



**Auditor of State  
Betty Montgomery**



**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Greene County Combined Health District  
360 Wilson Drive  
P.O. Box 250  
Xenia, Ohio 45385

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greene County Combined Health District (the District) as of and for the year ended December 31, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of December 31, 2004, and the respective changes in cash financial position and the respective budgetary comparison for the General Fund, Clinic Health Services Fund, Environmental Plumbing and Inspection Fund and the Food Service Operations Fund thereof for the year then ended in conformity with the basis of accounting Note 2 describes.

For the year ended December 31, 2004, the District revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2005, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. The federal awards expenditure schedule is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

October 19, 2005

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

This discussion and analysis of the Greene County Combined Health District's (the District) financial performance provides an overall review of the financial activities for the year ended December 31, 2004, within the limits of the District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

**Highlights**

Key highlights for 2004 are as follows:

- Total net assets increased \$259,159, or 17% during 2004. The increase was primarily associated with funds restricted for specific grants and programs.
- Most of the District's revenue was associated with intergovernmental funding, from local, state and federal sources.

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

**Report Components**

The statement of net assets and the statement of activities provide information about District's cash position and the changes in cash position at the entity wide level. The statement of cash basis assets and fund balances and the statement of cash receipts, disbursements and changes in cash basis fund balances report the District's cash position and the changes in cash position by major fund. The statements of cash receipts, disbursements and changes in cash basis fund balance budget-and-actual-basis provides original and final budgeted amounts, with variances reflecting comparison of final budgeted amounts with actual receipts and expenditures. The notes to the financial statements are an integral part of the financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. These financial statements follow the basis of accounting the Auditor of State prescribes or permits. The District 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 District'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.

As a result of using the cash basis of accounting, certain assets and their related revenues (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 COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2004  
(Continued)**

**Reporting the Government as a Whole**

The statement of net assets and the statement of activities reflect how the District did financially during 2004, within the limits of cash basis accounting. The statement of net assets presents the cash balances of the District at year end. The statement of activities presents the revenue and disbursement activity during 2004.

Table 1 provides a summary of the District's net assets for 2004. Since the District did not prepare financial statements in this format for 2003, a comparative analysis has not been presented. In future years, when prior year information is available, a comparative analysis will be presented:

**TABLE 1  
NET ASSETS  
DECEMBER 31, 2004**

	<b>Governmental Activities</b>
<b>ASSETS:</b>	
Equity in Pooled Cash and Cash Equivalents	\$1,798,448
Total Assets	1,798,448
<b>NET ASSETS:</b>	
Restricted for	
Special Revenue	534,968
Unrestricted	1,263,480
Total Net Assets	\$1,798,448

As mentioned previously, net assets increased \$259,159 or 17% during 2004. The increase was primarily associated with funds restricted for specific grants and programs.

**FUND FINANCIAL STATEMENTS REPORTING MAJOR FUNDS**

The major funds of the District include the General Health Fund, Clinic Health Services Fund, Environmental/Plumbing Inspection Fund, and Food Service Operations Fund. The statement of cash basis, assets and fund balances and the statement of cash receipts, disbursements and changes in cash basis fund balances report the District's cash position and the changes in cash position by major fund. Keeping the limitations of the cash basis of accounting, you can think of these changes as one way to measure the District's financial strength. Over time, increases or decreases in the District's cash position is one indicator of the District's financial strength is improving or deteriorating. When evaluating the District's financial condition, you should also consider other financial factors such as the reliance on non-local financial resources for operations and the need for continued growth in other local revenue sources.



**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2004  
(Continued)**

Table 2 reflects the changes in net fund balances during 2004. Since the District did not prepare financial statements in this format for 2003, a comparative analysis has not been presented. In future years, when prior year information is available, a comparative analysis will be presented.

**TABLE 2  
CHANGE IN NET FUND BALANCES**

	<b>Governmental Activities</b>
<b>Receipts:</b>	
Property and Other Local Taxes	\$1,255,240
Subdivision Fees	121,970
Fines, Licenses and Permits	1,391,062
Contractual Services	233,658
Federal Grants	811,860
State Grants	272,236
Local Grants	109,497
Other Grants	173,437
Donations	2,655
Miscellaneous	75,227
Total Receipts	4,446,842
<b>Disbursements:</b>	
Current:	
Public Health Services	
Salaries	2,511,584
Materials and Supplies	219,842
Remittances to State	99,779
Equipment and Vehicles	106,563
Contracts – Repair	14,802
Contracts – Services	266,802
Rentals (Facilities/ Lease Agreements)	15,815
Travel and Training	55,245
Advertising and Printing	53,565
Public Employees' Retirement	329,923
Worker's Compensation	47,021
Utilities	42,793
Insurance	297,751
Other	126,208
Total Disbursements	4,187,693
Excess of Receipts Over Disbursements	259,149
<b>Other Financing Sources (Uses):</b>	
Transfers In	828,000
Transfers Out	(828,000)
Advances In	821,649
Advances Out	(821,649)
Total Other Financing Sources (Uses)	0
Net Change in Fund Balance	259,149
Fund Balances, Beginning of Year	1,539,299
Fund Balances, End of Year	\$1,798,448

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2004  
(Continued)**

The District relies on diverse revenue streams to provide services to County residents. The District receives tax revenue generated from .5 mill property tax levy assessment and relies on intergovernmental revenue provided through federal, state and local grants. The largest category of disbursements was Salaries and related benefits. The District employs approximately 63 full-time employees.

**BUDGETARY HIGHLIGHTS**

The District made numerous revisions to the original appropriation approved by the Board and the Board's fiscal agent, the Greene County Budget Commission. Overall, these changes resulted in little significant change in the fund balance. During 2004, the District spent about 90% of the amount appropriated in the General Fund. The District's 2004 financial statements include budgetary statements for the General Fund, Clinic Health Services Fund (CHS), Environmental Health Plumbing/Inspection and Food Service Operations Fund.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The District currently tracks its capital assets. However, since the financial statements are presented on a cash basis, none of these assets are reflected on the District's financial statements. Instead, the acquisitions of property, plant and equipment are recorded as disbursements when paid.

**Debt**

The District has no debt obligations.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to:

Aloysius O. Onuoha, MBA, MHA,  
Director, Administrative Services  
Greene County Combined Health District  
360 Wilson Drive  
Xenia, OH 45385  
Phone Number (937) 374-5628

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2004**

	<u><b>Governmental Activities</b></u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,798,448</u>
<i>Total Assets</i>	<u><u>1,798,448</u></u>
<b>Net Assets</b>	
Restricted for:	
Special Revenue	534,968
Unrestricted	<u>1,263,480</u>
<i>Total Net Assets</i>	<u><u>\$1,798,448</u></u>

*See accompanying notes to the basic financial statements.*

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<b>Program Cash Receipts</b>			
<b>Cash Disbursements</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Net (Disbursements) Receipts and Changes in Net Assets</b>	
<b>Governmental Activities</b>				
Public Health Services	\$4,187,693	\$1,624,720	\$1,220,293	(\$1,342,680)
		<b>General Receipts</b>		
		Property and Other Local Taxes		1,255,240
		Subdivision Fees		121,970
		Donations		2,655
		Grants and Entitlements not Restricted to Specific Programs		146,737
		Other Receipts		75,227
		<i>Total General Receipts</i>		1,601,829
		Change in Net Assets		259,149
		<i>Net Assets Beginning of Year</i>		1,539,299
		<i>Net Assets End of Year</i>		\$1,798,448

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY

COMBINED STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2004

	<u>General</u>	<u>Clinic Health Services Fund</u>	<u>Environmental Plumbing/ Inspection Fund</u>	<u>Food Service Operations Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$0	\$505,468	\$340,510	\$311,383	\$641,087	\$1,798,448
<i>Total Assets</i>		<u>505,468</u>	<u>340,510</u>	<u>311,383</u>	<u>641,087</u>	<u>1,798,448</u>
<b>Fund Balances</b>						
Reserved:						
Reserved for Encumbrances		11,478	21,315	2,004	36,276	71,073
Unreserved:						
Undesignated (Deficit), Reported in: Special Revenue Funds		493,990	319,195	309,379	604,811	1,727,375
<i>Total Fund Balances</i>	<u>\$0</u>	<u>\$505,468</u>	<u>\$340,510</u>	<u>\$311,383</u>	<u>\$641,087</u>	<u>\$1,798,448</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<b>General</b>	<b>Clinic Health Services Fund</b>	<b>Environmental Plumbing/ Inspection Fund</b>	<b>Food Service Operations Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Receipts</b>						
Property and Other Local Taxes	\$1,255,240					\$1,255,240
Subdivision Fees	121,970					121,970
Fines, Licenses and Permits	144,522	95,473	571,284	263,929	315,854	1,391,062
Contractual Services	233,658					233,658
Federal Grants		33,111			778,749	811,860
State Grants	190,560	14,055			67,621	272,236
Local Grants		46,141			63,356	109,497
Other Grants					173,437	173,437
Donations	2,200	45			410	2,655
Miscellaneous	64,163	464	6,475	203	3,922	75,227
<i>Total Receipts</i>	<u>2,012,313</u>	<u>189,289</u>	<u>577,759</u>	<u>264,132</u>	<u>1,403,349</u>	<u>4,446,842</u>
<b>Disbursements</b>						
<b>Current:</b>						
<b>Public Health Services:</b>						
Salaries	656,598	347,878	328,211	168,394	1,010,503	2,511,584
Materials and Supplies	26,656	45,261	15,246	1,741	130,938	219,842
Remittances to State	67,415			18,219	14,145	99,779
Equipment and Vehicles	11,159	5,401	16,857		73,146	106,563
Contracts - Repair	9,546	272	2,601		2,383	14,802
Contracts - Services	9,705	16,905			240,192	266,802
Rentals (Facilities/ Lease Agreements)	14,759		351		705	15,815
Travel and Training	19,346	8,015	1,861	4,017	22,006	55,245
Advertising and Printing	4,619	1,684	1,394	205	45,663	53,565
Public Employees' Retirement	83,651	44,768	44,954	22,588	133,962	329,923
Worker's Compensation	11,672	6,963	6,718	2,472	19,196	47,021
Utilities	15,467	3,356	9,512	2,363	12,095	42,793
Insurance	84,172	35,425	53,162	23,124	101,868	297,751
Other	59,833	15,402	6,186	3,245	41,542	126,208
<i>Total Disbursements</i>	<u>1,074,598</u>	<u>531,330</u>	<u>487,053</u>	<u>246,368</u>	<u>1,848,344</u>	<u>4,187,693</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>937,715</u>	<u>(342,041)</u>	<u>90,706</u>	<u>17,764</u>	<u>(444,995)</u>	<u>259,149</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In		341,000			487,000	828,000
Transfers Out	(828,000)					(828,000)
Advances In	355,967	445,682			20,000	821,649
Advances Out	(465,682)	(335,967)			(20,000)	(821,649)
<i>Total Other Financing Sources (Uses)</i>	<u>(937,715)</u>	<u>450,715</u>			<u>487,000</u>	
<i>Net Change in Fund Balances</i>		108,674	90,706	17,764	42,005	259,149
<i>Fund Balances Beginning of Year</i>		396,794	249,804	293,619	599,082	1,539,299
<i>Fund Balances End of Year</i>	<u>\$0</u>	<u>\$505,468</u>	<u>\$340,510</u>	<u>\$311,383</u>	<u>\$641,087</u>	<u>\$1,798,448</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS  
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
State Grants	\$50,000	\$50,000	\$43,823	(\$6,177)
Subdivision Fees	121,970	121,970	121,970	
Tax Levies	1,305,000	1,370,226	1,401,977	31,751
Licenses, Permits and Fees	142,522	142,522	144,522	2,000
Contractual Services	233,658	233,658	233,658	
Donations			2,200	2,200
Other Receipts	176,752	72,900	64,163	(8,737)
<b>Total Receipts</b>	<u>2,029,902</u>	<u>1,991,276</u>	<u>2,012,313</u>	<u>21,037</u>
<b>Disbursements</b>				
Salaries	612,427	656,598	656,598	
Materials and Supplies	33,000	26,656	26,656	
Remittances to State	30,038	67,415	67,415	
Equipment and Vehicles	54,094	11,159	11,159	
Contracts - Repair	13,000	9,546	9,546	
Contracts - Services	73,000	10,340	10,340	
Rentals	10,000	14,759	14,759	
Travel and Training	17,000	19,346	19,346	
Advertising and Printing	6,000	4,619	4,619	
Public Employee's Retirement	82,894	83,651	83,651	
Worker's Compensation	13,780	11,672	11,672	
Utilities	26,000	15,467	15,467	
Insurance	80,870	99,776	99,776	
Other	22,380	43,594	43,594	
<b>Total Disbursements</b>	<u>1,074,483</u>	<u>1,074,598</u>	<u>1,074,598</u>	
<b>Excess of Receipts Over Disbursements</b>	<u>955,419</u>	<u>916,678</u>	<u>937,715</u>	<u>21,037</u>
<b>Other Financing Sources (Uses)</b>				
Advances-In		377,004	355,967	(21,037)
Transfers-Out	(867,000)	(828,000)	(828,000)	
Advances-Out	(88,419)	(465,682)	(465,682)	
<b>Total Other Financing Sources (Uses)</b>	<u>(955,419)</u>	<u>(916,678)</u>	<u>(937,715)</u>	<u>(21,037)</u>
<b>Net Change in Fund Balance</b>	0	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	0	0	0	0
<b>Fund Balance End of Year</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS  
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
CLINIC HEALTH SERVICES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Federal Grants	\$51,256		\$33,111	\$33,111
State Grants	66,600	66,600	14,055	(52,545)
Local Grants	54,000	54,000	46,141	(7,859)
Licenses, Permits and Fees	90,000	90,000	95,473	5,473
Donations			45	45
Other Receipts	65,000	10,000	464	(9,536)
<b>Total Receipts</b>	<u>326,856</u>	<u>220,600</u>	<u>189,289</u>	<u>(31,311)</u>
<b>Disbursements</b>				
Salaries	396,631	389,194	347,878	41,316
Materials and Supplies	52,000	51,960	49,821	2,139
Equipment and Vehicles	10,000	10,140	9,071	1,069
Contracts - Repair		575	272	303
Contracts - Services	31,755	34,181	20,698	13,483
Rentals		1,950		1,950
Travel and Training	12,000	9,800	8,815	985
Advertising and Printing	5,000	3,295	1,684	1,611
Public Employee's Retirement	48,866	55,886	44,768	11,118
Worker's Compensation	8,114	8,757	6,963	1,794
Utilities	3,500	6,750	3,356	3,394
Insurance	46,287	49,533	43,976	5,557
Other	13,229	7,443	5,506	1,937
<b>Total Disbursements</b>	<u>627,382</u>	<u>629,464</u>	<u>542,808</u>	<u>86,656</u>
Receipts Over (Under) Disbursements	<u>(300,526)</u>	<u>(408,864)</u>	<u>(353,519)</u>	<u>55,345</u>
<b>Other Financing Sources (Uses)</b>				
Transfers-In	234,000	340,000	341,000	1,000
Advances-In	250,000	250,000	445,682	195,682
Transfers-Out				
Advances-Out	<u>(250,000)</u>	<u>(335,967)</u>	<u>(335,967)</u>	
<b>Total Other Financing Sources (Uses)</b>	<u>234,000</u>	<u>254,033</u>	<u>450,715</u>	<u>196,682</u>
<b>Net Change in Fund Balance</b>	<u>(66,526)</u>	<u>(154,831)</u>	<u>97,196</u>	<u>252,027</u>
Fund Balance Beginning of Year	380,093	380,093	380,093	
Prior Year Encumbrances Appropriated	<u>16,701</u>	<u>16,701</u>	<u>16,701</u>	
<b>Fund Balance End of Year</b>	<u><u>\$330,268</u></u>	<u><u>\$241,963</u></u>	<u><u>\$493,990</u></u>	<u><u>\$252,027</u></u>

See accompanying notes to the basic financial statements.



**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS  
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
ENVIRONMENTAL PLUMBING AND INSPECTION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Licenses, Permits and Fees	\$485,000	\$485,000	\$571,284	\$86,284
Other Receipts			6,474	6,474
<b>Total Receipts</b>	<u>485,000</u>	<u>485,000</u>	<u>577,758</u>	<u>92,758</u>
<b>Disbursements</b>				
Salaries	330,811	343,047	328,211	14,836
Materials and Supplies	17,000	18,200	15,951	2,249
Equipment and Vehicles	25,000	40,000	34,857	5,143
Contracts - Repair	2,500	3,135	2,602	533
Contracts - Services	11,000	3,800	1,300	2,500
Rentals	1,000	1,690	351	1,339
Travel and Training	6,000	5,667	2,786	2,881
Advertising and Printing	2,000	3,580	1,394	2,186
Public Employee's Retirement	53,632	51,783	44,954	6,829
Worker's Compensation	8,906	7,719	6,718	1,001
Utilities	7,000	11,700	10,712	988
Insurance	79,114	69,262	50,139	19,123
Other	9,739	12,244	8,392	3,852
<b>Total Disbursements</b>	<u>553,702</u>	<u>571,827</u>	<u>508,367</u>	<u>63,460</u>
Receipts Over (Under) Disbursements	<u>(68,702)</u>	<u>(86,827)</u>	<u>69,391</u>	<u>156,218</u>
Fund Balance Beginning of Year	240,276	240,276	240,276	
Prior Year Encumbrances Appropriated	<u>9,528</u>	<u>9,528</u>	<u>9,528</u>	
<b>Fund Balance End of Year</b>	<u><u>\$181,102</u></u>	<u><u>\$162,977</u></u>	<u><u>\$319,195</u></u>	<u><u>\$156,218</u></u>

*See accompanying notes to the basic financial statements.*

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS  
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
FOOD SERVICE OPERATIONS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Licenses, Permits and Fees	\$260,000	\$260,000	\$263,929	\$3,929
Other Receipts			203	203
<b>Total Receipts</b>	<u>260,000</u>	<u>260,000</u>	<u>264,132</u>	<u>4,132</u>
<b>Disbursements</b>				
Salaries	186,647	186,127	168,394	17,733
Materials and Supplies	3,000	3,500	1,891	1,609
Remittances to State	20,206	22,000	18,219	3,781
Equipment and Vehicles	30,000	20,000		20,000
Contracts - Repair	500			
Contracts - Services	3,600	700	700	
Rentals	4,500	910		910
Travel and Training	5,500	6,650	5,317	1,333
Advertising and Printing	1,500	1,000	405	595
Public Employee's Retirement	24,091	27,091	22,588	4,503
Worker's Compensation	2,997	4,200	2,473	1,727
Utilities	2,500	4,500	2,567	1,933
Insurance	21,925	30,519	23,124	7,395
Other	5,431	5,456	2,694	2,762
<b>Total Disbursements</b>	<u>312,397</u>	<u>312,653</u>	<u>248,372</u>	<u>64,281</u>
Receipts Over (Under) Disbursements	(52,397)	(52,653)	15,760	68,413
Fund Balance Beginning of Year	290,713	290,713	290,713	
Prior Year Encumbrances Appropriated	2,906	2,906	2,906	
<b>Fund Balance End of Year</b>	<u><u>\$241,222</u></u>	<u><u>\$240,966</u></u>	<u><u>\$309,379</u></u>	<u><u>\$68,413</u></u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**1. DESCRIPTION OF THE COMBINED HEALTH DISTRICT AND REPORTING ENTITY**

The constitution and laws of the State of Ohio establish the rights and privileges of the Greene County Combined Health District, (the District), as a body corporate and politic. A thirteen-member Board and a Health Commissioner govern the District which provides health services in all of Greene County, including cities, villages, and townships.

**Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations ensuring that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. They comprise the District's legal entity which provides services associated with immunization, vital statistics, health related licenses and permits, disease prevention and control, homemaker and public health nursing.

The Greene County Commissioners are the taxing authority for the District. The Greene County Auditor and the Greene County Treasurer are responsible for fiscal control of the resources of the District.

The District's management believes the financial statements present all activities for which the District is financially accountable.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

These financial statements follow the basis of accounting the Auditor of State prescribes or permits.

The District's Basic Financial Statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

**1. Government-Wide Financial Statements**

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

The Statement of Net Assets presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses 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 District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the District.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. Fund Financial Statements**

During the year, the District segregates transactions related to certain District 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 District 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.

**3. Fund Accounting**

The District 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 District utilizes the governmental category of funds.

**4. Governmental Funds**

Governmental funds are those through which most governmental functions of the District 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 District's major governmental funds:

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

**Clinic Health Services Fund** – This fund is used to account for revenue received and expended for the following activities: Bureau for Children with Medical Handicaps (BCMh), health supervision, specialty clinics- hearing and vision, communicable disease, Aids/HIV prevention, welcome home program and other primary care programs.

**Environmental Plumbing/ Inspection Fund** – This fund is used to account for revenue received and expended for the following program activities: Resident camps, trash and tank trucks, sewage disposal, demolition, housing, mosquito control, nuisance abatement, rabies control, tattoo parlors, plumbing, etc.

**Food Service Operations Fund** – This fund is used to account for revenue received and expended for the following components: the food service operations and the retail food establishment operations. Both programs are state mandated programs that assure the health and safety of all food operation patrons. Activities include periodic inspections as prescribed by law for restaurants, grocery stores, mobile food operations, temporary food operators and vending locations.

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

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Measurement Focus**

The District 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 District'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.

**B. Cash**

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District'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 District uses.

**D. Long-term Debt Obligations**

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

**E. Net Assets**

These statements report restricted net assets when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use.

The District first applies restricted resources when incurring a disbursement for which it may use either restricted or unrestricted resources.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Budgetary Process**

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The budgetary basis reports expenditures when commitments are made (i.e., when an encumbrance is approved.) The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount District may appropriate. The appropriation resolution is the District's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the District. The legal level of budgetary control has been established by District at the fund and object level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect at the time final appropriations were passed by District.

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

Budget versus actual statements for major funds are presented as part of the financial statements.

**G. 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 District uses.

**3. CHANGES IN ACCOUNTING PRINCIPLES**

For the year ended December 31, 2004, the District revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. The financial statements now include entity-wide financial statements, which present information for the District as a whole, and fund financial statements, which present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column.

The District also implemented GASB Statement No. 37, which clarifies certain provisions of Statement No. 34, including the required content of the Management's Discussion and Analysis, the classification of program revenues and the criteria for determining major funds, and GASB Statement No. 38, which modifies, establishes and rescinds certain financial statement note disclosures.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**4. CASH AND CASH EQUIVALENTS**

The Greene County Commissioners maintain a cash pool used by all of the County's funds, including those of the Combined Health District. The Ohio Revised Code prescribes allowable deposits and investments. At year-end, the carrying amount of the District's deposits with the Greene County Commissioners was \$1,798,448. The Greene County Board of Commissioners, as the fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled cash and deposit accounts.

**5. PROPERTY TAXES**

The Greene County Commissioners serve as a special taxing authority to levy a special levy outside the property tax ten-mill limitation to provide the District with sufficient funds to carry out health Programs and general operations. The County Commissioners have placed a countywide levy of .5 mills on the ballot that gained approval by the electors of the county.

**6. INTERFUND BALANCES**

Unpaid inter-fund cash advances at December 31, 2004 were as follows:

	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
General	\$465,682	\$0
Clinic Health Services Fund		445,682
Other Governmental Funds		20,000
Total Interfund Receivable/Payable	\$465,682	\$465,682

The inter-fund transactions between general and special revenue funds are due to the timing of the receipt of grant monies and temporary advance of funds from the general fund to the clinic health services fund.

**7. INTERFUND TRANSFERS**

Interfund cash transfers for the year ended December 31, 2004 were as follows:

		<b>TRANSFER TO:</b>		
	<b>Clinic Health Services Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>	
<b>TRANSFER FROM:</b>				
General	\$341,000	\$487,000	\$828,000	
Totals	\$341,000	\$487,000	\$828,000	

The District transferred cash for grant reimbursement purposes due to the timing of the receipt of grant monies.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**8. RISK MANAGEMENT**

**A. Commercial Insurance**

The District has obtained commercial insurance for the following risks:

- Property, Equipment and Vehicles,
- Employee health insurance benefits,
- Errors and Omissions,
- Directors and Officers

**B. Risk Pool Membership**

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

**Casualty Coverage**

PEP retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. PEP pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, up to \$1,750,000 per claim and \$5,000,000 in the aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$10,000,000 from the General Reinsurance Corporation.

If losses exhaust PEP's retained earnings, APEEP covers PEP losses up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000.

**Property Coverage**

PEP retains property risks, including automobile physical damage, up to \$100,000 on any specific loss in any one occurrence. The Travelers Indemnity Company reinsures losses exceeding \$100,000 up to \$500,000,000 per occurrence. APEEP's Guarantee Fund pays losses and loss adjustment expenses exceeding operating contributions.

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

**Financial Position**

PEP's financial statements (audited by other accountants) conform to generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2004 and 2003.

<u>Casualty Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$30,547,049	\$25,288,098
Liabilities	(16,989,918)	(12,872,985)
Retained earnings	<u>\$13,557,131</u>	<u>\$12,415,113</u>
<u>Property Coverage</u>	<u>2004</u>	<u>2003</u>
Assets	\$3,652,970	\$3,158,813
Liabilities	(544,771)	(792,061)
Retained earnings	<u>\$3,108,199</u>	<u>\$2,366,752</u>



**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**9. PENSION OBLIGATIONS**

The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans as described below:

- **The Traditional Pension Plan** – a cost sharing, multiple-employer defined benefit pension plan;
- **The Member-Directed Plan** – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
- **The Combined Plan** – a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member- Directed Plan.

OPER provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPER issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-6701 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2004, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan. The 2004 member contribution rates were 8.5% for members in classifications other than law enforcement and public safety. The 2004 employer contribution rate for local government employer units was 13.55% of covered payroll.

The District's contributions for pension obligations to the traditional, combined, and member directed plans for the year ended December 31, 2004 was \$239,856. 73% has been contributed for 2004 with the remaining 27%, which is the fourth quarter employer match, to be paid in the first quarter of 2005.

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

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

The health care coverage provided by the retirement system is considered an Other Post employment Benefit (OPB) as described in GASB Statement No. 12. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 employer contribution rate was 13.55 percent of covered payroll and 4.00 percent was the portion used to fund health care.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)**

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.

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

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund post employment benefits were \$100,463. The actual contribution and the actuarial required contribution amounts are the same. OPERS' net assets available for the payment of benefits at December 31, 2003 (the latest information available), was \$10.5 billion. The actuarial accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004, OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

**11. CONTINGENCIES**

**A. Litigation**

The District is a party to litigation. Although the outcome of the litigation is not presently determinable, management believes the resolution of these matters will not materially or adversely affect the District's financial condition.

**B. Grants**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004  
(Continued)**

**12. CONTRACTUAL COMMITMENTS**

At December 31, 2004, the District had \$266,802 in contractual commitments for services provided. Some of the following commitments will be funded by federal and state program grants.

<u>Contractor</u>	<u>Amount</u>
Medical Director, R.P. Dillaplain	\$11,235
Medical Waste Pickup	4,707
Beth Knouse	11,350
Compunet Labs	9,806
David Dean	22,300
Fayette County Health Department	47,524
Dawan/Hurst	782
Greene County Parks/ Recreations	1,007
United Parcel Services	872
Terri Simon's Lawn Cutting Service	1,405
Modern Office Methods	11,401
Pitney Bowes	3,708
Miami Valley Interpreter	857
Universal Medical Services	620
Greene Radiology	1,420
Medtox Labs	410
Keith Watson, MD	6,187
Wright State University Assessment	22,600
Katherine S. Linn, MD	6,718
Patrick Jonas, MD	5,195
Van Dyne Crotty – Uniforms	3,865
Alec Hagerty – Speaker fee	500
Regional Air Pollution	6,630
Boonshoft Museum of Discovery	1,440
Terry Haudi – Speaker fee	900
CBS Personnel Services	6,788
Maitreyee Sherman	31,004
Cheryl Meyer, Ph.D – Evaluation services	10,000
Children's Medical Center	480
Bruce Barcelo	35,091
	<hr/>
Total:	<u><u>\$266,802</u></u>

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2004**

<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Disbursements</b>
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
<i>Passed through Ohio Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	29-1-001-1-CL-004 29-1-001-1-CL-005	10.557	\$321,928 65,112
Total United States Department of Agriculture - (WIC)			<u>387,040</u>
<b>UNITED STATES DEPARTMENT OF TRANSPORTATION</b>			
<i>Passed through Ohio Department of Public Safety</i>			
State and Community Highway Safety	29000HDO (4158.0) 29000HDO (5032.0)	20.600	21,893 6,182
Total United States Department of Transportation - State and Community Highway Safety			<u>28,075</u>
<b>UNITED STATES ENVIRONMENTAL PROTECTION AGENCY</b>			
<i>Passed Through Ohio Department of Health</i>			
State Indoor Radon Grants	29-1-001-2-BA-04 29-1-001-2-BA-05	66.032	47,464 14,606
Total United States Environmental Protection Agency - State Indoor Radon Grants			<u>62,070</u>
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Passed Through Ohio Department of Health</i>			
Centers for Disease Control and Prevention_Investigations and Technical Assistance (Public Health Infrastructure)	29-1-001-2-BI-04 29-1-001-2-BI-05	93.283	140,003 34,356
Total Centers for Disease Control and Prevention_Investigations and Technical Assistance			<u>174,359</u>
Immunization Grants	29-1-001-2-AZ-04	93.268	28,000
Preventive Health and Health Services Block Grant	29-1-001-2-EE-04	93.991	24,000
Maternal and Child Health Services Block Grant to the States	29-1-001-1-MC-04 29-1-001-1-MC-05	93.994	33,925 33,735
Total Maternal and Child Health Services Block Grant to the States			<u>67,660</u>
<i>Passed Through Ohio Department of Health</i>			
<i>Passed Through City of Portsmouth Board of Health</i>			
HIV Prevention Activities_Health Department Based	263-440-5283	93.940	<u>44,148</u>
Total United States Department of Health and Human Services			<u>338,167</u>
<b>Total Federal Assistance</b>			<u><u>\$815,352</u></u>

*The accompanying notes are an integral part of this schedule.*

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004**

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B – MATCHING REQUIREMENTS**

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

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## Auditor of State Betty Montgomery

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

Greene County Combined Health District  
360 Wilson Drive  
P.O. Box 250  
Xenia, Ohio 45385

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greene County Combined Health District (the District) as of and for the year ended December 31, 2004 which collectively comprise the District's basic financial statements and have issued our report thereon dated October 19, 2005, wherein we noted that the District revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the District's management dated October 19, 2005, we reported an other matter involving internal control over financial reporting we did not deem a reportable condition.

#### **Compliance and Other Matters**

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

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Greene County Combined Health District  
Greene County  
Independent Accountants' Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Required by *Government Auditing Standards*  
Page 2

We intend this report solely for the information and use of the finance committee, management, the Board of Trustees, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

October 19, 2005





## **Auditor of State Betty Montgomery**

### **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Greene County Combined Health District  
360 Wilson Drive  
P.O. Box 250  
Xenia, Ohio 45385

To the Board of Trustees:

#### **Compliance**

We have audited the compliance of the Greene County Combined Health District, (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2004. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2004.

#### **Internal Control Over Compliance**

The District's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We intend this report solely for the information and use of the finance committee, management, the Board of Trustees, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

October 19, 2005

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
FOR THE YEAR ENDED DECEMBER 31, 2004**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	CFDA # 10.557 – Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None



**Auditor of State  
Betty Montgomery**

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**COMBINED HEALTH DISTRICT**

**GREENE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
DECEMBER 1, 2005**