



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

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PICKAWAY COUNTY FAMILY & CHILDREN FIRST COUNCIL  
PICKAWAY COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023





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

Council  
Pickaway County Family and Children First Council  
110 Island Road  
Circleville, Ohio 43113

We have reviewed the *Independent Auditor's Report* of the Pickaway County Family and Children First Council, Pickaway County, prepared by BHM CPA Group, Inc., for the audit period July 1, 2022 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Pickaway County Family and Children First Council is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

**May 07, 2025**

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**PICKAWAY COUNTY FAMILY AND CHILDREN FIRST COUNCIL**  
**PICKAWAY COUNTY**

*For the Years Ended June 30, 2024 and 2023*  
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**INDEPENDENT AUDITOR'S REPORT**

Pickaway County Family and Children First Council  
Pickaway County  
110 Island Road,  
Circleville, Ohio 43113

To the Members of Council:

***Report on the Audit of the Financial Statements***

***Unmodified and Adverse Opinions***

We have audited the financial statements of the Pickaway County Family and Children First Council, Pickaway County, Ohio (the Council), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Council, as of June 30, 2024 and 2023, or the changes in financial position thereof for the years then ended.

***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.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by Council on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. 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 the financial audit standards in the Comptroller General of the United States' *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 January 21, 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.



BHM CPA Group, Inc.  
Portsmouth, Ohio  
January 21, 2025

**Pickaway County Family and Children First Council**

**Pickaway County**

*Combined Statement of Receipts, Disbursements, and  
Changes in Fund Balances (Regulatory Cash Basis)*

*All Governmental Fund Types*

*For the Fiscal Year Ended June 30, 2024*

	General	Special Revenue	Combined Total
<i>Cash Receipts</i>			
Intergovernmental:			
Ohio GFR-Pooled Funds	\$45,342	\$0	\$45,342
FCSS	0	20,788	20,788
OCBF Administration	0	30,750	30,750
Early Intervention	0	48,095	48,095
Early Intervention-American Rescue Plan	0	3,657	3,657
Strong Families Safe Communities-OH-MHAS	0	3,125	3,125
Multi-System Youth-ODJFS Allocation	0	16,502	16,502
Local Contributions	84,844	0	84,844
<i>Total Cash Receipts</i>	130,186	122,917	253,103
<i>Cash Disbursements</i>			
Salaries and Benefits	56,419	0	56,419
Purchased Services	3,453	0	3,453
Supplies and Materials	3,666	0	3,666
Miscellaneous	7,752	0	7,752
FCSS	0	28,288	28,288
OCBF Administration	0	30,750	30,750
Early Intervention	0	16,632	16,632
Multi-System Youth-ODJFS Allocation	0	3,600	3,600
<i>Total Cash Disbursements</i>	71,290	79,270	150,560
<i>Excess of Receipts Over Disbursements</i>	58,896	43,647	102,543
<i>Other Financing Receipts (Disbursements)</i>			
Transfers In	0	1,200	1,200
Transfers Out	0	(1,200)	(1,200)
<i>Total Other Financing Receipts (Disbursements)</i>	0	0	0
<i>Net Change in Fund Cash Balances</i>	58,896	43,647	102,543
<i>Fund Cash Balances, July 1</i>	191,586	137,683	329,269
<i>Fund Cash Balances, June 30</i>	\$250,482	\$181,330	\$431,812

The notes to the financial statements are an integral part of this statement.

**Pickaway County Family and Children First Council**  
**Pickaway County**

*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

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**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:

- a. 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;
- b. The Director of the Board of Alcohol, Drug Addiction, and Mental Health Services that serves the County, or, in the case of a County that has a Board of Alcohol and Drug Addiction Services and a Community Mental Health Board, the Directors of both Boards. If a Board of Alcohol, Drug Addition, and Mental Health Services covers more than one County, the Director may designate a person to participate on the County's Council;
- c. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City or General Health District in the County. If the County has two or more health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
- d. The Director of the County Department of Job and Family Services;
- e. The Executive Director of the public children services agency or the County agency responsible for the administration of children services pursuant to the Ohio Revised Code Section 5153.15;
- f. 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;
- 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 Ohio Department of Education, which shall notify each County of its determination at least biennially;
- h. A School Superintendent representing all other school districts with territory in the County, as designated at a biennial meeting of the superintendents of those districts;
- i. A representative of the municipal corporation with the largest population in the County;
- j. The President of the Board of County Commissioners or an individual designated by the Board;
- k. A representative of the regional office of the Ohio Department of Youth Services;
- l. A representative of the County's Head Start agencies, as defined in Ohio Revised Code Section 3301.32;
- m. A representative of the County's Early Intervention collaborative established pursuant to the federal early intervention program operated under the "Individuals with Disabilities Education Act of 2004"; and
- n. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2024*

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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:

- a. Referrals to the Cabinet Council of those children for whom the County Council cannot provide adequate services;
- b. 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;
- c. 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”;
- d. Maintenance of an accountability system to monitor the County Council’s progress in achieving results for families and children; and
- e. 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**

The Council’s financial statements consistent of a combined statement of receipts, disbursements, and changes in fund balances (regulatory cash basis).

**Fund Accounting**

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

General Fund

The general fund reports all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to disbursement for specific purposes. The Council had the following significant special revenue funds:

*Early Intervention* – This fund receives monies for the purpose of the grant provisions.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2024*

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*Family-Centered Services and Supports Fund* – This fund receives grant monies restricted for maintaining children and youth in their homes and communities by meeting the multi-systemic needs of children receiving service coordination.

*Operational Capacity Building Funds Administration Fund* – This fund receives grant monies through the state general revenue fund to assist in the maintenance and operations of the Council.

**Administrative Agent/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 has selected the Pickaway County Educational Service Center to provide all administrative and fiscal services, except those related to the Early Intervention program. Effective July 1, 2023, the Early Intervention program's administrative and fiscal agency responsibilities will be transferred to the Pickaway County Department of Developmental Disabilities. The Council authorizes Pickaway County Educational Service Center and the Pickaway County Department of Developmental Disabilities, as fiscal agents and administrative agents, 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 Pickaway County Educational Service Center and Pickaway County Department of Developmental Disabilities agree to be ultimately responsible for fulfilling the fiscal and administrative obligations of the respective agreements.

**Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

**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. The Council filed an estimate of financial resources and an appropriation measure with the Pickaway County Educational Service Center as required by Ohio law.

A summary of 2024 budgetary activity appears in note 3.

**Deposits and Investments**

The Council designated the Pickaway County Educational Service Center (the Center) as the fiscal agent for all funds received in the name of the Council. Deposits of monies are made with the Center's Treasurer and fund expenditures and balances are reported through the Center's Treasurer. Deposits and investments are made in accordance with the Ohio Revised Code and are valued at the fiscal agent's carrying amount.

**Pickaway County Family and Children First Council**  
**Pickaway County**  
*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2024*

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**Capital Assets**

The Council records cash disbursements for acquisitions of property, plant and equipment when paid. The accompanying financial statements do not report these items as assets.

**Accumulated Leave**

In certain circumstances, such as leaving employment or retirement, employees are entitled to cash payouts for unused leave. The financial statements do not include a liability for unpaid leave.

**Fund Balance**

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

*Nonspendable* – The Council classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Council.

*Restricted* – Fund balance is 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.

*Committed* – The Council can commit amounts via formal action (resolution). The Council must adhere to these commitments unless the Council amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

*Assigned* – Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

*Unassigned* – Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance.

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.

For regulatory purposes, limited disclosure related to fund balance is included in note 9.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2024*

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**Note 3 – Budgetary Activity**

Budgetary activity for the year ending June 30, 2024 follows:

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$122,420	\$130,186	\$7,766
Special Revenue	128,017	124,117	(3,900)
Total	\$250,437	\$254,303	\$3,866

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$71,290	\$71,290	\$0
Special Revenue	93,372	80,470	12,902
Total	\$164,662	\$151,760	\$12,902

**Note 4 – Deposits and Investments**

The Pickaway County Educational Service Center, as fiscal agent for the Council, maintains a cash and investments pool used by all of the Center's funds, including those of the Council. The Ohio Revised Code prescribes allowable deposits and investments and the Center is responsible for compliance. The carrying amount of deposits and investments at June 30, 2024 was as follows:

Held by the Pickaway County Educational Service Center      \$431,812

*Deposits:* The Pickaway County Educational Service Center is responsible for maintaining adequate depository collateral for all funds in the Center's pooled and deposit accounts. All risks associated with the above deposits are the responsibility of the Center.

**Note 5 – Risk Management**

The Council is exposed to various risk of loss related to torts; theft or damage to, and destruction of assets. During 2024, the Council's fiscal agent, Pickaway County Educational Service Center, provided insurance for the assets of the Council. Settled claims have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

**Note 6 – Defined Benefit Pension Plan**

The Council contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the Council is required to contribute at an actuarially determined rate. The current Council rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The Council has paid all contributions required through June 30, 2024.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2024*

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**Note 7 – Postemployment Benefits**

SERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. SERS currently contributes 0 percent to fund these benefits.

**Note 8 – Contingent Liabilities**

Amounts grantor agencies pay to the Council are subject to audit and adjustment by the grantor, principally the federal and state government. The grantor 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.

The Council is not currently party to legal proceedings.

**Note 9 – Fund Balances**

The fund balance of special revenue funds is either restricted or unassigned. Unassigned balances are due to negative fund balances in certain funds due to the Council's requirement to spend certain grant funds prior to submission of request for reimbursement.

**Note 10 – Accountability**

The Council had the following fund with a negative fund cash balance at year-end.

FCSS Agency	\$7,500
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**Pickaway County Family and Children First Council**  
**Pickaway County**  
*Combined Statement of Cash Receipts, Cash Disbursements, and*  
*Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Fiscal Year Ended June 30, 2023*

	General	Special Revenue	Combined Total
<i>Cash Receipts</i>			
Intergovernmental:			
Ohio GFR-Pooled Funds	\$21,937	\$0	\$21,937
FCSS	0	26,112	26,112
OCBF Administration	0	15,750	15,750
Early Intervention	0	128,734	128,734
Early Intervention-American Rescue Plan	0	28,688	28,688
Communities of Support-ODJFS	0	40,000	40,000
Strong Families Safe Communities-OH-MHAS	0	152,707	152,707
Multi-System Youth-ODJFS Allocation	0	105,592	105,592
Local Contributions	77,721	0	77,721
<i>Total Cash Receipts</i>	99,658	497,583	597,241
<i>Cash Disbursements</i>			
Salaries and Benefits	29	0	29
Purchased Services	400	0	400
Supplies and Materials	50	0	50
Miscellaneous	6,695	0	6,695
FCSS	0	24,732	24,732
OCBF Administration	0	15,750	15,750
Early Intervention	0	169,002	169,002
Early Intervention-American Rescue Plan	0	22,509	22,509
Communities of Support-ODJFS	0	40,000	40,000
Strong Families Safe Communities-OH-MHAS	0	148,653	148,653
Multi-System Youth	0	2,941	2,941
Multi-System Youth-ODJFS Allocation	0	7,200	7,200
<i>Total Cash Disbursements</i>	7,174	430,787	437,961
<i>Net Change in Fund Cash Balances</i>	92,484	66,796	159,280
<i>Fund Cash Balances, July 1-Restated</i>	99,102	70,887	169,989
<i>Fund Cash Balances, June 30</i>	\$191,586	\$137,683	\$329,269

The notes to the financial statements are an integral part of this statement.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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**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:

- a. 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;
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- c. The Health Commissioner, or the Commissioner's designee, of the Board of Health of each City or General Health District in the County. If the County has two or more health districts, the Health Commissioner membership may be limited to the Commissioners of the two districts with the largest populations;
- d. The Director of the County Department of Job and Family Services;
- e. The Executive Director of the public children services agency or the County agency responsible for the administration of children services pursuant to the Ohio Revised Code Section 5153.15;
- f. 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;
- 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 Ohio Department of Education, which shall notify each County of its determination at least biennially;
- h. A School Superintendent representing all other school districts with territory in the County, as designated at a biennial meeting of the superintendents of those districts;
- i. A representative of the municipal corporation with the largest population in the County;
- j. The President of the Board of County Commissioners or an individual designated by the Board;
- k. A representative of the regional office of the Ohio Department of Youth Services;
- l. A representative of the County's Head Start agencies, as defined in Ohio Revised Code Section 3301.32;
- m. A representative of the County's Early Intervention collaborative established pursuant to the federal early intervention program operated under the "Individuals with Disabilities Education Act of 2004"; and
- n. A representative of a local nonprofit entity that funds, advocates, or provides services to children and families.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

---

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:

- a. Referrals to the Cabinet Council of those children for whom the County Council cannot provide adequate services;
- b. 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;
- c. 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”;
- d. Maintenance of an accountability system to monitor the County Council’s progress in achieving results for families and children; and
- e. 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**

The Council’s financial statements consist of a combined statement of cash receipts, cash disbursements, change changes in fund cash balances (regulatory cash basis).

**Fund Accounting**

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

General Fund

The general fund reports all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

These funds account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to disbursement for specific purposes. The Council had the following significant special revenue funds:

*Early Intervention* – This fund receives monies for the purpose of the grant provisions.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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*Strong Families Safe Communities-OH-MHAS* – This fund receives grant funds to serve family and youth that are at risk due to mental illness, substance abuse, developmental disabilities or any other socio-economic factor that creates a barrier for healthy living.

**Administrative Agent/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 has selected the Pickaway County Educational Service Center. The Council authorizes Pickaway County Educational Service Center, 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 Pickaway County Educational Service Center agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

**Basis of Accounting**

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

**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. The Council filed an estimate of financial resources and an appropriation measure with the Pickaway County Educational Service Center as required by Ohio law.

A summary of 2023 budgetary activity appears in note 3.

**Deposits and Investments**

The Council designated the Pickaway County Educational Service Center (the Center) as the fiscal agent for all funds received in the name of the Council. Deposits of monies are made with the Center's Treasurer and fund expenditures and balances are reported through the Center's Treasurer. Deposits and investments are made in accordance with the Ohio Revised Code and are valued at the fiscal agent's carrying amount.

**Capital Assets**

The Council records cash disbursements for acquisitions of property, plant and equipment when paid. These items are not reflected as assets in the accompanying financial statements.

**Accumulated Leave**

In certain circumstances, such as leaving employment or retirement, employees are entitled to cash payouts for unused leave. The financial statements do not include a liability for unpaid leave.

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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**Fund Balance**

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

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

*Restricted* – Fund balance is 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 a formal action (resolution) of the Council. Those committed amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by 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 administrative/fiscal agent the authority to constrain monies for intended purposes.

*Unassigned* – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from the 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.

For regulatory purposes, limited disclosure related to fund balance is included in note 9.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending June 30, 2023 follows:

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$76,571	\$118,558	\$41,987
Special Revenue	570,861	497,583	(73,278)
Total	\$647,432	\$616,141	(\$31,291)

**Pickaway County Family and Children First Council**

**Pickaway County**

*Notes to the Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$110,882	\$7,174	\$103,708
Special Revenue	486,217	430,787	55,430
Total	<u>\$597,099</u>	<u>\$437,961</u>	<u>\$159,138</u>

**Note 4 – Deposits and Investments**

The Pickaway County Educational Service Center, as fiscal agent for the Council, maintains a cash and investments pool used by all of the Center's funds, including those of the Council. The Ohio Revised Code prescribes allowable deposits and investments and the Center is responsible for compliance. The carrying amount of deposits and investments at June 30, 2023 was as follows:

Held by the Pickaway County Educational Service Center      \$329,269

*Deposits:* The Pickaway County Educational Service Center is responsible for maintaining adequate depository collateral for all funds in the Center's pooled and deposit accounts. All risks associated with the above deposits are the responsibility of the Center.

**Note 5 – Risk Management**

The Council is exposed to various risk of loss related to torts; theft or damage to, and destruction of assets. During 2023, the Council's fiscal agent, Pickaway County Educational Service Center, provided insurance for the assets of the Council. Settled claims have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

**Note 6 – Defined Benefit Pension Plan**

The Council contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 10 percent of their annual covered salary and the Council is required to contribute at an actuarially determined rate. The current Council rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The Council has paid all contributions required through June 30, 2023.

**Note 7 – Postemployment Benefits**

SERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. SERS currently contributes 0 percent to fund these benefits.

**Pickaway County Family and Children First Council**  
**Pickaway County**

*Notes to the Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

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**Note 8 – Contingent Liabilities**

Amounts grantor agencies pay to the Council are subject to audit and adjustment by the grantor, principally the federal and state government. The grantor 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.

The Council is not currently party to legal proceedings.

**Note 9 – Fund Balances**

The fund balance of special revenue funds is either restricted or unassigned. Unassigned balances are due to negative fund balances in certain funds due to the Council's requirement to spend certain grant funds prior to submission of request for reimbursement.

**Note 10 – Accountability**

The Council had the following funds with negative fund cash balances at year-end.

Early Intervention	\$42,062
Strong Families Safe Communities-OH-HMAS	3,125
American Rescue Plan	3,657

**Note 11 – Restatement of Beginning Fund Balances**

During fiscal year 2023, the Council found that certain revenues were reported in Pickaway County Educational Service Center funds that should have been reported in Council funds. Correction of this error had the following effect on beginning fund balances:

	<u>General Fund</u>
Fund Balances, as Reported, June 30, 2022	\$80,202
Restatement	<u>18,900</u>
Fund Balances, as Restated, July 31, 2021	<u>\$99,102</u>

**Note 12 – Subsequent Event**

Effective July 1, 2023, the Early Intervention program's administrative and fiscal agency responsibilities will be transferred to the Pickaway County Department of Developmental Disabilities. With the transfer of responsibilities to the County Board of Developmental Disabilities, two Early Intervention employees of the Council left the Council and became employed by the County as of July 1, 2023. Unused leave balances were paid to these employees in July 2023.



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

Pickaway County Family and Children First Council  
Pickaway County  
110 Island Road,  
Circleville, Ohio 43113

To the Members of 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, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the years ended June 30, 2024 and 2023 and the related notes to the financial statements of the Pickaway County Family and Children First Council, Pickaway County, (the Council) and have issued our report thereon dated January 21, 2025, wherein we noted the Council followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

***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.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and slightly slanted to the right.

BHM CPA Group, Inc.  
Portsmouth, Ohio  
January 21, 2025

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# OHIO AUDITOR OF STATE KEITH FABER



**PICKAWAY COUNTY FAMILY AND CHILDREN FIRST COUNCIL**

**PICKAWAY 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 5/20/2025**

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](http://www.ohioauditor.gov)