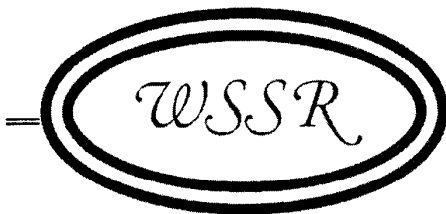


**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
FINANCIAL STATEMENTS
DECEMBER 31, 2009**



Whited Seigneur Sams & Rahe, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Mary Taylor, CPA

Auditor of State

Board of Health
Fairfield County Combined General Health District
1587 Granville Pike
Lancaster, Ohio 43130-1038

We have reviewed the *Independent Auditor's Report* of the Fairfield County Combined General Health District, Fairfield County, prepared by Whited, Seigneur, Sams & Rahe CPAs, LLP, for the audit period January 1, 2009 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 24, 2010

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FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT

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FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT

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June 30, 2010

Members of the Board of Health
Fairfield County Combined General Health District

Independent Auditor's Report

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairfield County Combined General Health District (the District), Fairfield County, Ohio, as of and for the year ended December 31, 2009, 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 *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 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 that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of December 31, 2009, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund, Public Health Nursing Fund, Women, Infants & Children Fund, and the Bioterrorism Grant Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2010 on our consideration of the District'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis on pages 3 through 11 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprises the District's basic financial statements. The Schedule of Federal Awards Expenditures is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements. The Schedule of Federal Awards Expenditures has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

As described in Note 3, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, and GASB Statement No 57, *Other Postemployment Benefit (OPEB) Measurements by Agent Employers and Agent Multiple-Employers*.

Respectfully submitted,

WHITED SEIGNEUR SAMS & RAHE, CPAs, LLP



FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009

The management discussion and analysis of the Fairfield County Combined General Health District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended December 31, 2009. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2009 are as follows:

- For 2009, the total net assets of the District increased \$783,018, which represents a 37.86% increase from 2008.
- General revenues accounted for \$883,488 in revenue or 17.52% of all revenues. The District also posted a special item for the forgiveness of notes payable for \$77,227. Program specific revenues in the form of charges for services and sales, and grants and contributions accounted for \$4,082,691 or 80.95% of total revenues of \$5,043,406.
- The District had \$4,260,388 in expenses related to governmental activities; \$4,082,691 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$883,488 were adequate to provide for these programs.
- The District's major funds are the general fund, the public health nursing fund, the women, infants and children fund, and the bioterrorism grant fund. The general fund had \$1,425,820 in revenues and \$1,465,820 in expenditures and other financing uses. During fiscal 2009, the general fund's fund balance decreased \$40,000 from \$107,273 to \$67,273.
- The public health nursing fund, a District major fund, had \$1,299,634 in revenues and other financing sources and \$1,067,801 in expenditures. During fiscal 2009, the public health nursing fund balance increased \$231,833 from a deficit balance of \$91,834 to a fund balance of \$139,999.
- The women, infants and children fund, a District major fund, had \$373,658 in revenues and \$380,243 in expenditures. During fiscal 2009, the women, infants and children fund balance decreased \$6,585 from a balance of \$129,517 to a fund balance of \$122,932.
- The bioterrorism grant fund, a District major fund, had \$581,859 in revenues and \$256,255 in expenditures. During fiscal 2009, the bioterrorism grant fund balance increased \$325,604 from a balance of \$39,410 to a fund balance of \$365,014.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net assets and statement of activities provide information about the activities of the District as a whole, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2009?" The statement of net assets and the statement of activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, nonfinancial information such as the condition of the District's capital assets, the reliance on non-local financial resources for the operations and the need for continued growth will also need to be evaluated.

The District's statement of net assets and statement of activities can be found on pages 12-13 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental fund begins on page 8. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, the public health nursing fund, the women, infants and children fund and the bioterrorism grant 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 fund 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 year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the 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, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains a multitude of individual governmental funds. The District has segregated these funds into major funds and nonmajor funds. The District's major governmental funds are the general fund, the public health nursing fund, the women, infants and children fund, and the bioterrorism grant fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 14-21 of this report.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-38 of this report.

Government-wide Financial Analysis

The table below provides a summary of the District's government-wide assets, liabilities and net assets for 2009 and 2008:

	Net Assets	
	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
Current and other assets	\$ 2,057,419	\$ 1,139,958
Capital assets, net	<u>1,498,453</u>	<u>1,506,184</u>
Total assets	<u>3,555,872</u>	<u>2,646,142</u>
<u>Liabilities</u>		
Current liabilities	442,810	324,231
Long-term liabilities:		
Due within one year	201,232	209,717
Due in more than one year	<u>60,673</u>	<u>44,055</u>
Total liabilities	<u>704,715</u>	<u>578,003</u>
<u>Net Assets</u>		
Invested in capital assets	1,498,453	1,506,184
Restricted	1,437,663	652,290
Unrestricted (deficit)	<u>(84,959)</u>	<u>(90,335)</u>
Total net assets	<u>\$ 2,851,157</u>	<u>\$ 2,068,139</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2009, the District's assets exceeded liabilities by \$2,851,157.

At year-end, capital assets represented 42.14% of total assets. Capital assets include land, buildings, structures and improvements, furniture, fixtures and equipment, and vehicles. Capital assets at December 31, 2009 were \$1,498,453. These capital assets are used to provide services to citizens and are not available for future spending. A portion of the District's net assets, \$1,437,663, represents resources that are subject to external restriction on how they may be used. The remaining balance of net assets is a deficit of \$84,959.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

The table below shows the changes in net assets for fiscal years 2009 and 2008. Certain 2008 taxes and grants and entitlements were reclassified to conform to 2009 presentation.

Change in Net Assets			
	Governmental Activities 2009	Restated Governmental Activities 2008	Percentage Change
<u>Revenues</u>			
Program revenues:			
Charges for services and sales	\$ 1,396,394	\$ 1,525,090	(8.44) %
Operating grants and contributions	2,686,297	1,387,144	93.66 %
General revenues:			
Property taxes	781,829	724,716	7.88 %
Grants and entitlements	69,091	70,608	(2.15) %
Contributions and donations	305	30,572	(99.00) %
Other	32,263	120	26,785.83 %
Total revenues	4,966,179	3,738,250	32.85 %
<u>Expenses</u>			
Program expenses:			
Health:			
Environmental health	872,091	743,879	17.24 %
Community health services	1,765,091	1,570,893	12.36 %
Health promotion and planning	686,445	646,736	6.14 %
Administration	936,761	1,076,893	160.52 %
Interest and fiscal charges	-	1,627	(100.00) %
Total expenses	4,260,388	4,040,028	5.45 %
Special item	77,227	-	100.00 %
Change in net assets	783,018	(301,778)	(359.47) %
Net assets at beginning of year	2,068,139	2,369,917	(12.73) %
Net assets at end of year	\$ 2,851,157	\$ 2,068,139	37.86 %

Governmental Activities

Governmental activities net assets increased \$783,018 in 2009. Community health services accounted for \$1,765,091 of the total expenses of the District. Major programs in community health services include the public health clinic and WIC program services. These expenses were partially funded by \$302,688 in direct charges to users of the services. Environmental health accounted for \$872,091 of the total expenses of the district. Major programs in environmental health include food service, water system, and landfill inspections. These expenses were partially funded by \$775,871 in direct charges to users of the services.

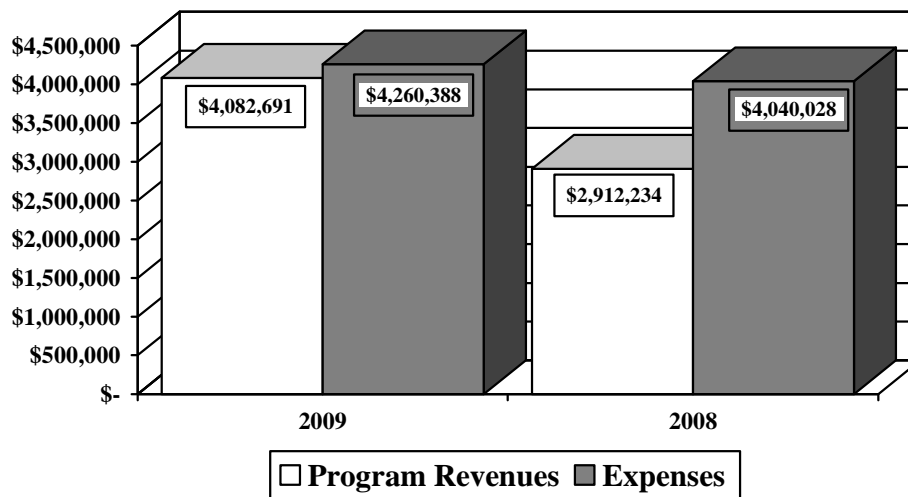
**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

The State and federal government contributed to the District a total of \$2,686,297 in operating grants and contributions. These revenues are restricted to a particular program or purpose. Of the total operating grants and contributions, \$59,712 subsidized environmental health programs, \$1,948,867 subsidized community health services programs and \$677,718 subsidized health promotion and planning programs. The District's strategy to secure the maximum amount of grants and contributions that are provided by the state and federal governments continues to be productive. Grants include Safe Communities, Bioterrorism, Ohio Tobacco Prevention, Child and Family Health Services, Family Planning (Title X), Women's Health Services and Women, Infants, and Children (WIC).

General revenues totaled \$883,488 and amounted to 17.52% of total governmental revenues. These revenues primarily consist of property tax revenue of \$781,829. The other primary source of general revenues is grants and entitlements not restricted to specific programs making up \$69,091.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities - Program Revenues vs. Total Expenses

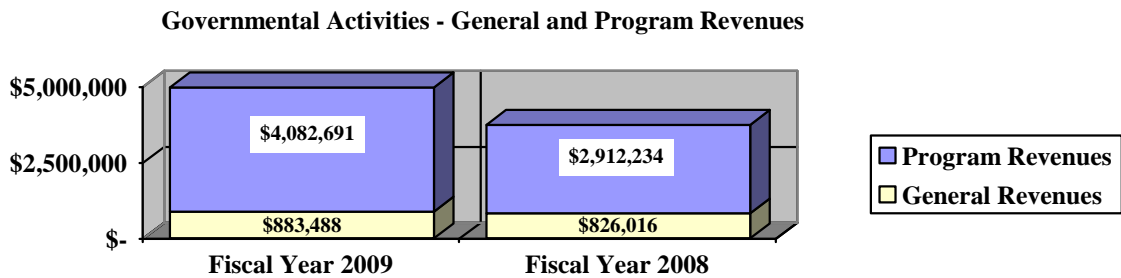


Governmental Activities

	Total Cost of Services 2009	Net Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2008
Program expenses:				
Environmental health	\$ 872,091	\$ 36,508	\$ 743,879	\$ 96,281
Community health services	1,765,091	(486,464)	1,570,893	284,254
Health promotion and planning	686,445	(36,013)	646,736	141,115
Administration	936,761	663,666	1,076,893	606,144
Interest and fiscal charges	-	-	1,627	-
Total	\$ 4,260,388	\$ 177,697	\$ 4,040,028	\$ 1,127,794

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

The dependence upon operating grants and contributions for governmental activities is apparent, with 63.05% of expenses supported through operating grants and contributions.



Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at year-end.

The District's governmental funds (as presented on the balance sheet on page 14) reported a combined fund balance of \$837,858 which is \$414,596 more than last year's total of \$423,262. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2009 for all major and nonmajor governmental funds.

	Fund Balances 12/31/09	Fund Balances (Deficit) 12/31/08	Increase (Decrease)
Major fund:			
General	\$ 67,273	\$ 107,273	\$ (40,000)
Public health nursing	139,999	(91,834)	231,833
Women, infants & children	122,932	129,517	(6,585)
Bioterrorism grant	365,014	39,410	325,604
Other nonmajor governmental funds	142,640	238,896	(96,256)
Total	\$ 837,858	\$ 423,262	\$ 414,596

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

General Fund

The District's general fund balance decreased \$40,000. The table that follows assists in illustrating the revenues of the general fund. Certain 2008 tax and intergovernmental receipts were reclassified to conform to 2009 presentation.

	2009 Amount	Restated 2008 Amount	Percentage Change
<u>Revenues</u>			
Taxes	\$ 781,829	\$ 724,716	7.88 %
Charges for services	4,267	134,499	(96.83) %
Licenses and permits	555,927	469,281	18.46 %
Intergovernmental	69,091	70,608	(2.15) %
Contributions and donations	305	-	100.00 %
Other	14,401	120	11,900.83 %
Total	\$ 1,425,820	\$ 1,399,224	1.90 %

Tax revenue represents 54.83% of all general fund revenue. The increase in other revenue is due to more refunds and reimbursements being collected during the fiscal year. Charges for services decreased 96.83% due to a decrease in the amount health and inspection fee revenue being received by the District during the available period. All other revenue remained comparable to 2008.

The table that follows assists in illustrating the expenditures of the general fund.

	2009 Amount	2008 Amount	Percentage Change
<u>Expenditures</u>			
Environmental health	\$ 240,665	\$ 55,354	334.77 %
Community health services	189,598	142,337	33.20 %
Health promotion and planning	78,728	-	100.00 %
Administration	918,340	1,121,984	(18.15) %
Total	\$ 1,427,331	\$ 1,319,675	8.16 %

All expenditure functions for the District had significant changes from the prior year due mainly to improvements in how the expenditures were classified in 2009. Overall, the District's expenditures increased 8.16%, due to normal and customary increases in costs, including salaries and wages.

Public Health Nursing Fund

The public health nursing fund had \$1,299,634 in revenues and other financing sources and \$1,067,801 in expenditures. During fiscal 2009, the public health nursing fund balance increased \$231,833 from a deficit balance of \$91,834 to a fund balance of \$139,999.

Women, Infants and Children Fund

The women, infants and children fund had \$373,658 in revenues and \$380,243 in expenditures. During fiscal 2009, the women, infants and children fund balance decreased \$6,585 from a balance of \$129,517 to a fund balance of \$122,932.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Bioterrorism Grant Fund

The bioterrorism grant fund had \$581,859 in revenues and \$256,255 in expenditures. During fiscal 2009, the bioterrorism grant fund balance increased \$325,604 from a balance of \$39,410 to a fund balance of \$365,014. The increase in fund balance is primarily a result of unspent grant revenue.

Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

During the course of fiscal 2009, the District amended its general fund budget several times. For the general fund, original budgeted revenues were \$1,745,759 and final budgeted revenues were \$1,378,878. Actual revenues and other financing sources for fiscal 2009 were \$1,484,413. This represents a \$105,535 increase from final budgeted revenues.

General fund original appropriations totaled \$1,731,958 and final appropriations totaled 1,478,245. The actual budget basis expenditures and other financing uses for fiscal year 2009 totaled \$1,462,875, which was \$15,370 less than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of 2009, the District had \$1,498,453 (net of accumulated depreciation) invested in land, buildings, structures and improvements, furniture, fixtures and equipment, and vehicles. The following table shows 2009 balances compared to 2008:

**Capital Assets at December 31
(Net of Depreciation)**

	Governmental Activities	
	2009	2008
Land	\$ 186,149	\$ 186,149
Buildings, structures and improvements	1,257,191	1,276,990
Furniture, fixtures and equipment	39,041	17,580
Vehicles	16,072	25,465
Total	\$ 1,498,453	\$ 1,506,184

The overall decrease in capital assets of \$7,731 is the result of depreciation expense of \$42,647 being greater than additions of \$34,916 during fiscal year 2009.

See Note 5 to the basic financial statements for additional information on the District's capital assets.

Debt Administration

The District had a note payable of \$70,000 to the Fairfield County Board of Commissioners at December 31, 2008. This note payable was forgiven in full during fiscal year 2009. See Note 6 to the financial statements for additional information on the note payable.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Economic Factors and Next Year's Budget

The Fairfield County Combined General Health District's budget for 2010 was reduced by 3% over the 2009 budget. Several factors during calendar year 2009 accounted for this reduction. The city of Pickerington withdrew from the health department merger, which reduced the District's tax settlement by \$89,969.85. In addition to this loss, in late 2009, the District Advisory Council disapproved the District's House to House fees, which reduced the anticipated revenue by another \$200,000.00. These losses were partially mitigated by the District's clinic receiving Federally Qualified Health Center status which was accompanied by federal grant monies. Although the clinic is in the process of becoming independent of the health district, its revenue for a partial year should add \$352,438.00 to the district's revenue. During 2009, the district continued to experience a reduction in environmental revenue, due to the dismal state of the economy. In response to an anticipated reduction in revenue, the district laid off two sanitarians, one full time and one part time environmental technician, one clerk, and our social services coordinator. The district's revenue will be closely monitored during 2010, and additional staff will be laid off if necessary, so expenses will not exceed revenue.

Contacting the Government'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 money it receives. If you have questions about this report or need additional financial information contact Paulette Tiller, Fiscal Officer, 1587 Granville Pike, Lancaster, Ohio 43130, email to ptiller@co.fairfield.oh.us or by calling the District at (740) 653-4489.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF NET ASSETS
DECEMBER 31, 2009

		Governmental Activities
Assets:		
Cash and cash equivalents with fiscal agent.	\$	508,036
Receivables (net of allowances for uncollectibles):		
Accounts		109,620
Intergovernmental		1,409,494
Prepayments		30,269
Capital assets:		
Nondepreciable capital assets.		186,149
Depreciable capital assets, net		1,312,304
Total capital assets.		1,498,453
 Total assets		 3,555,872
Liabilities:		
Accounts payable.		64,031
Accrued wages and benefits		183,861
Intergovernmental payable		194,918
Long-term liabilities:		
Due within one year		201,232
Due in more than one year		60,673
Total liabilities		704,715
Net assets:		
Invested in capital assets		1,498,453
Restricted for:		
Other purposes		1,437,663
Unrestricted (deficit)		(84,959)
Total net assets	\$	2,851,157

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Environmental health	\$ 872,091	\$ 775,871	\$ 59,712	\$ (36,508)
Community health services	1,765,091	302,688	1,948,867	486,464
Health promotion and planning	686,445	44,740	677,718	36,013
Administration	936,761	273,095	-	(663,666)
Total governmental activities	4,260,388	1,396,394	2,686,297	(177,697)
 General Revenues:				
Property and other taxes levied for:				
General purposes				781,829
Grants and entitlements not restricted to specific programs				69,091
Unrestricted contributions				305
Miscellaneous				32,263
Total general revenues				883,488
Special item:				
Forgiveness of note payable				77,227
Change in net assets				783,018
Net assets at beginning of year				2,068,139
Net assets at end of year				\$ 2,851,157

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	<u>General Fund</u>	<u>Public Health Nursing Fund</u>	<u>Women, Infants & Children Fund</u>	<u>Bioterrorism Grant Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:						
Cash and cash equivalents with fiscal agent	\$ 100,953	\$ 51,901	\$ 64,976	\$ 120,215	\$ 169,991	\$ 508,036
Receivables: (net of allowance for uncollectibles)						
Accounts	42,494	1,883	-	-	65,243	109,620
Intergovernmental	720	640,116	283,895	338,729	146,034	1,409,494
Interfund loans	28,700	-	-	-	-	28,700
Prepayments.	11,332	11,310	921	1,500	5,206	30,269
Total assets.	<u>\$ 184,199</u>	<u>\$ 705,210</u>	<u>\$ 349,792</u>	<u>\$ 460,444</u>	<u>\$ 386,474</u>	<u>\$ 2,086,119</u>
Liabilities:						
Accounts payable	\$ 11,497	\$ 30,249	\$ 730	\$ 7,736	\$ 13,819	\$ 64,031
Accrued wages and benefits.	65,366	51,550	14,971	18,718	33,256	183,861
Interfund loans payable	-	8,000	3,200	-	17,500	28,700
Intergovernmental payable	40,063	39,531	18,696	7,448	89,180	194,918
Deferred revenue	-	435,881	189,263	61,528	90,079	776,751
Total liabilities	<u>116,926</u>	<u>565,211</u>	<u>226,860</u>	<u>95,430</u>	<u>243,834</u>	<u>1,248,261</u>
Fund Balances:						
Reserved for encumbrances.	3,850	3,148	1,857	7,503	29,365	45,723
Reserved for prepayments	11,332	11,310	921	1,500	5,206	30,269
Unreserved, undesignated, reported in:						
General fund	52,091	-	-	-	-	52,091
Special revenue funds.	-	125,541	120,154	356,011	108,069	709,775
Total fund balances	<u>67,273</u>	<u>139,999</u>	<u>122,932</u>	<u>365,014</u>	<u>142,640</u>	<u>837,858</u>
Total liabilities and fund balances	<u>\$ 184,199</u>	<u>\$ 705,210</u>	<u>\$ 349,792</u>	<u>\$ 460,444</u>	<u>\$ 386,474</u>	<u>\$ 2,086,119</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2009

Total governmental fund balances	\$ 837,858
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,498,453
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. Intergovernmental receivables	776,751
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows: Compensated absences	<u>(261,905)</u>
Net assets of governmental activities	<u><u>\$ 2,851,157</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Public Health Nursing Fund	Women, Infants & Children Fund	Bioterrorism Grant Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 781,829	\$ -	\$ -	\$ -	\$ -	\$ 781,829
Charges for services	4,267	293,660	-	-	131,096	429,023
Licenses and permits	555,927	-	-	-	410,898	966,825
Fines and forfeitures	-	-	-	-	546	546
Intergovernmental	69,091	965,074	373,405	581,759	454,974	2,444,303
Contributions and donations	305	851	-	-	3,175	4,331
Other	14,401	15,049	253	100	2,460	32,263
Total revenues	<u>1,425,820</u>	<u>1,274,634</u>	<u>373,658</u>	<u>581,859</u>	<u>1,003,149</u>	<u>4,659,120</u>
Expenditures:						
Current:						
Environmental health	240,665	-	-	-	621,317	861,982
Community health services	189,598	1,067,801	380,243	-	139,562	1,777,204
Health promotion and planning	78,728	-	-	256,255	352,015	686,998
Administration	918,340	-	-	-	-	918,340
Total expenditures	<u>1,427,331</u>	<u>1,067,801</u>	<u>380,243</u>	<u>256,255</u>	<u>1,112,894</u>	<u>4,244,524</u>
Excess (deficiency) of revenues over (under) expenditures	(1,511)	206,833	(6,585)	325,604	(109,745)	414,596
Other financing sources (uses):						
Transfers in	-	25,000	-	-	13,489	38,489
Transfers out	(38,489)	-	-	-	-	(38,489)
Total other financing sources (uses)	<u>(38,489)</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>13,489</u>	<u>-</u>
Net change in fund balances	(40,000)	231,833	(6,585)	325,604	(96,256)	414,596
Fund balances (deficit) at beginning of year	<u>107,273</u>	<u>(91,834)</u>	<u>129,517</u>	<u>39,410</u>	<u>238,896</u>	<u>423,262</u>
Fund balances at end of year	<u>\$ 67,273</u>	<u>\$ 139,999</u>	<u>\$ 122,932</u>	<u>\$ 365,014</u>	<u>\$ 142,640</u>	<u>\$ 837,858</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

Net change in fund balances - total governmental funds \$ 414,596

Amounts reported for governmental activities in the statement of activities are different because:

Government funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital asset additions	\$	34,916	
Current year depreciation		<u>(42,647)</u>	
Total			(7,731)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Intergovernmental		307,059
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The forgiveness of notes payable is not reported as revenue in the governmental funds, but is reported as a special item on the statement of activities.		77,227
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Some expenses reported in the statement of activities, such as compensated absences, do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		<u>(8,133)</u>
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Change in net assets of governmental activities \$ 783,018

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 531,828	\$ 531,828	\$ 781,829	\$ 250,001
Charges for services	165,275	165,275	122,252	(43,023)
Licenses and permits	758,756	391,875	412,755	20,880
Intergovernmental	284,700	284,700	68,371	(216,329)
Contributions and donations	1,500	1,500	305	(1,195)
Other	3,700	3,700	14,401	10,701
Total revenues	<u>1,745,759</u>	<u>1,378,878</u>	<u>1,399,913</u>	<u>21,035</u>
Expenditures:				
Current:				
Health:				
Environmental health	318,874	247,849	244,759	3,090
Community health services	261,717	229,600	218,063	11,537
Health promotion and planning	99,498	75,500	74,711	789
Administration	1,011,525	884,952	880,953	3,999
Total expenditures	<u>1,691,614</u>	<u>1,437,901</u>	<u>1,418,486</u>	<u>19,415</u>
Excess (deficiency) of revenues over (under) expenditures	<u>54,145</u>	<u>(59,023)</u>	<u>(18,573)</u>	<u>40,450</u>
Other financing sources (uses):				
Transfers out	(40,344)	(40,344)	(38,489)	1,855
Advances in	-	-	84,500	84,500
Advances out	-	-	(5,900)	(5,900)
Total other financing sources (uses)	<u>(40,344)</u>	<u>(40,344)</u>	<u>40,111</u>	<u>80,455</u>
Net change in fund balance	13,801	(99,367)	21,538	120,905
Fund balance at beginning of year	56,655	56,655	56,655	-
Prior year encumbrances appropriated	<u>9,149</u>	<u>9,149</u>	<u>9,149</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 79,605</u>	<u>\$ (33,563)</u>	<u>\$ 87,342</u>	<u>\$ 120,905</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
PUBLIC HEALTH NURSING FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 351,552	\$ 402,052	\$ 323,192	\$ (78,860)
Intergovernmental	585,000	696,325	760,839	64,514
Contributions and donations	3,000	3,000	851	(2,149)
Other.	-	-	15,049	15,049
Total revenues.	<u>939,552</u>	<u>1,101,377</u>	<u>1,099,931</u>	<u>(1,446)</u>
Expenditures:				
Current:				
Health:				
Community health services	980,426	999,862	1,002,610	(2,748)
Total expenditures.	<u>980,426</u>	<u>999,862</u>	<u>1,002,610</u>	<u>(2,748)</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(40,874)</u>	<u>101,515</u>	<u>97,321</u>	<u>(4,194)</u>
Other financing sources (uses):				
Transfers in.	22,283	22,283	25,000	2,717
Advances out	-	-	(84,500)	(84,500)
Total other financing sources (uses)	<u>22,283</u>	<u>22,283</u>	<u>(59,500)</u>	<u>(81,783)</u>
Net change in fund balance	(18,591)	123,798	37,821	(85,977)
Fund balance at beginning of year	6,407	6,407	6,407	-
Prior year encumbrances appropriated.	<u>143</u>	<u>143</u>	<u>143</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (12,041)</u>	<u>\$ 130,348</u>	<u>\$ 44,371</u>	<u>\$ (85,977)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
WOMEN, INFANTS AND CHILDREN FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 333,326	\$ 333,326	\$ 370,978	\$ 37,652
Other.	-	-	253	253
Total revenues.	<u>333,326</u>	<u>333,326</u>	<u>371,231</u>	<u>37,905</u>
Expenditures:				
Current:				
Health:				
Community health services	333,326	371,944	371,119	825
Total expenditures.	<u>333,326</u>	<u>371,944</u>	<u>371,119</u>	<u>825</u>
Net change in fund balance	-	(38,618)	112	38,730
Fund balance at beginning of year	61,075	61,075	61,075	-
Prior year encumbrances appropriated.	<u>1,215</u>	<u>1,215</u>	<u>1,215</u>	<u>-</u>
Fund balance at end of year	<u>\$ 62,290</u>	<u>\$ 23,672</u>	<u>\$ 62,402</u>	<u>\$ 38,730</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BALANCE - BUDGET AND ACTUAL (NON-GAAP BASIS)
BIOTERRORISM GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 123,000	\$ 216,905	\$ 304,558	\$ 87,653
Other.	-	-	100	100
Total revenues.	<u>123,000</u>	<u>216,905</u>	<u>304,658</u>	<u>87,753</u>
Expenditures:				
Current:				
Health:				
Health promotion and planning.	123,000	261,959	242,547	19,412
Total expenditures.	<u>123,000</u>	<u>261,959</u>	<u>242,547</u>	<u>19,412</u>
Net change in fund balance	-	(45,054)	62,111	107,165
Fund balance at beginning of year	<u>45,515</u>	<u>45,515</u>	<u>45,515</u>	<u>-</u>
Fund balance at end of year	<u>\$ 45,515</u>	<u>\$ 461</u>	<u>\$ 107,626</u>	<u>\$ 107,165</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 - DESCRIPTION OF THE HEALTH DISTRICT AND REPORTING ENTITY

The Fairfield County General Health District merged with the City of Lancaster Health Department on January 1, 2002 and became known as the Fairfield County Combined General Health District (the "District") in accordance with 3709.07 of the Ohio Revised Code. The District is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is operated by a Board for the purpose to address safety, health and wellness of the residents of Fairfield County.

The District's Board is directed by an eleven member Board and a Health Commissioner. The District services include communicable disease investigations, immunization clinics, inspections, vital statistics, public health nursing services, and issues health-related licenses and permits.

The District's management believes these financial statements present all activities for which the District is financially accountable. The District has no component units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities unless these pronouncements conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

A. Basis of Presentation and Measurement Focus

The District's basic financial statements consist of government-wide financial 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.

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, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities for 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 are clearly identifiable to a particular program. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operation 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 receipts of the District.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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. Nonmajor funds are aggregated and presented in a single column.

B. 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 funds of the District are presented in one category, governmental.

Governmental Funds - Governmental funds are those through which all governmental functions of the District are financed. Governmental fund reporting focuses on the sources, use and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or may not be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The following are the District's major governmental funds:

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

Public health nursing special revenue fund - The public health nursing special revenue fund accounts for activities related to providing public health clinic services.

Women, infants and children (WIC) special revenue fund - The WIC fund accounts for federal grant monies for the administration of the WIC program.

Bioterrorism grant special revenue fund - The bioterrorism grant special revenue fund accounts for State grant monies for bioterrorism prevention and education.

Other governmental funds of the District are used to account for grants and other resources, whose use is restricted to a particular purpose.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenues-Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property tax allocation from Fairfield County and the City of Lancaster, grants, entitlements, and donations. Revenue from property tax allocation, grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

On a modified accrual basis, revenue from nonexchange transactions must be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: grants and entitlements, licenses and permits; fines and forfeitures; and, charges for services.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Budgetary Process

All funds, except agency 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 resolutions, all of which are prepared on the budgetary basis of accounting. The budget determines the amount of money that is needed from the Fairfield County Budget Commission. The certificate of estimated resources establishes a limit on the amount the District may appropriate. The appropriations resolution is the District's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the District. The legal level of control has been established by the District at fund, function level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the District. 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 amended certificate of estimated resources in effect at the time final appropriations were passed by the District.

The appropriations 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 the District during the year.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which the service is consumed.

F. Accounts Receivable

Accounts receivables are stated at unpaid balances, less an allowance for doubtful accounts. The District provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts and other circumstances, which may affect the ability of patients to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the District's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

G. Cash and Investments

The County Treasurer is the custodian for the District's cash. The County's cash and investment pool holds the District's cash, which is reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Fairfield County Auditor, Barbara Curtiss, 210 East Main Street, Lancaster, Ohio 43130, www.fairfieldauditor.org, (740) 687-7185.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Capital Assets

Capital assets are reported in the applicable governmental activities columns in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are defined by the District as assets with initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets are depreciated except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Useful Life</u>
Buildings, Structures and improvements	70
Vehicles	4 - 5
Furniture, Fixtures and Equipment	5 - 12

I. Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Net assets restricted for other purposes are restricted by grantors and regulations of other governments.

J. Interfund Transactions and Balances

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. On the fund financial statements, outstanding interfund loans are reported as "interfund receivables/payables". Interfund transfers within governmental activities are eliminated on the statement of activities.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Compensated Absences

Vacation, personal and compensatory benefits are accrued as a liability as the benefits are earned if the employees' right to receive compensation are attributable to services already rendered and it is probable that the employer will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued using the vesting method. The liability is based on sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

Ohio law requires that vacation time not be accumulated for more than three years plus current year accrual. Employees with a minimum of one year of service become vested in accumulated unpaid vacation time. Unused vacation is payable upon termination of employment. Unused sick time may be accumulated until retirement. Employees' eligible to retire under a District recognized retirement plan, with a minimum of ten years service, are paid one-fourth of accumulated sick time upon retirement. Such payment may not exceed the value of thirty days of accrued but unused sick leave. All sick, vacation, and personal and compensation payments are made at employees' current wage rates.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligation of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year.

M. Fund Balance Reserves

The District reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances outstanding and prepayments.

N. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

O. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. During fiscal year 2009, the District had an outstanding note payable forgiven. This item will be presented on the financial statements as a special item (See Note 6 for further detail).

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2009, the District has implemented GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 56 "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", and GASB Statement No. 57 "Other Postemployment Benefit (OPEB) Measurements by Agent Employers and Agent Multiple-Employers".

GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. The implementation of GASB Statement No. 52 did not have an effect on the financial statements of the District.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB's authoritative literature. The implementation of GASB Statement No. 55 did not have an effect on the financial statements of the District.

GASB Statement No. 56 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' (AICPA) Statements on Auditing Standards. The implementation of GASB Statement No. 56 did not have an effect on the financial statements of the District.

GASB Statement No. 57 establishes standards for the measurement and financial reporting of actuarially determined information by agent employers with individual-employer OPEB plans that have fewer than 100 total plan members and by the agent multiple-employer OPEB plans in which they participate. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at December 31, 2009 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Fund Balance</u> <u>Deficit</u>
Tobacco use prevention	\$ 5,190
Water system	9,737

The funds compiled with Ohio State law, which does not permit a cash-basis deficit at year-end. The deficits in these funds are the result of application of generally accepted accounting principles and the requirement to accrue liabilities when incurred. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 4 - RECEIVABLES

Receivables at December 31, 2009 consisted of charges for services and intergovernmental receivables arising from grants. A summary of the items of intergovernmental and accounts receivable follows:

<u>Governmental Funds</u>	<u>Intergovernmental Receivable</u>	<u>Accounts Receivable</u>
General fund	\$ 720	\$ 42,494
Public health nursing	640,116	1,883
Food service fund	-	22
Water system fund	-	373
Women, infants and children fund	283,895	-
Family planning fund	47,473	-
Maternal and child health fund	29,748	-
Bioterrorism grant fund	338,729	-
Safety grant fund	32,400	-
Women's health grant fund	36,413	-
Landfill/C&DD disposal fund	<u>-</u>	<u>64,848</u>
Total receivables	<u>\$ 1,409,494</u>	<u>\$ 109,620</u>

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009, was as follows:

<u>Governmental activities:</u>	Balance <u>1/1/09</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/09</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 186,149	\$ -	\$ -	\$ 186,149
Total capital assets, not being depreciated	<u>186,149</u>	<u>-</u>	<u>-</u>	<u>186,149</u>
<i>Capital assets, being depreciated:</i>				
Buildings, structures and improvements	1,385,880	-	-	1,385,880
Furniture, fixtures and equipment	102,967	34,916	(12,709)	125,174
Vehicles	<u>160,473</u>	<u>-</u>	<u>-</u>	<u>160,473</u>
Total capital assets, being depreciated	<u>1,649,320</u>	<u>34,916</u>	<u>(12,709)</u>	<u>1,671,527</u>
<i>Less: accumulated depreciation:</i>				
Buildings, structures and improvements	(108,890)	(19,799)	-	(128,689)
Furniture, fixtures and equipment	(85,387)	(13,455)	12,709	(86,133)
Vehicles	<u>(135,008)</u>	<u>(9,393)</u>	<u>-</u>	<u>(144,401)</u>
Total accumulated depreciation	<u>(329,285)</u>	<u>(42,647)</u>	<u>12,709</u>	<u>(359,223)</u>
Total capital assets being depreciated, net	<u>1,320,035</u>	<u>(7,731)</u>	<u>-</u>	<u>1,312,304</u>
Governmental activities capital assets, net	<u>\$ 1,506,184</u>	<u>\$ (7,731)</u>	<u>\$ -</u>	<u>\$ 1,498,453</u>

Depreciation expense was charged to governmental activities as follows:

<u>Governmental activities:</u>	
Environmental health	\$ 5,715
Administration	9,242
Community health	15,380
Health promotion and planning	<u>12,310</u>
Total depreciation expense - governmental activities	<u>\$ 42,647</u>

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 6 - NOTE PAYABLE

In the previous year, the District issued a note payable to the Fairfield County Commissioners for \$70,000 in order to meet additional expenses with respect to a Federal EPA Grant. Repayment terms were as follows: at least half was due on or before December 29, 2006 along with interest (4% APR) with the balance to be paid on or before June 1, 2007. During fiscal year 2009, the outstanding note payable of \$70,000 and accrued interest of \$7,227 was forgiven in its entirety by the Fairfield County Commissioners.

Governmental activities:	Outstanding <u>12/31/08</u>	<u>Additions</u>	<u>Reductions</u>	Outstanding <u>12/31/09</u>
Note payable	\$ 70,000	\$ -	\$ (70,000)	\$ -

NOTE 7 - LEASING ARRANGEMENTS

The District conducts its Community Health Clinic from a facility that is leased under a nine-year operating lease expiring in June 2017. Rental payments shall be adjusted every two years during the original term of the lease, or any extension thereof, based upon changes in the 'Consumer Price Index - all items', using the May 1, 2005 as the base rate. Future lease obligations are as follows:

Year Ending <u>December 31,</u>	Rental <u>Payments</u>
2010	\$ 54,110
2011	54,110
2012	54,110
2013	54,110
2014	54,111
2015 - 2017	<u>135,275</u>
Total	<u>\$ 405,826</u>

The District has a three year operating lease for a copier which will expire in September of 2011. Future lease obligations are as follows:

Year Ending <u>December 31,</u>	Operating <u>Lease</u>
2010	\$ 1,616
2011	<u>1,212</u>
Total	<u>\$ 2,828</u>

The District has an operating lease for an H1N1 flu clinic which will expire in January 2010. Future lease obligations are as follows:

Year Ending <u>December 31,</u>	Operating <u>Lease</u>
2010	<u>\$ 2,500</u>

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 8 - LONG-TERM OBLIGATIONS

Changes in the District's long-term obligations during the year consisted of the following:

Governmental activities:	Outstanding <u>12/31/08</u>	<u>Additions</u>	<u>Reductions</u>	Outstanding <u>12/31/09</u>	Due Within <u>One Year</u>
Compensated absences	\$ <u>253,772</u>	\$ <u>210,381</u>	\$ <u>(202,248)</u>	\$ <u>261,905</u>	\$ <u>201,232</u>

Compensated absences are paid from the fund from which the respective employees' salaries are paid.

NOTE 9 - INTERFUND TRANSACTIONS

A. Interfund Transfers

Transfers made during the year were as follows:

<u>Transfer to</u>	Transfers <u>From</u>	<u>General Fund</u>
<u>Major fund:</u>		
Public health nursing fund	\$	25,000
Nonmajor governmental funds		<u>13,489</u>
Total	\$	<u>38,489</u>

Transfers were made to move unrestricted balances to support various programs and projects accounted for in other funds in accordance with budgetary authorizations. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 9 - INTERFUND TRANSACTIONS - (Continued)

B. Interfund Advances

Interfund balances consist of the following individual fund receivables and payables, which are expected to be repaid in 2010.

<u>Major funds:</u>	<u>Receivable</u>	<u>Payable</u>
General fund	\$ 28,700	\$ -
Public health nursing	-	8,000
Women, infants & children	-	3,200
Nonmajor governmental funds	<u>-</u>	<u>17,500</u>
Total	<u>\$ 28,700</u>	<u>\$ 28,700</u>

The amounts due to the general fund are the result of the District moving unrestricted monies to support various programs. The general fund will be reimbursed when funds become available.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of property and casualty losses, and injuries to employees. 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 insurance for its members. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

The Pool's membership increased from 443 members in 2007 to 445 members in 2008.

The Pool uses reinsurance and excess risk-sharing arrangements to reduce its exposure to loss. These agreements permit recovery of a portion of its claims from reinsurers and a risk-sharing pool; however, they do not discharge the Pool's primary liability for such payments. The Pool is a member of American Public Entity Excess Pool ("APEEP"), which is also administered by ARPCO. APEEP provides the pool with an excess risk-sharing program. Under this arrangement, the Pool retains insured risks up to an amount specified in the contracts. (At December 31, 2008, the Pool retained \$350,000 for casualty claims and \$100,000 for property claims). The Board of Directors and ARPCO periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain.

Property and casualty settlements did not exceed insurance coverage in any of the past three years. There has been no significant change in coverage from last year.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 10 - RISK MANAGEMENT - (Continued)

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available):

	<u>2008</u>	<u>2007</u>
Assets	\$ 35,769,535	\$ 37,560,071
Liabilities	<u>(15,310,206)</u>	<u>(17,340,825)</u>
Net assets	<u>\$ 20,459,329</u>	<u>\$ 20,219,246</u>

At December 31, 2008 and 2007, respectively, liabilities noted above include approximately \$2.9 million and \$15.0 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$12.9 million and \$15.0 million of unpaid claims to be billed to approximately 445 member governments in the future, as of December 31, 2008 and 2007, respectively.

These amounts will be included in future contributions from members when the related claims are due for payments. The District's share of these unpaid claims collectible in future years is approximately \$50,000. This payable includes the subsequent year's contribution due if the Government terminates participation, as described in the last paragraph below.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

<u>Contributions to PEP</u>	
2007	\$ 33,713
2008	31,758
2009	33,529

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP. They must provide written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the withdrawal.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 11 - PENSION PLANS

Ohio Public Employees Retirement System

Plan Description - The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan 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 the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2009 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.10%. The District's contribution rate for 2009 was 14.00%, except for those plan members in law enforcement or public safety, for whom the District's contribution was 17.63% of covered payroll.

The District's contribution rate for pension benefits for 2009 was 7.00% from January 1 through March 31, 2009 and 8.50% from April 1 through December 31, 2009, except for those plan members in law enforcement and public safety. For those classifications, pension contributions were 10.63% from January 1 through March 31, 2009 and 12.13% from April 1 through December 31, 2009. The District's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2009, 2008 and 2007 were \$166,196, \$134,537 and \$138,198, respectively; 86.57% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

NOTE 12 - POSTRETIREMENT BENEFIT PLANS

Ohio Public Employees Retirement System

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

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 12 - POSTRETIREMENT BENEFIT PLANS - (Continued)

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but not does mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2009, local government employers contributed 14.00% of covered payroll (17.63% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for 2009 was 7.00% from January 1 through March 31, 2009 and 5.50% from April 1 through December 31, 2009.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008 and 2007 were \$118,414, \$134,538 and \$138,199, respectively; 86.57% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

NOTE 13 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

All employees shall be entitled to sick leave in accordance with Sections 124.38 and 124.39 of the Ohio Revised Code as follows. Each employee shall be entitled to 4.03 hours of sick pay for each 70 hours of service completed. Upon retirement, an eligible employee shall be paid one-fourth of accrued, but unused sick leave credit up to a maximum of 30 days (240 hours).

After one year of continuous employment, permanent, full-time employees are entitled to 10-30 days of vacation leave, depending upon length of service. Accumulated, unused vacation leave is paid to employees upon termination of employment.

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 13 - OTHER EMPLOYEE BENEFITS - (Continued)

B. Dental and Life Insurance

Dental coverage is provided through Delta Dental. Life insurance is provided through Standard Life Insurance Co. Life insurance coverage is as follows: \$20,000 per employee; \$5,000 per dependent or spouse, up to age 65; and \$2,500 per child.

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

The statement of revenues, expenditures and changes in fund balances - budget and actual (non-GAAP budgetary basis) presented for the general and each major special revenue fund is presented in the basic financial statements to provide a meaningful comparison of actual results compared to budgeted. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other financing sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
2. Expenditures and other financing uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP); and,
4. Advances-in and advances-out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the major special revenue funds.

	General <u>Fund</u>	Public Health Nursing <u>Fund</u>	Women, Infants & <u>Children Fund</u>	Bioterrorism Grant <u>Fund</u>
Budget basis	\$ 21,538	\$ 37,821	\$ 112	\$ 62,111
Net adjustment for revenue accruals	25,907	174,703	2,427	277,201
Net adjustment for expenditure accruals	(22,456)	(72,721)	(11,698)	(26,297)
Net adjustment for other sources/uses	(78,600)	84,500	-	-
Encumbrances	<u>13,611</u>	<u>7,530</u>	<u>2,574</u>	<u>12,589</u>
GAAP basis	<u>\$ (40,000)</u>	<u>\$ 231,833</u>	<u>\$ (6,585)</u>	<u>\$ 325,604</u>

**FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT
FAIRFIELD COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 15 - CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at December 31, 2009.

B. Litigation

The District is not party to legal proceedings which, in the opinion of management, will have a material effect, if any, on the financial condition of the District.

C. Contingent Liability

The District has pledged \$120,000, as resources allow, to the County Commissioners to assist in the payment of accounting software. The County retained \$40,000 of tax distributions in 2009 as partial payment on the pledge. The County is requesting payment on the pledge as need rather than on a defined payment schedule.

**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2009**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>PASS THROUGH ENTITY NUMBER</u>	<u>FEDERAL CFDA NUMBER</u>	<u>EXPENDITURES</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed through Ohio Department of Health			
Special Supplemental Nutrition Program for Women, Infants and Children	02310011WA0209 & 02310011WA0310	10.557	\$ 368,544
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
ARRA- Health Center Integrated Services Development Initiative	H8ACS11331	93.703	358,741
ARRA- Health Center Integrated Services Development Initiative	H8ACS11924	93.703	<u>3,042</u> 361,783
Passed through Ohio Department of Health			
Public Health Emergency Preparedness	02310012PH0110	93.069	96,804
Family Planning Services	02310011FP0108 & 02310011FP0209	93.217	61,146
Centers for Disease Control and Prevention- Investigation and Technical Assistance	02310012P10209	93.283	128,461
Maternal and Child Health Services Block Grant	02310011MC0209 & 02310011MC0310	93.994	<u>52,262</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			700,456
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through Ohio Department of Public Safety			
State and Community Highway Safety	023000000467 & 023000000364	20.600	<u>30,471</u>
TOTAL FEDERAL AWARD EXPENDITURES			<u>\$ 1,099,471</u>

**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards summarizes the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

2. 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 in the Schedule.

Whited Seigneur Sams & Rahe, LLP

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June 30, 2010

Members of the Board of Health
Fairfield County Combined General Health District

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairfield County Combined General Health District, Fairfield County, Ohio, (the District) as of and for the year ended December 31, 2009, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 30, 2010, wherein we noted that the District implemented the provisions of Governmental Accounting Standards Board Statements No. 52, 55, 56 and 57. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be material weaknesses and another deficiency that we consider to be a significant deficiency.

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 misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2009-001 to be a material weakness.

A significant deficiency is a deficiency, or 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. We consider the deficiency described in the accompanying schedule of findings and questions costs as Finding 2009-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 is required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the District in a separate letter dated June 30, 2010.

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the members of the Board of Health, management, federal awarding agencies, and pass-through entities. It is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,
WHITED SEIGNEUR SAMS & RAHE CPAs, LLP

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June 30, 2010

Members of the Board of Health
Fairfield County Combined General Health District

Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Compliance

We have audited the compliance of Fairfield County Combined General 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 are applicable to each of its major federal programs for the year ended December 31, 2009. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. 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 obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that 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 are applicable to each of its major federal programs for the year ended December 31, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as Finding 2009-003.

Internal Control Over Compliance

The management of the District 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 have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

WHITED SEIGNEUR SAMS & RAHE CPAs, LLP

Whited Seigneur Sams & Rahe

**FAIRFIELD COUNTY
 COMBINED GENERAL HEALTH DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 § .505
 DECEMBER 31, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Unqualified
Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	Yes
Were there any other significant deficiency conditions reported at the financial statement level (GAGAS)?	Yes
Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
Were there any material control weakness conditions reported for major federal programs?	No
Were there any other reportable internal control weakness conditions reported for major federal programs?	No
Type of Major Programs' Compliance Opinion	Unqualified
Are there any reportable findings under §.510	No
Major Programs (list):	Special Supplemental Nutrition Program for Women, Infants and Children, CFDA #10.557 ARRA- Health Center Integrated Services Development Initiative, CFDA # 93.703
Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All Others
Low Risk Auditee?	No

**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505 (Continued)
DECEMBER 31, 2009**

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

**Finding 2009-001 Financial Controls over Financial Reporting
Material Weakness**

Condition

The following misstatements were identified in the financial statements:

- Fees of \$103,798 for issuance of death certificates were recorded as Charges for Services instead of Licenses and Permits, where birth certificate fees were recorded;
- ARRA grant receivable and revenue of \$317,000 in the Public Health Nursing fund was not being recognized;
- The Public Health Nursing fund overstated revenues and receivables earned by the Fairfield Community Health Center by \$68,147;
- Long term liabilities due within one year were overstated by \$32,943 due to an error in the calculation of liability due for employee vacation balances; and
- General fund expenditures were overstated by \$26,800 by not allocating a shared expense amongst various funds.

Except for the last adjustment, all of the above misstatements were created during the process of converting cash basis records to GAAP basis.

Criteria

Sound financial reporting is the responsibility of the Fiscal Officer and the District Board of Health and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

Cause

Although the District did engage the service of an accounting firm to compile the Basic Financial Statements, the Fiscal Officer prepared the majority of the worksheets and calculations.

Effect

Lack or failure of controls for the conversion of cash basis records to GAAP-basis financial statements can result in errors and irregularities that may go undetected and decreases the reliability of financial data.

Recommendation

The District may want to consider expanding the conversion engagement to allow the accounting firm to prepare the underlying worksheets that generate the year-end closing adjustments.

**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505 (Continued)
DECEMBER 31, 2009**

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

**Finding 2009-001 Financial Controls over Financial Reporting
Material Weakness (Continued)**

Management Response

The Fairfield County Combined General Health District entered into a three-year contract with the firm of Julian & Grube, Inc. to complete our GAAP conversion and financial statements for the calendar years 2009, 2010, and 2011. Starting with the 2010 audit, we will expand the conversion engagement to allow this firm to prepare the underlying worksheets that generate the year-end closing adjustments. This action will ensure that revenues, receivables, and liabilities are correctly recognized. In looking more closely at the finding concerning death certificates, we feel that it is more appropriate to create a new revenue account that classifies the birth certificates as Charges for Services instead of Licenses and Permits. We will request that the Fairfield County Auditor set up a new revenue account for birth certificates, then both birth and death certificates will be classified as Charges for Services. The district will continue to share its fixed and infrastructure costs among its programs where these costs are allowed and/or practical.

**Finding 2009-002 Community Health Center Billing
Significant Deficiency**

Condition

Encounter forms are not pre-numbered. There is no internal control procedure to ensure that all encounters are billed.

The charges section of the encounter forms is typically only partially completed or not completed at all.

In a sample of sixty encounters examined, eight discrepancies (13%) were identified between services billed and the services marked on the corresponding encounter forms.

Criteria

An internal control procedure should be in place to ensure that all encounters generated are reconciled to the encounters sent to the service organization for billing.

Management is also responsible for the quality of information provided to the service organization. The entire encounter form should be complete before being forwarded to the service organization.

Cause

The Community Health Center has been in transition from being a component of the Health Department to growing into a separate non-profit Federally Qualified Health Center. The Community Health Center did not have its own segregated management until the second half of 2009.

Effect

Without a system to track encounters, the District's ability to effectively monitor the service organization is compromised. Incomplete encounter forms can lead to errors in billing.

**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505 (Continued)
DECEMBER 31, 2009**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

**Finding 2009-002 Community Health Center Billing
Significant Deficiency (Continued)**

Recommendation

All encounter forms should be sequentially pre-numbered. Management should have a control procedure to ensure that all encounters are remitted to the service organization for billing. A continuous log could be maintained that tracks the beginning and ending encounters generated each day. The log should be compared to the forms being submitted to the service organization to ensure that all encounters are being sent. Any discrepancies should be investigated and the resolution documented on the log.

A thorough inspection of each encounter form should be performed at the end of each day by the appropriate supervisor. Training should be provided as needed to staff that is responsible for preparing the encounter forms.

Management Response

As stated in this finding, the Fairfield Community Health Center is transitioning from a health district program into a separate agency, and in fact, received its 501(c) (3) status on May 25, 2010. The health center contracted with another billing service provider on May 1, 2010; its management assures us that the new provider assigns numbers to each encounter form and their current procedures will ensure that all encounter forms are complete and accurately accounted for.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

**Finding 2009-003 Noncompliance with OMB A-133 Compliance
Suspension and Debarment**

Condition

The management of Fairfield Community Health Center did not verify that the vendor Joel Snyder Associates is not suspended or debarred by checking the *Excluded Parties List System (EPLS)*. The proposed contract was for more than \$25,000.

Criteria

Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction that are expected to equal or exceed \$25,000.

Cause

Oversight of management. Lack of knowledge of requirement.

**FAIRFIELD COUNTY
COMBINED GENERAL HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505 (Continued)
DECEMBER 31, 2009**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)

**Finding 2009-003 Noncompliance with OMB A-133 Compliance
Suspension and Debarment (Continued)**

Effect

The District risked contracting with a vendor who was suspended or barred from participating in any federally funded contracts.

Recommendation

The District should search the *Excluded Parties List System (EPLS)* for a vendor for whom a contract funded by federal funds is being considered.

Management Response

The vendor referred to in this finding had been used during previously audited years, so the District felt that checking the *Excluded Parties List System* was not necessary. In the future, we will check this list whenever we enter a contract that exceeds \$25,000.00.

**Fairfield County Combined General Health District
Status of Prior Audit Findings**

**Finding 2008-001 Internal Controls Over the Financial Reporting Process
Material Weakness and Noncompliance**

Condition

The District does not have an internal control process or procedure in place to ensure timely and accurate preparation of year-end financial statements.

Recommendation

A timeline should be developed with individual task deadlines to ensure that the year-end financial statements are filed with the Auditor of State within 150 days after December 31st. A member of the Finance Committee could be assigned to monitor completion status throughout the process.

Management should seek consultation from an accounting professional who is knowledgeable in governmental accounting, attend continued professional education courses or obtain reference literature on implementing GASB Statement No. 34.

Status

Partially Corrected. The 2009 Basic Financial Statements were filed with the Auditor of State within 150 days after December 31st. Fiscal Policy 2.06, Preparation of Year-End Financial Statements, was written to provide an internal control procedure to ensure that year-end financial statements are prepared and submitted on time. Management contracted with a reputable accounting firm that specializes in services to local governments. However, as indicated by Finding 2009-001, material misstatements existed in the Basic Financial Statements.

**Finding 2008-002 Community Health Center Billing
Material Weakness**

Condition

The District has been unable to obtain timely and accurate accrual basis financial information at year-end from the service organization that performs the Community Health Center billing. Standard fiscal year-end reports are not backed-up and made available to the District in a readable format.

Recommendation

Management should understand the District's reporting needs as they specifically relate to the Community Health Center and work with the service organization to ensure that the necessary information is properly captured and reported on the accrual basis of accounting.

All encounter forms should be sequentially pre-numbered. Management should have a control procedure to ensure that all encounters are remitted to the service organization for billing. A continuous log could be maintained that tracks the beginning and ending encounter form numbers. Any gaps should be investigated and the resolution documented on the log.

A thorough inspection of each encounter form should be performed at the end of each day by the Health Center supervisor. Training should be provided as needed to front desk staff that is responsible for preparing the encounter forms.

Status

Partially corrected. The service organization made changes in the manner in which billings were recorded that enabled accurate accrual basis receivable reporting. A year-end aged receivable report was generated and provided for year-end reporting. However, as indicated in Finding 2009-002, significant deficiencies still exist in internal controls over use of encounter forms.

**Fairfield County Combined General Health District
Status of Prior Audit Findings**

**Finding 2008-003 Budgetary Monitoring
Ohio Revised Code Noncompliance & Significant Deficiency**

Condition

The District appropriated more than the estimated resources in the General Fund, Public Health Nursing Fund, and the Women, Infants, and Children Fund. Original budgets filed for the Public Health Nursing Fund and Women, Infants, and Children Funds did not include any revenue.

Recommendation

The District should implement an internal control procedure to ensure that budgets are compliant with Ohio Revised Code requirements.

Status

Fully corrected. All appropriations were within estimated resources.



Mary Taylor, CPA
Auditor of State

FAIRFIELD COUNTY COMBINED GENERAL HEALTH DISTRICT

FAIRFIELD 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
SEPTEMBER 30, 2010**