. The President of the Board of County Commissioners or an individual designated by the Board;
11. A representative of the regional office of the Ohio Department of Youth Services;
12. A representative of the County's Head Start agencies, as defined in Ohio Revised Code Section 3301.32;
13. 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

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 1 – Reporting Entity (continued)

14. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

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.

The purpose of the County Council is to streamline and coordinate existing government services for families seeking services for their children. In seeking to fulfill its purpose, a County Council shall provide for the following:

1. Referrals to the Cabinet Council of those children for whom the County Council cannot provide adequate services;
2. Development and implementation of a process that annually evaluates and prioritizes services, fills service gaps where possible, and invents new approaches to achieve better results for families and children;
3. Participation 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 “Individuals with Disabilities Education Act of 2004”;
4. Maintenance of an accountability system to monitor the County Council’s progress in achieving results for families and children; and
5. Establishment of 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.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

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

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Council as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash balance 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 function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Council is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

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 a 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. Each major fund is presented in a separate column.

Fund Accounting

The Council uses funds to maintain its financial records during the year. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts. The Council classifies each fund as either governmental, proprietary or fiduciary. The Council reports only governmental funds.

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:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported 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.

Help Me Grow This fund is made up of three programs combined to form the Help Me Grow Program. They are Early Intervention Services Part C, central coordination for Part C and home visiting, and central coordination for the Maternal, Infant and Early Childhood Home Visiting (MIECHV) program, all from the Ohio Department of Health. These monies are for the promotion of the well-being of young children through home-based specialized services and public awareness, with a special emphasis on early intervention and prevention.

Family Centered Services Fund This fund accounts for monies from the State to provide services to support and encourage family activities and memberships within the community.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Flexible Funding Pool This fund accounts for monies received from members for the general support of the Council programs. The expenditure of these funds is monitored and approved by an advisory Clinical Committee.

Multi System Youth This fund accounts for monies received from members for the general support of the multiple support youth programs. The expenditure of these funds is monitored and approved by an advisory Clinical Committee.

Operational Capacity Building Fund This fund accounts for monies from the County to assist in the costs of the Council.

Administrative/Fiscal Agent

Ohio Revised Code Section 121.37(B)(5)(a) requires the Council to select an administrative agent to provide fiscal and administrative services to the Council. The Council Selected the Mahoning County Juvenile Court (the Court). The Council authorizes the Court, as fiscal agent and administrative agent, to subcontract with, designate, and/or seek assistance from any agencies and/or organizations that it deems necessary in order to complete the obligations set forth in the agreement. The Court agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

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 this 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 expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

A Family and Children First Council established under Ohio Revised Code Section 121.37 is not a taxing authority and is not subject to Ohio Revised Code Chapter 5705. As of October 1, 1997, all Family and Children First Councils are required to file an annual budget with its Administrative Agent. This budget includes appropriations, estimated resources and encumbrances.

Appropriations The Council is required by its fiscal agent to adopt annual appropriations.

Estimated Resources The Council's estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of July 1.

Mahoning County Family and Children First Council

Mahoning County Notes to the Basic Financial Statements For the Year Ended June 30, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Encumbrances The Council reserves (encumbers) appropriations when commitments are made, in accordance with the procedures of its fiscal agent. Encumbrances outstanding at year-end are carried over and are not reappropriated.

All monies (grants, contracts, fees and other receipts) paid to the Council are deposited by the fiscal agent to the Council's funds which have been created for the purpose of accounting for Council receipts and disbursements

Deposits and Investments

The Mahoning County Auditor is the custodian for the Council's cash and investments. The County's cash and investment pool holds the Council's cash and investments, which are reported at the County Auditor's carrying amount. Individual fund integrity is maintained through Council records. Interest in the pool is presented as "Equity in Cash or Cash Equivalents".

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

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.

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.

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.

Repayment from funds responsible for particular case disbursements to the funds that initially paid for them are not presented in the financial statement.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Net Position

Fund Balances

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the Council for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the Council, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

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

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Net Cash Position

Net position is reported as restricted when enabling legislation or creditors, grantors or laws of regulations of other governments have imposed limitations on its use.

The Council first applies restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted net position is available.

Note 3 – Accountability and Compliance

Accountability

At June 30, 2023, the General Fund had a deficit fund of \$82,009.

Although the Council is not required to comply with Ohio Revised Code section 5705.09, accountability requirements mandate that a special revenue fund should be created to maintain the integrity of the expenditures and receipts of restricted grant funds. The Council's accounting records did not reflect the JJC RECLAIM Coordination Service fund activity in a separate fund but included it in the general operating fund of the Council. The remaining balance was from a corrected entry which was between the JJC RECLAIM Coordination Service and the General Fund.

Note 4 – Equity in Pooled Cash and Cash Equivalents

The County maintains a depository which includes the funds of the Council. The Ohio Revised Code prescribes allowable deposits and investments. The Council's carrying amount of cash on deposit with the County at June 30, 2023, was \$172,938. The County is responsible for maintaining adequate depository collateral for all funds in the County's pooled and deposit accounts.

Note 5 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System (OPERS)

Plan Description – All Council employees, other than participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution features. While members (e.g. Council employees) may elect the member-defined plan and the combined plan, substantially all employee members are in the OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 5 – Defined Benefit Pension Plans (continued)

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 5 – Defined Benefit Pension Plans (continued)

	<u>State and Local</u>
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2023 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Council's contractually required contribution was \$16,611 for fiscal year 2023.

Note 6 – Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information. The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 6 – Postemployment Benefits (continued)

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by the OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 % of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2023 was 4.0 percent.

The Council's contributions allocated to fund post-employment healthcare benefits for the year ended June 30, 2023 was \$0.

Note 7 – Risk Management

The Council is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, errors and omissions, employee injuries, and natural disasters. To mitigate these risks, the Council is a named covered member under Mahoning County's insurance coverage policy.

The County is a member of County Risk Sharing Authority, Inc. (CORSAs) which is a shared risk pool of sixty-one counties in Ohio. CORSAs was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSAs Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSAs. These coverages include comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omission liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSAs are managed by an elected Board of not more than nine trustees. Only County Commissioners of member counties are eligible to serve on the Board. No county may have more than one representative on the Board at any one time. Each member county's control over the budgeting and financing of CORSAs is limited to its voting authority and any representation it may have on the Board of Trustees.

Mahoning County Family and Children First Council

Mahoning County

Notes to the Basic Financial Statements

For the Year Ended June 30, 2023

Note 7 – Risk Management (continued)

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

There were no significant reductions in insurance coverage from the prior year in any category of risk. Settled claims have not exceeded coverage in any of the past three years.

Note 8 – Contingent Liabilities

Management is not currently aware of any pending litigation.

Amounts grantor agencies pay to the Council are subject to audit and adjustment by the grantor. 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.

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65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Mahoning County Family and Children First Council
Mahoning County
222 West Federal Street
Youngstown, Ohio 44503

To the Executive Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of the Mahoning County Family and Children First Council, Mahoning County, (the Council) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated May 1, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

May 1, 2025

OHIO AUDITOR OF STATE KEITH FABER



MAHONING COUNTY FAMILY AND CHILDREN FIRST COUNCIL

MAHONING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 5/27/2025

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov