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**FRANKLIN COUNTY CHILDREN  
AND FAMILIES COMMUNITY  
RESOURCE BOARD**

**FINANCIAL REPORT**  
(Audited)

Year Ended December 31, 2014

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**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
FINANCIAL REPORT**

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**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

## **INDEPENDENT AUDITOR'S REPORT**

October 28, 2019

The Board of Directors  
**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities and the major fund of the **FRANKLIN COUNTY CHILDREN AND FAMILIES COMMUNITY RESOURCE BOARD** (FCCRB) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise FCCRB's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to FCCRB's preparation and fair presentation of the financial statements 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 FCCRB's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of FCCRB as of December 31, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

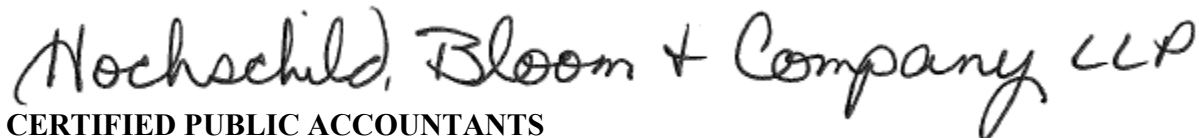
## **Other Matters**

### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2019 on our consideration of FCCRB'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 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 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 FCCRB's internal control over financial reporting and compliance.



**CERTIFIED PUBLIC ACCOUNTANTS**  
**Washington, Missouri**

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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As management of the Franklin County Children and Families Community Resource Board (FCCRB), we offer readers of FCCRB's financial statements this narrative overview and analysis of the financial activities of FCCRB for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with FCCRB's financial statements (attached).

The Putting Kids First: Children's Services Fund for Franklin County was established through a voter established  $\frac{1}{4}$  of a cent sales tax in November 2008. In 2014, contracts for on-going services were awarded to 15 non-profit agencies for 30 programs for the children and youth of Franklin County.

### **FINANCIAL HIGHLIGHTS**

- \* The assets of FCCRB exceeded its liabilities for the most recent fiscal year by \$2,770,614 (net position). FCCRB's total net position increased by \$368,639.
- \* As of the close of the current fiscal year, FCCRB's governmental fund reported an ending fund balance of \$2,769,370, an increase of \$369,371 in comparison with the prior year.
- \* Due to overall fiscal standing, FCCRB was able to provide 15 organizations with \$79,263 in one time funding for much needed capital expenditures, one-time projects, and to spur innovation in children's services by funding pilot programs.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

FCCRB oversees the administration, allocation, and distribution of the Franklin County Children's Services Fund, for the purpose of establishing, operating, and maintaining community mental health and substance abuse services for Franklin County children and youth.

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to FCCRB's basic financial statements. FCCRB's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplemental information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of FCCRB's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of FCCRB is improving or deteriorating. The statement of net position also provides information on investment in capital assets and restricted amounts.

The statement of activities presents information showing how FCCRB's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of timing of related cash flows.

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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Both of the government-wide financial statements distinguish functions of FCCRB that are principally supported by sales tax. The governmental activities of FCCRB include collection of sales tax and services funded.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. FCCRB uses fund accounting to demonstrate compliance with finance-related legal requirements. FCCRB only maintains one governmental fund.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of FCCRB's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.

FCCRB maintains one individual governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and change in fund balance for the General Fund, which is considered to be a major fund.

FCCRB adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided to demonstrate compliance with their budgets.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required supplemental information.** This management's discussion and analysis and the General Fund budgetary comparison schedule represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide financial statements, fund financial statements, and notes (referred to as "the basic financial statements").

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of FCCRB, assets exceed liabilities by \$2,770,614 at the close of the most recent fiscal year. By far the largest portion of FCCRB's net position reflects the cash and investments.

A condensed version of the statement of net position is as follows:

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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	<b>December 31</b>		<b>2014 Change</b>	
	<b>2014</b>	<b>2013</b>	<b>Amount</b>	<b>Percent</b>
<b>ASSETS</b>				
Current and other assets	\$ 2,947,938	2,637,379	310,559	11.8 %
Capital assets	1,244	1,976	(732)	(37.0)
Total Assets	<u>2,949,182</u>	<u>2,639,355</u>	<u>309,827</u>	11.7
<b>LIABILITIES</b>				
Allocations payable	174,765	235,135	(60,370)	(25.7)
Accrued liabilities	3,803	2,245	1,558	69.4
Total Liabilities	<u>178,568</u>	<u>237,380</u>	<u>(58,812)</u>	(24.8)
<b>NET POSITION</b>				
Net investment in capital assets	1,244	1,976	(732)	(37.0)
Restricted	<u>2,769,370</u>	<u>2,399,999</u>	<u>369,371</u>	15.4
Total Net Position	<u>\$ 2,770,614</u>	<u>2,401,975</u>	<u>368,639</u>	15.3 %

**Governmental activities.** Governmental activities increased FCCRB's net position by \$368,639.

Cash and investments increased due to revenues in excess of program costs. Services funded expenses increased due to performance of client satisfaction survey. Sales tax increased due to increased spending as the economy improved.

A condensed version of the statement of activities is as follows:

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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	For The Years Ended December 31		2014 Change	
	2014	2013	Amount	Percent
<b>REVENUES</b>				
General revenues:				
Sales tax	\$ 2,872,060	2,662,090	209,970	7.9 %
Investment income	11,484	7,488	3,996	53.4
Miscellaneous	60	42	18	42.9
Total Revenues	<u>2,883,604</u>	<u>2,669,620</u>	<u>213,984</u>	8.0
<b>EXPENSES</b>				
Children's services	2,490,996	2,406,913	84,083	3.5
Administration	23,969	94,499	(70,530)	(74.6)
Total Expenses	<u>2,514,965</u>	<u>2,501,412</u>	<u>13,553</u>	0.5
<b>CHANGE IN NET POSITION</b>	368,639	168,208	200,431	119.2
NET POSITION, JANUARY 1	<u>2,401,975</u>	<u>2,233,767</u>	<u>168,208</u>	7.5
<b>NET POSITION, DECEMBER 31</b>	<u><u>\$ 2,770,614</u></u>	<u><u>2,401,975</u></u>	<u><u>368,639</u></u>	15.3 %

#### FINANCIAL ANALYSIS OF FCCRB'S FUND

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

**Governmental fund.** The focus of FCCRB's governmental fund is to provide information on near-term in-flows, outflows, and balances of spendable resources. Such information is useful in assessing FCCRB's financing requirements.

As of the end of the current fiscal year, FCCRB's governmental fund reported an ending fund balance of \$2,769,370.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues were \$216,967 over the budgeted amount of \$2,666,637. Expenditures were \$401,119 under the budgeted amount of \$2,915,352.



**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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**CAPITAL ASSETS**

At the end of the year, \$1,244 was invested in capital assets, including furniture and equipment. Depreciation resulted in a net decrease in capital assets of \$732. More detailed information about capital assets is presented in Note C to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Sales tax is the main source of revenue for FCCRB at 99% of total revenues and children's services functional expenses are approximately 96% of total expenses. These factors were considered in preparing FCCRB's 2015 budget.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our residents and taxpayers with a general overview of FCCRB's finances and to show FCCRB's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Executive Director Annie Foncannon at P.O. Box 126, Union, MO 63084 by mail, [fccrboard@gmail.com](mailto:fccrboard@gmail.com) by e-mail, 636-234-7133 by phone, or visit our website at [www.franklincountykids.org](http://www.franklincountykids.org).

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

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	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 2,501,454
Sales tax receivable	445,484
Prepays	1,000
Capital assets, net of accumulated depreciation	1,244
Total Assets	<u>2,949,182</u>
 <b>LIABILITIES</b>	
Allocations payable	174,765
Accrued wages and payroll taxes	3,803
Total Liabilities	<u>178,568</u>
 <b>NET POSITION</b>	
Net investment in capital assets	1,244
Restricted	<u>2,769,370</u>
Total Net Position	<u><u>\$ 2,770,614</u></u>

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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<b>FUNCTIONS/PROGRAMS</b>	<b>Expenses</b>	<b>Net Revenues (Expenses) And Change In Net Position</b>
<b>Governmental Activities</b>		
Children's services	\$ 2,490,996	(2,490,996)
Administration	23,969	(23,969)
Total Governmental Activities	<u>\$ 2,514,965</u>	<u>(2,514,965)</u>
<b>General Revenues</b>		
Sales tax		2,872,060
Investment income		11,484
Miscellaneous		60
Total General Revenues		<u>2,883,604</u>
<b>CHANGE IN NET POSITION</b>		368,639
<b>NET POSITION, JANUARY 1</b>		<u>2,401,975</u>
<b>NET POSITION, DECEMBER 31</b>		<u><u>\$ 2,770,614</u></u>

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
BALANCE SHEET - GOVERNMENTAL FUND  
DECEMBER 31, 2014**

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	<b>General Fund</b>
<b>ASSETS</b>	
Cash and investments	\$ 2,501,454
Sales tax receivable	445,484
Prepays	<u>1,000</u>
Total Assets	<u><u>\$ 2,947,938</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities</b>	
Allocations payable	\$ 174,765
Accrued wages and payroll taxes	<u>3,803</u>
Total Liabilities	<u>178,568</u>
 <b>Fund Balance</b>	
Restricted for community and children services	<u>2,769,370</u>
Total Liabilities And Fund Balance	<u><u>\$ 2,947,938</u></u>

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERN-  
MENTAL FUND TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

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Fund Balance - Governmental Fund	\$ 2,769,370
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund. The cost of the capital assets is \$3,650 and the accumulated depreciation is \$2,406.

1,244
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Net Position Of Governmental Activities	<u><u>\$ 2,770,614</u></u>
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**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGE IN FUND BALANCE - GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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	<u>General Fund</u>
<b>REVENUES</b>	
Sales tax	\$ 2,872,060
Investment income	11,484
Miscellaneous	60
Total Revenues	<u>2,883,604</u>
 <b>EXPENDITURES</b>	
Services funded	2,410,946
Current:	
Salaries and benefits	74,895
Operational	3,300
Administrative and other	23,969
Capital outlay	1,123
Total Expenditures	<u>2,514,233</u>
 <b>NET CHANGE IN FUND BALANCE</b>	 369,371
 <b>FUND BALANCE, JANUARY 1</b>	 <u>2,399,999</u>
 <b>FUND BALANCE, DECEMBER 31</b>	 <u><u>\$ 2,769,370</u></u>

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGE IN FUND BALANCE OF THE  
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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Net Change In Fund Balance - Governmental Fund	\$ 369,371
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in the governmental fund as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which current year depreciation (\$732) exceeded capital outlays over the capitalization threshold (\$0).

(732)

Change In Net Position Of Governmental Activities	<u><u>\$ 368,639</u></u>
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# FRANKLIN COUNTY CHILDREN AND FAMILIES COMMUNITY RESOURCE BOARD

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **FRANKLIN COUNTY CHILDREN AND FAMILIES COMMUNITY RESOURCE BOARD (FCCRB)**, was established under the authority of Missouri State statutes and considered to be a component unit of Franklin County, Missouri, and is governed by a board of a minimum of nine members who are appointed by the Franklin County Commissioners. FCCRB is the administrator for the Putting Kids First: Community Children's Service Fund, a fund created when Franklin County passed a ¼ cent sales tax measure in November 2008. The funds are dedicated for services to Franklin County children and youth, and will be awarded to local agencies to provide services that address the growing unmet mental health needs of our community youth.

The more significant accounting policies consistently applied by FCCRB in the preparation of the accompanying financial statements are summarized below:

#### **1. Reporting Entity**

The financial statements of FCCRB include the financial activities of FCCRB and any components units, entities which are financially accountable to FCCRB. FCCRB does not currently have any component units.

#### **2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### **3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.



**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)**

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, FCCRB considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

FCCRB reports the following major governmental fund:

**General Fund** -- The General Fund accounts for all activities except those required to be accounted for in another fund.

**4. Cash and Investments**

State statutes authorize FCCRB to invest in obligations of U.S. Treasury, Federal agencies, commercial paper, certificates of deposit, corporate bonds, and repurchase agreements.

**5. Capital Assets**

Capital assets, which include equipment and furniture, are reported in the government-wide financial statements. Capital assets are defined by FCCRB as assets with an initial cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is being computed on the straight-line method using asset lives as follows:

<b>Assets</b>	<b>Years</b>
Office equipment	3 - 7

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Use of Estimates**

The preparation of basic financial statements in conformity with generally accepted accounting principles in the United States of America requires FCCRB to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

**7. Fund Balance Policies**

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive.

**Nonspendable** -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

**Restricted** -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

**Committed** -- The portion of fund balance with constraints or limitations by formal action of the Board of Directors, the highest level of decision-making authority.

**Assigned** -- The portion of fund balance that the FCCRB intends to use for a specific purpose as determined by the applicable FCCRB officials to which the Board of Directors has designated authority.

**Unassigned** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, FCCRB will spend the most restricted amounts before the least restricted.

The fund balance of FCCRB's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

**8. Compensated Absences**

Compensated absences for sick pay and personal time have not been accrued since the amount is not considered significant. The FCCRB's policy is to recognize these costs when actually paid.

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
NOTES TO FINANCIAL STATEMENTS**

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**NOTE B - CASH AND INVESTMENTS**

State law requires that FCCRB's deposits with financial institutions must be collateralized in an amount at least equal to the uninsured deposits. The value of the securities must amount to the total of FCCRB's cash not insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2014, FCCRB's bank deposits totaled \$2,547,539.

The bank balances were fully covered by FDIC and collateral pledged in FCCRB's name and held by the pledging bank's trust department or agent.

**NOTE C - CAPITAL ASSETS**

Capital assets activity was as follows:

	<b>For The Year Ended December 31, 2014</b>			
	<b>Balance December 31 2013</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance December 31 2014</b>
Office equipment	\$ 3,650	-	-	3,650
Less - Accumulated depreciation	1,674	732	-	2,406
Total Capital Assets, Net	<u>\$ 1,976</u>	<u>732</u>	<u>-</u>	<u>1,244</u>

Depreciation expense for the year ended December 31, 2014 was \$732 and was included in the administration expense category on the statement of activities.

**NOTE D - SIGNIFICANT CONCENTRATIONS**

Nearly 100% of FCCRB's revenue is received from a ¼ cent sales tax collected on eligible sales in Franklin County. Any change in State statute or County Commission Orders that would reduce or eliminate this sales tax would have a materially adverse effect on FCCRB's ability to carry out its mission.

**NOTE E - COMMITMENTS AND CONTINGENCIES**

FCCRB has contractual agreements to provide service funding to 15 area agencies in an amount not to exceed \$2,599,079 for the year ending December 31, 2015.

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE F - RISK MANAGEMENT**

FCCRB is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or otherwise unforeseen acts.

FCCRB is a member of the Missouri Public Entity Risk Management Fund (MOPERM), which is a public entity risk pool for general liability and officials' errors and omissions. FCCRB's insurance coverage with MOPERM for each category of risk is in the amount of \$2 million per occurrence. FCCRB pays an annual contribution to MOPERM for its insurance coverage. Should the contributions received not produce sufficient funds to meet obligations, MOPERM is empowered to make special assessments. Members of MOPERM are jointly and severally liable for all claims against MOPERM. Settle claims have not exceeded FCCRB's commercial coverage.

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
REQUIRED SUPPLEMENTAL INFORMATION**

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**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD**

**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE  
OF REVENUES, EXPENDITURES, AND CHANGE IN FUND  
BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Sales tax	\$ 2,656,637	2,872,060	215,423
Investment income	10,000	11,484	1,484
Miscellaneous	-	60	60
Total Revenues	<u>2,666,637</u>	<u>2,883,604</u>	<u>216,967</u>
<b>EXPENDITURES</b>			
Services funded	2,788,402	2,410,946	(377,456)
Current:			
Salaries and benefits	77,000	74,895	(2,105)
Operational	5,500	3,300	(2,200)
Administrative and other	42,450	23,969	(18,481)
Capital outlay	2,000	1,123	(877)
Total Expenditures	<u>2,915,352</u>	<u>2,514,233</u>	<u>(401,119)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (248,715)</u></u>	369,371	<u><u>618,086</u></u>
<b>FUND BALANCE, JANUARY 1</b>		<u>2,399,999</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 2,769,370</u></u>	

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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**Budgetary Data**

FCCRB follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. In accordance with Missouri state statute, FCCRB adopts a budget each year. FCCRB policy separates the entire budget into two sections, agency allocations and administrative costs.
- b. Budget is adopted by the Board of Directors prior to the beginning of the fiscal year. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
- c. Budget amendments are approved by the Board of Directors.
- d. All annual appropriations lapse at fiscal year-end.
- e. The budget is prepared on the cash basis of accounting, however, there is no significant difference with the revenues and expenditures reported in accordance with accounting principles generally accepted in the United States of America.

**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD  
INTERNAL CONTROL AND COMPLIANCE**

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**INTERNAL CONTROL AND COMPLIANCE SECTION**





**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

**INDEPENDENT AUDITOR'S 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**

October 28, 2019

The Board of Directors  
**FRANKLIN COUNTY CHILDREN AND FAMILIES  
COMMUNITY RESOURCE BOARD**

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, the financial statements of the governmental activities, and the major fund information of the **FRANKLIN COUNTY CHILDREN AND FAMILIES COMMUNITY RESOURCE BOARD (FCCRB)**, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise FCCRB's basic financial statements, and have issued our report thereon dated October 28, 2019.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered FCCRB's internal control over financial reporting (internal control) to determine the 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 FCCRB's internal control. Accordingly, we do not express an opinion on the effectiveness of FCCRB'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

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FCCRB'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.

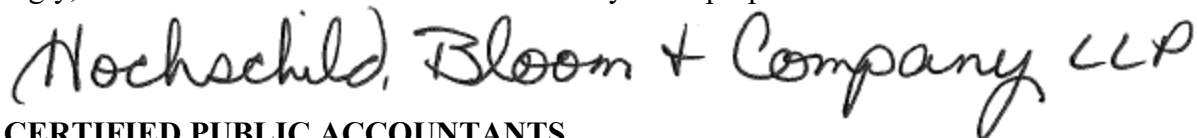
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

## **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether FCCRB'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express 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 FCCRB's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering FCCRB's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Hochschild, Bloom & Company LLP". The signature is written in a cursive, flowing style.

**CERTIFIED PUBLIC ACCOUNTANTS**  
*Washington, Missouri*