



CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

OHIO AUDITOR OF STATE
KEITH FABER



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Council Members
Greene County Family and Children First Council
158 East Main Street
Xenia, Ohio 45385

We have reviewed the *Independent Auditor's Report* of Greene County Family and Children First Council, Greene County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2021 through December 31, 2022. 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. Greene County Family and Children First Council is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

November 01, 2023

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INDEPENDENT AUDITORS' REPORT

Greene County Family and Children First Council
Council Members
158 East Main Street
Xenia, Ohio 45385

Report on the Audit of the Financial Statements

Opinions

We have audited the cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Greene County Family and Children First Council (the "Council"), as of and for the years ended December 31, 2022 and 2021, 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, each major fund, and the aggregate remaining fund information of the Council, as of December 31, 2022 and 2021, 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the *Auditors' 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 opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' 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 auditors' 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 July 31, 2023, on our consideration of the Council's internal control over financial reporting and on 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.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
July 31, 2023

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2022**

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 308,069
Total Assets	<u>\$ 308,069</u>
Net Position	
Restricted	\$ 291,361
Unrestricted	<u>16,708</u>
Total Net Position	<u>\$ 308,069</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Cash Disbursements	Program Cash Receipts	Net (Disbursements) Receipts and Changes in Net Position
		Operating Grants and Contributions	Governmental Activities
Governmental Activities			
Human Services	\$ 1,366,172	\$ 1,156,164	\$ (210,008)
Total Governmental Activities	\$ 1,366,172	\$ 1,156,164	(210,008)
 General Receipts			
Grants and Entitlements not Restricted to Specific Programs			47,114
Miscellaneous			2,420
Advances from County			10,000
Total General Receipts			59,534
Change in Net Position			(150,474)
Net Position Beginning of Year			458,543
Net Position End of Year			\$ 308,069

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	<u>General</u>	<u>Family Stability</u>	<u>Shared Youth Placement</u>	<u>Help Me Grow EI SFY22/SFY23</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and Cash Equivalents	\$ 16,708	\$ 56,318	\$ 213,523	\$ -	\$ 21,520	\$ 308,069
Total Assets	<u>\$ 16,708</u>	<u>\$ 56,318</u>	<u>\$ 213,523</u>	<u>\$ -</u>	<u>\$ 21,520</u>	<u>\$ 308,069</u>
Fund Balances						
Restricted for:						
Family Stability		\$ 56,318				\$ 56,318
Shared Youth			\$ 213,523			213,523
Other Grants					\$ 21,520	21,520
Assigned for:						
Subsequent Year Appropriations	\$ 14,193					14,193
Unassigned	2,515					2,515
Total Fund Balances	<u>\$ 16,708</u>	<u>\$ 56,318</u>	<u>\$ 213,523</u>	<u>\$ -</u>	<u>\$ 21,520</u>	<u>\$ 308,069</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Family Stability	Shared Youth Placement	Help Me Grow EI SFY22/SFY23	Other Governmental Funds	Total Governmental Funds
Receipts						
Intergovernmental	\$ 44,694	\$ 118,088	\$ 419,396	\$ 551,796	\$ 65,631	\$ 1,199,605
Miscellaneous	2,420	-	3,673	-	-	6,093
Total Receipts	47,114	118,088	423,069	551,796	65,631	1,205,698
Disbursements						
Salary	88,175	69,335	-	-	-	157,510
Benefits	38,064	34,286	-	-	-	72,350
Materials/Supplies	321	2,209	-	-	-	2,530
Contractual Services	-	-	438,648	634,101	23,662	1,096,411
Audit Services	82	-	-	-	-	82
Phone (Utilities)	-	648	-	-	-	648
Financial Assistance	-	-	-	-	23,270	23,270
Travel/Training	17	-	-	-	-	17
Dues/Subscriptions	125	-	-	-	-	125
Repayment to County	3,229	-	-	-	10,000	13,229
Total Disbursements	130,013	106,478	438,648	634,101	56,932	1,366,172
Excess of Receipts Over (Under) Disbursements	(82,899)	11,610	(15,579)	(82,305)	8,699	(160,474)
Other Financing Sources (Uses)						
Advances from County	-	-	-	-	10,000	10,000
Transfers In	20,726	18,050	-	-	-	38,776
Transfers Out	-	(13,125)	-	(7,601)	(18,050)	(38,776)
Total Other Financing Sources (Uses)	20,726	4,925	-	(7,601)	(8,050)	10,000
Net Change in Fund Balances	(62,173)	16,535	(15,579)	(89,906)	649	(150,474)
Fund Balances Beginning of Year	78,881	39,783	229,102	89,906	20,871	458,543
Fund Balances End of Year	\$ 16,708	\$ 56,318	\$ 213,523	\$ -	\$ 21,520	\$ 308,069

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

1. DESCRIPTION OF THE COUNCIL AND REPORTING ENTITY

A. Description of the Entity

Ohio Revised Code Section 121.37 created the Ohio Family and Children First Cabinet Council and permitted counties to establish county Family and Children First Councils. In 2006, House Bill 289 amended ORC Section 121.37 and Section 121.374. Greene County Family and Children First Council (the Council) is a government entity that is directly concerned with issues of fact or policy on matter other than the improvement of the law, the legal system, or the administrative of justice. The 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:

- Referrals to the Cabinet Council of those children for whom the county Council cannot provide adequate services;
- 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;
- 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 Developmental Disabilities for early intervention services under the “Individuals with Disabilities Education Act of 2004”;
- Maintenance of an accountability system to monitor the county Council's progress in achieving results for families and children;
- Establishment of a mechanism to ensure ongoing input from a board representation of families who are receiving services within the county system.

The Council has developed and implemented the following:

- (a.) An interagency system to monitor the county's progress toward increasing child well-being in the county.
- (b.) An interagency process to identify local priorities to increase child well-being and the associated indicators established by the Cabinet. The local priorities and indicators shall focus on expectant parents and newborns thriving; infants and toddlers thriving; children being ready for school; children and youth succeeding in school; youth choosing healthy behaviors; and youth successfully transitioning into adulthood.
- (c.) An annual plan that identifies the county's interagency efforts to increase child well-being in the county.

On an annual basis, the Council shall submit a report on the status of efforts by the county to increase child well-being in the county to the county's board of county commissioners and the cabinet council. This report shall be made available to any other person on request.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

B. Reporting Entity

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

As discussed further in the "Basis of Accounting" section of this note, 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.

1. Government-Wide Financial Statements

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

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

2. Fund Financial Statements

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

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (continued)

3. Fund Accounting

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

4. Governmental Funds

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

General Fund – The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the Council for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the Council.

Family Stability – The Family Stability Fund is used to account for revenue received and expended from local entities for family-focused, child-centered service coordination.

Shared Youth Placement – The Shared Youth Placement Fund is used to account for revenue received and expended from local entities for Shared Youth Placements.

Help Me Grow (HMG) Early Intervention (EI) State Fiscal Year 2022/2023 – The Help Me Grow (HMG) Early Intervention SFY22/23 Fund is used to account for revenue received and expended from State General Revenue and Federal grant monies.

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

5. Measurement Focus

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

6. Basis of Accounting

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

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the Council's cash. The Council's assets are held in the County's cash and investment pool and are valued at the County Treasurer's reported carrying amount.

C. Capital Assets

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

D. Long-term Debt Obligations

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

E. Net Position

These statements report restricted Net Position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use. The Council first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources. The Statement of Net Position reports \$291,361 of restricted Net Position, of which none is restricted by enabling legislation.

F. 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 has selected the Greene County Auditor. The Council authorizes the Greene County Auditor, 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 Greene County Auditor agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

G. 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.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Fund Balance (continued)

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.

H. 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. No budgetary information is presented because the budget is not established by ordinance or resolution of Council prior to filing with its administrative agent.

I. Accumulated Leave

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

3. CASH AND CASH EQUIVALENTS

The Greene County Commissioners maintain a cash pool used by all of the County's funds, including those of the Family and Children First Council. The Ohio Revised Code prescribes allowable deposits and investments. At year-end, the carrying amount of the Council's deposit with the Greene County Commissioners was \$308,069. The Greene County Board of Commissioners, as the fiscal agent for the Council, is responsible for maintaining depository collateral for all funds in the County's pooled cash and deposit accounts.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

4. CONTRACTUAL COMMITMENTS

At December 31, 2022, the Council had \$486,421 in contractual commitments for services provided to children and families. These contracts will be funded by federal and state program grants.

<u>Contractor</u>	<u>Amount</u>
Greene County Public Health	\$411,950
Greene County DODD	74,471

5. INTERFUND TRANSFERS

Inter-fund cash transfers for the year ended December 31, 2022 were as follows:

<u>TRANSFER FROM</u>	<u>TRANSFER TO</u>		
	<u>GENERAL</u>	<u>FAMILY STABILITY</u>	<u>TOTALS</u>
FAMILY STABILITY (0133)	\$13,125		\$13,125
HELP ME GROW EI SFY22/SFY23 (7130)	7,601		7,601
OTHER GOVERNMENT FUNDS		\$18,050	18,050
TOTALS	<u>\$20,726</u>	<u>\$18,050</u>	<u>\$38,776</u>

The Council transferred cash for grant reimbursement purposes and for allowable Program Management and Service Coordination of the grants.

6. RISK MANAGEMENT

The Council is covered under the County's insurance policies. The County is a member of the Public Entities Pool of Ohio (The Pool). The pool assumes the risk of loss up to the limits of the County's policy. The pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities to pay those liabilities at December 31, 2022:

Cash and investments	\$42,310,794
Actuarial liabilities	\$15,724,479

On September 1, 1994 the County became self-insured for employee health care benefits. The program is administered by United Health Care, Inc. in Minneapolis, Minnesota, which provides claims review, processing services and maintains its own provider network.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

7. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System (OPERS)

Plan Description – Council employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multi-employer public employee retirement system which 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Council employees) may elect the member-directed plan and the combined plan, substantially all employee members are in 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.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members 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 plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR 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. The amount of a member's pension benefit vest upon receipt of the initial benefit payment.

When a benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

7. DEFINED BENEFIT PENSION PLAN (continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

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

State and Local

2022 Statutory Maximum Contribution Rates

Employer	14.0 %
Employee	10.0 %

2022 Actual Contribution Rates

Employer	
Pension	14.0 %
Post-employment Health care Benefits	<u>0.0 %</u>
Total Employer	<u>14.0 %</u>
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Council's contractually required contribution was \$21,462 for year 2022.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

8. POST-EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System (OPERS)

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, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

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.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became 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 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.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

8. POST-EMPLOYMENT BENEFITS (continued)

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 allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates 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 2022, 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 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Greene County Family & Children First Council did not make any contribution to fund postemployment benefits during 2022.

9. RELATED PARTY TRANSACTIONS

The Council had related party transactions with other agencies in which their members were on the Council's governing board. The total amount of related party transactions for 2022 amounted to \$657,763.

<u>Agency</u>	<u>Amount</u>
Greene County Public Health	\$ 634,101
Greene County DODD	<u>23,662</u>
Total:	<u>\$ 657,763</u>

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

10. ADVANCES FROM COUNTY

Greene County BOCC provides the FCFC with short term financing to meet its current obligations until grant funds are available. These amounts have been reported as Advances from County and Repayment to County on the financial statements. Following is a summary of advance activity during 2022:

January 1, 2022	Advances	Advances	December 31, 2022
Balance	Received	Repaid	Balance
<u>\$10,000</u>	<u>\$10,000</u>	<u>(\$10,000)</u>	<u>\$10,000</u>

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2021**

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 458,543
Total Assets	<u>\$ 458,543</u>
Net Position	
Restricted	\$ 379,662
Unrestricted	78,881
Total Net Position	<u>\$ 458,543</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Cash Disbursements</u>	<u>Program Cash Receipts</u>	<u>Net (Disbursements) Receipts and Changes in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities			
Human Services	\$ 1,183,244	\$ 1,234,251	\$ 51,007
Total Governmental Activities	<u>\$ 1,183,244</u>	<u>\$ 1,234,251</u>	<u>51,007</u>
General Receipts			
Grants and Entitlements not Restricted to Specific Programs			41,486
Miscellaneous			2,220
Advances from County			<u>10,000</u>
Total General Receipts			<u>53,706</u>
Change in Net Position			104,713
Net Position Beginning of Year			<u>353,830</u>
Net Position End of Year			<u>\$ 458,543</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	<u>General</u>	<u>Family Stability</u>	<u>Shared Youth Placement</u>	<u>Help Me Grow EI SFY21/SFY22</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and Cash Equivalents	\$ 78,881	\$ 39,783	\$ 229,102	\$ 89,906	\$ 20,871	\$ 458,543
Total Assets	<u>\$ 78,881</u>	<u>\$ 39,783</u>	<u>\$ 229,102</u>	<u>\$ 89,906</u>	<u>\$ 20,871</u>	<u>\$ 458,543</u>
Fund Balances						
Restricted for:						
Family Stability		\$ 39,783				\$ 39,783
Shared Youth			\$ 229,102			229,102
Help Me Grow				\$ 89,906		89,906
Other Grants					\$ 20,871	20,871
Assigned for:						
Subsequent Year Appropriations	\$ 21,805					21,805
Outstanding Encumbrances	150					150
Unassigned	56,926					56,926
Total Fund Balances	<u>\$ 78,881</u>	<u>\$ 39,783</u>	<u>\$ 229,102</u>	<u>\$ 89,906</u>	<u>\$ 20,871</u>	<u>\$ 458,543</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General	Family Stability	Shared Youth Placement	Help Me Grow EI SFY21/SFY22	Other Governmental Funds	Total Governmental Funds
Receipts						
Intergovernmental	\$ 41,486	\$ 107,351	\$ 580,406	\$ 495,175	\$ 43,094	\$ 1,267,512
Miscellaneous	2,220	-	8,225	-	-	10,445
Total Receipts	43,706	107,351	588,631	495,175	43,094	1,277,957
Disbursements						
Salary	40,382	69,182	-	-	-	109,564
Benefits	19,928	33,088	-	-	-	53,016
Materials/Supplies	100	1,830	-	-	-	1,930
Contractual Services	7	47	503,061	400,827	-	903,942
Audit Services	8,302	-	-	-	-	8,302
Phone (Utilities)	-	648	-	-	-	648
Financial Assistance	-	-	-	-	9,968	9,968
Travel/Training	-	344	-	-	-	344
Dues/Subscriptions	125	-	-	-	-	125
Repayment to County	-	15,000	-	-	10,000	25,000
Repayment to Grantor/Funder	-	-	70,405	-	-	70,405
Total Disbursements	68,844	120,139	573,466	400,827	19,968	1,183,244
Excess of Receipts Over (Under) Disbursements	(25,138)	(12,788)	15,165	94,348	23,126	94,713
Other Financing Sources (Uses)						
Advances from County	-	-	-	-	10,000	10,000
Transfers In	21,942	23,445	-	-	-	45,387
Transfers Out	-	(17,500)	-	(4,442)	(23,445)	(45,387)
Total Other Financing Sources (Uses)	21,942	5,945	-	(4,442)	(13,445)	10,000
Net Change in Fund Balances	(3,196)	(6,843)	15,165	89,906	9,681	104,713
Fund Balances Beginning of Year	82,077	46,626	213,937	-	11,190	353,830
Fund Balances End of Year	\$ 78,881	\$ 39,783	\$ 229,102	\$ 89,906	\$ 20,871	\$ 458,543

See accompanying notes to the basic financial statements.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

1. DESCRIPTION OF THE COUNCIL AND REPORTING ENTITY

A. Description of the Entity

Ohio Revised Code Section 121.37 created the Ohio Family and Children First Cabinet Council and permitted counties to establish county Family and Children First Councils. In 2006, House Bill 289 amended ORC Section 121.37 and Section 121.374. Greene County Family and Children First Council (the Council) is a government entity that is directly concerned with issues of fact or policy on matter other than the improvement of the law, the legal system, or the administrative of justice. The 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:

- Referrals to the Cabinet Council of those children for whom the county Council cannot provide adequate services;
- 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;
- 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 Developmental Disabilities for early intervention services under the “Individuals with Disabilities Education Act of 2004”;
- Maintenance of an accountability system to monitor the county Council's progress in achieving results for families and children;
- Establishment of a mechanism to ensure ongoing input from a board representation of families who are receiving services within the county system.

The Council has developed and implemented the following:

- (a.) An interagency system to monitor the county's progress toward increasing child well-being in the county.
- (b.) An interagency process to identify local priorities to increase child well-being and the associated indicators established by the Cabinet. The local priorities and indicators shall focus on expectant parents and newborns thriving; infants and toddlers thriving; children being ready for school; children and youth succeeding in school; youth choosing healthy behaviors; and youth successfully transitioning into adulthood.
- (c.) An annual plan that identifies the county's interagency efforts to increase child well-being in the county.

On an annual basis, the Council shall submit a report on the status of efforts by the county to increase child well-being in the county to the county's board of county commissioners and the cabinet council. This report shall be made available to any other person on request.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

B. Reporting Entity

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

As discussed further in the "Basis of Accounting" section of this note, 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.

1. Government-Wide Financial Statements

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

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

2. Fund Financial Statements

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

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (continued)

3. Fund Accounting

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

4. Governmental Funds

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

General Fund – The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the Council for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the Council.

Family Stability – The Family Stability Fund is used to account for revenue received and expended from local entities for family-focused, child-centered service coordination.

Shared Youth Placement – The Shared Youth Placement Fund is used to account for revenue received and expended from local entities for Shared Youth Placements.

Help Me Grow (HMG) Early Intervention (EI) State Fiscal Year 2021/2022 – The Help Me Grow (HMG) Early Intervention SFY21/22 Fund is used to account for revenue received and expended from State General Revenue and Federal grant monies.

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

5. Measurement Focus

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

6. Basis of Accounting

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

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the Council's cash. The Council's assets are held in the County's cash and investment pool and are valued at the County Treasurer's reported carrying amount.

C. Capital Assets

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

D. Long-term Debt Obligations

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

E. Net Position

These statements report restricted Net Position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use. The Council first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources. The Statement of Net Position reports \$379,662 of restricted Net Position, of which none is restricted by enabling legislation.

F. 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 has selected the Greene County Auditor. The Council authorizes the Greene County Auditor, 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 Greene County Auditor agrees to be ultimately responsible for fulfilling the fiscal and administrative obligations of the agreement.

G. 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.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Fund Balance (continued)

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.

H. 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. No budgetary information is presented because the budget is not established by ordinance or resolution of Council prior to filing with its administrative agent.

I. Accumulated Leave

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

3. CASH AND CASH EQUIVALENTS

The Greene County Commissioners maintain a cash pool used by all of the County's funds, including those of the Family and Children First Council. The Ohio Revised Code prescribes allowable deposits and investments. At year-end, the carrying amount of the Council's deposit with the Greene County Commissioners was \$458,543. The Greene County Board of Commissioners, as the fiscal agent for the Council, is responsible for maintaining depository collateral for all funds in the County's pooled cash and deposit accounts.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

4. CONTRACTUAL COMMITMENTS

At December 31, 2021, the Council had \$497,083 in contractual commitments for services provided to children and families. These contracts will be funded by federal and state program grants.

<u>Contractor</u>	<u>Amount</u>
Greene County Public Health	\$497,083

5. INTERFUND TRANSFERS

Inter-fund cash transfers for the year ended December 31, 2021 were as follows:

<u>TRANSFER FROM</u>	<u>TRANSFER TO</u>		
	<u>GENERAL</u>	<u>FAMILY STABILITY</u>	<u>TOTALS</u>
FAMILY STABILITY (0133)	\$17,500		\$17,500
HELP ME GROW EI SFY21/SFY22 (7130)	4,442		4,442
OTHER GOVERNMENT FUNDS		\$23,445	23,445
TOTALS	<u>\$21,942</u>	<u>\$23,445</u>	<u>\$45,397</u>

The Council transferred cash for grant reimbursement purposes and for allowable Program Management and Service Coordination of the grants.

6. RISK MANAGEMENT

The Council is covered under the County's insurance policies. The County is a member of the Public Entities Pool of Ohio (The Pool). The pool assumes the risk of loss up to the limits of the County's policy. The pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities to pay those liabilities at December 31, 2021:

Cash and investments	\$41,996,850
Actuarial liabilities	\$14,974,099

On September 1, 1994 the County became self-insured for employee health care benefits. The program is administered by United Health Care, Inc. in Minneapolis, Minnesota, which provides claims review, processing services and maintains its own provider network.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

7. DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System (OPERS)

Plan Description – 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.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional and combined plans. 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.

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. The initial amount of a member’s pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan 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 of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

7. DEFINED BENEFIT PENSION PLAN (continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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:

State and Local

2021 Statutory Maximum Contribution Rates

Employer	14.0 %
Employee	10.0 %

2021 Actual Contribution Rates

Employer	
Pension	14.0 %
Post-employment Health care Benefits	<u>0.0 %</u>
Total Employer	<u>14.0 %</u>
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Council's contractually required contribution was \$15,236 for year 2021.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

8. POST-EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System (OPERS)

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 postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

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.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available.

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

8. POST-EMPLOYMENT BENEFITS

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.

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. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates 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 2021, 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 2021 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Greene County Family & Children First Council did not make any contribution to fund postemployment benefits during 2021.

9. RELATED PARTY TRANSACTIONS

The Council had related party transactions with other agencies in which their members were on the Council's governing board. The total amount of related party transactions for 2021 amounted to \$400,881.

<u>Agency</u>	<u>Amount</u>
Greene County Public Health	\$ 400,827
Greene County DODD	<u>54</u>
Total:	<u>\$ 400,881</u>

**GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

10. ADVANCES FROM COUNTY

Greene County BOCC provides the FCFC with short term financing to meet its current obligations until grant funds are available. These amounts have been reported as Advances from County and Repayment to County on the financial statements. Following is a summary of advance activity during 2021:

January 1, 2021	Advances	Advances	December 31, 2021
Balance	Received	Repaid	Balance
<u>\$25,000</u>	<u>\$10,000</u>	<u>(\$25,000)</u>	<u>\$10,000</u>

11. COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Council. In addition, the impact on the Council's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Greene County Family and Children First Council
Council Members
158 East Main Street
Xenia, Ohio 45385

We have audited, in accordance with the 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, each major fund, and the aggregate remaining fund information of the Greene County Family and Children First Council (the "Council"), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated July 31, 2023, wherein we noted the Council reported on the cash basis of accounting.

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 purpose 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 entity'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.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
July 31, 2023



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OHIO AUDITOR OF STATE KEITH FABER



GREENE COUNTY FAMILY AND CHILDREN FIRST COUNCIL

GREENE 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 11/14/2023

88 East Broad 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