



Dave Yost • Auditor of State



**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**TABLE OF CONTENTS**

| <b>TITLE</b>   | <b>PAGE</b> |
|--|-------------|
| Independent Accountants' Report.....   | 1           |
| Management's Discussion and Analysis.....  | 3           |
| Basic Financial Statements:  |             |
| 2010 Governmental-wide Financial Statements:   |             |
| Statement of Net Assets – Cash Basis as of December 31, 2010.....  | 11          |
| Statement of Activities – Cash Basis For the Year Ended December 31, 2010.....   | 12          |
| 2010 Fund Financial Statements:  |             |
| Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....   | 13          |
| Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund<br>Balance - Governmental Funds .....   | 14          |
| Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance<br>Budget and Actual – Budget Basis -General Fund .....  | 15          |
| Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance<br>Budget and Actual - Budget Basis - Help Me Grown Fund.....                                  | 16          |
| 2009 Governmental-wide Financial Statements:   |             |
| Statement of Net Assets – Cash Basis as of December 31, 2009.....  | 17          |
| Statement of Activities – Cash Basis For the Year Ended December 31, 2009.....   | 18          |
| 2009 Fund Financial Statements:  |             |
| Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....   | 19          |
| Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund<br>Balance - Governmental Funds .....   | 20          |
| Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance<br>Budget and Actual – Budget Basis -General Fund .....  | 21          |
| Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance<br>Budget and Actual - Budget Basis - Help Me Grown Fund.....                                  | 22          |
| Notes to Basic Financial Statements .....  | 23          |
| Independent Accountants' Report on Internal Control over Financial Reporting<br>and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> ..... | 33          |
| Schedule of Prior Audit Findings.....  | 35          |

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Fayette County General Health District  
Fayette County  
317 South Fayette Street  
Washington Court House, Ohio 43160

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fayette County General Health District, Fayette County, Ohio (the District), as of and for the years ended December 31, 2010 and 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Fayette County General Health District, Fayette County, Ohio, as of December 31, 2010 and 2009, and the respective changes in cash financial position, thereof and the respective budgetary comparison for the General and Help Me Grow funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2011, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

August 10, 2011

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

THIS DISCUSSION AND ANALYSIS OF THE FAYETTE COUNTY GENERAL HEALTH DISTRICT'S (THE DISTRICT) FINANCIAL PERFORMANCE PROVIDES AN OVERALL REVIEW OF THE DISTRICT'S FINANCIAL ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2010 AND DECEMBER 31, 2009, WITHIN THE LIMITATIONS OF THE DISTRICT'S CASH BASIS ACCOUNTING. READERS SHOULD ALSO REVIEW THE BASIC FINANCIAL STATEMENTS AND NOTES TO ENHANCE THEIR UNDERSTANDING OF THE DISTRICT'S FINANCIAL PERFORMANCE.

**HIGHLIGHTS**

KEY FINANCIAL HIGHLIGHTS FOR THE YEAR 2010 AS FOLLOWS:

- GENERAL RECEIPTS IN THE FORM OF PROPERTY TAXES, PAYMENTS FROM COUNTY SUBDIVISIONS AND MISCELLANEOUS RECEIPTS COMPRISE THE LARGEST PERCENTAGE OF THE DISTRICT'S RECEIPTS. PROGRAM SPECIFIC RECEIPTS IN THE FORM OF CHARGES FOR SERVICES AND OPERATING GRANTS AND CONTRIBUTIONS MAKE UP THE REMAINDER OF THE TOTAL REVENUE OF \$2,049,316..
- DISTRICT BOARD RECEIVED MORE LEVY MONEY THAN IN PRIOR YEARS
- A NEW GRANT, PHER III IN THE AMOUNT OF \$136,073.00 WAS RECEIVED IN 2010.
- WE ALSO ESTABLISHED A NEW FUND CALLED "WIC CONTINGENCY". THIS FUND WAS CREATED FROM THE WIC FUND TO ALLOW FOR EMPLOYEES FROM THE WIC DEPARTMENT TO COVER ACCUMULATED LEAVE THAT WOULD BE PAID WHEN A EMPLOYEE RETIRES
- WE ESTABLISHED A NEW FUND CALLED " SCHOOL FUND" . THIS MONEY COMES FROM THE SCHOOL SYSTEM AND THE MONEY IS USED BY HELP ME GROW STAFF. THESE FUNDS WERE ORIGINALLY PART OF THE HELP ME GROW PROGRAM.

KEY FINANCIAL HIGHLIGHTS FOR THE YEAR 2009 ARE AS FOLLOWS:

- GENERAL RECEIPTS IN THE FORM OF PROPERTY TAXES, PAYMENTS FROM COUNTY SUBDIVISIONS AND MISCELLANEOUS RECEIPTS COMPRISE THE LARGEST PERCENTAGE OF THE DISTRICT'S RECEIPTS. PROGRAM SPECIFIC RECEIPTS IN THE FORM OF CHARGES FOR SERVICES AND OPERATING GRANTS AND CONTRIBUTIONS MAKE UP THE REMAINDER OF THE TOTAL REVENUE OF \$1,963,409.
- THE HELP ME GROW GRANT, IN THE AMOUNT OF \$234,723, WAS SIGNIFICANTLY MORE THAN IN PRIOR YEARS.
- A NEW GRANT, PHER (H1N1) IN THE AMOUNT OF \$80,300 WAS RECEIVED IN 2009.

**USING THE BASIC FINANCIAL STATEMENTS**

THIS ANNUAL REPORT IS PRESENTED IN A FORMAT CONSISTENT WITH THE PRESENTATION REQUIREMENTS OF GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 34, AS APPLICABLE TO THE DISTRICT'S CASH BASIS OF ACCOUNTING.

**REPORT COMPONENTS**

THE STATEMENT OF NET ASSETS AND THE STATEMENT OF ACTIVITIES PROVIDE INFORMATION ABOUT THE CASH ACTIVITIES OF THE DISTRICT AS A WHOLE.

FUND FINANCIAL STATEMENTS PROVIDE A GREATER LEVEL OF DETAIL. FUNDS ARE CREATED AND MAINTAINED ON THE FINANCIAL RECORDS OF THE DISTRICT AS A WAY TO SEGREGATE MONEY WHOSE USE IS RESTRICTED TO A PARTICULAR SPECIFIED PURPOSE. THESE STATEMENTS PRESENT FINANCIAL INFORMATION BY FUND, PRESENTING FUNDS WITH THE LARGEST BALANCES OR MOST ACTIVITY IN SEPARATE COLUMNS.

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THE GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS AND PROVIDE EXPANDED EXPLANATION AND DETAIL REGARDING THE INFORMATION REPORTED IN THE STATEMENTS.

**BASIS OF ACCOUNTING**

THE BASIS OF ACCOUNTING IS A SET OF GUIDELINES THAT DETERMINE WHEN FINANCIAL EVENTS ARE RECORDED. THE DISTRICT HAS ELECTED TO PRESENT ITS FINANCIAL STATEMENTS ON A CASH BASIS OF ACCOUNTING. THIS BASIS OF ACCOUNTING IS A BASIS OF ACCOUNTING OTHER THAN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. UNDER THE DISTRICT'S CASH BASIS OF ACCOUNTING, RECEIPTS AND DISBURSEMENTS ARE RECORDED WHEN CASH IS RECEIVED OR PAID.

AS A RESULT OF USING THE CASH BASIS OF ACCOUNTING, CERTAIN ASSETS AND THEIR RELATED REVENUES (SUCH AS ACCOUNTS RECEIVABLE) AND CERTAIN LIABILITIES AND THEIR RELATED EXPENSE (SUCH AS ACCOUNTS PAYABLE) ARE NOT RECORDED IN THE FINANCIAL STATEMENTS. THEREFORE, WHEN REVIEWING THE FINANCIAL INFORMATION AND DISCUSSION WITHIN THIS REPORT, THE READER MUST KEEP IN MIND THE LIMITATIONS RESULTING FROM THE USE OF THE CASH BASIS OF ACCOUNTING.

**REPORTING THE DISTRICT AS A WHOLE**

THE STATEMENT OF NET ASSETS AND THE STATEMENT OF ACTIVITIES REFLECT HOW THE DISTRICT DID FINANCIALLY DURING 2010 AND 2009, WITHIN THE LIMITATIONS OF CASH BASIS ACCOUNTING. THE STATEMENT OF NET ASSETS PRESENTS THE CASH BALANCES OF THE GOVERNMENTAL ACTIVITIES OF THE DISTRICT AT YEAR END. THE STATEMENT OF ACTIVITIES COMPARES CASH DISBURSEMENTS WITH PROGRAM RECEIPTS FOR EACH GOVERNMENTAL PROGRAM ACTIVITY. PROGRAM RECEIPTS INCLUDE CHARGES PAID BY THE RECIPIENT OF THE PROGRAM'S GOODS OR SERVICES AND GRANTS AND CONTRIBUTIONS RESTRICTED TO MEETING THE OPERATIONAL OR CAPITAL REQUIREMENTS OF A PARTICULAR PROGRAM. GENERAL RECEIPTS ARE ALL RECEIPTS NOT CLASSIFIED AS PROGRAM RECEIPTS. THE COMPARISON OF CASH DISBURSEMENTS WITH PROGRAM RECEIPTS IDENTIFIES HOW EACH GOVERNMENTAL FUNCTION DRAWS FROM THE DISTRICT'S GENERAL RECEIPTS.

THESE STATEMENTS REPORT THE DISTRICT'S CASH POSITION AND THE CHANGES IN CASH POSITION. KEEPING IN MIND THE LIMITATIONS OF THE CASH BASIS ACCOUNTING, YOU CAN THINK OF THESE CHANGES AS ONE WAY TO MEASURE THE DISTRICT'S FINANCIAL HEALTH. OVER TIME, INCREASES OR DECREASES IN THE DISTRICT'S CASH POSITION IS ONE INDICATOR OF WHETHER THE DISTRICT'S FINANCIAL HEALTH IS IMPROVING OR DETERIORATING. WHEN EVALUATING THE DISTRICT'S FINANCIAL CONDITION, YOU SHOULD ALSO CONSIDER OTHER NON-FINANCIAL FACTORS AS WELL SUCH AS THE RELIANCE ON NON-LOCAL FINANCIAL RESOURCES.

**REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

FUND FINANCIAL STATEMENTS PROVIDE DETAILED INFORMATION ABOUT THE DISTRICT'S MAJOR FUNDS-NOT THE DISTRICT AS A WHOLE. THE DISTRICT ESTABLISHES SEPARATE FUNDS TO BETTER MANAGE ITS MANY ACTIVITIES AND TO HELP DEMONSTRATE THE MONEY THAT IS RESTRICTED AS TO HOW IT MAY BE USED IS BEING SPENT FOR THE INTENDED PURPOSE.



FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

ALL OF THE DISTRICT'S ACTIVITIES ARE REPORTED IN GOVERNMENTAL FUNDS. THE GOVERNMENTAL FUND FINANCIAL STATEMENTS PROVIDE A DETAILED VIEW OF THE DISTRICT'S GOVERNMENTAL OPERATIONS AND THE BASIC SERVICES IT PROVIDES. GOVERNMENTAL FUND INFORMATION HELPS DETERMINE WHETHER THERE ARE MORE OR LESS FINANCIAL RESOURCES THAT CAN BE SPENT TO FINANCE THE DISTRICT'S PROGRAMS. THE DISTRICT'S SIGNIFICANT GOVERNMENTAL FUNDS ARE PRESENTED ON THE FINANCIAL STATEMENTS IN SEPARATE COLUMNS. THE INFORMATION FOR NON-MAJOR FUNDS (FUNDS WHOSE ACTIVITY OR BALANCES ARE NOT LARGE ENOUGH TO WARRANT SEPARATE REPORTING) IS COMBINED AND PRESENTED IN TOTAL IN A SINGLE COLUMN. THE DISTRICT'S MAJOR GOVERNMENTAL FUNDS ARE THE GENERAL FUND, AND THE HELP ME GROW FUND. THE PROGRAMS REPORTED IN GOVERNMENTAL FUNDS ARE CLOSELY RELATED TO THOSE REPORTED IN THE GOVERNMENTAL ACTIVITIES SECTION OF THE ENTITY-WIDE STATEMENTS.

**THE DISTRICT AS A WHOLE**

TABLE 1 PROVIDES A SUMMARY OF THE DISTRICTS NET ASSETS FOR 2010 COMPARED TO 2009 AND 2009 COMPARED TO 2008 ON A CASH BASIS:

|                           | 2010        | 2009        | 2008        |
|---------------------------|-------------|-------------|-------------|
| <b>ASSETS</b>             |             |             |             |
| Cash and Cash Equivalents | \$2,196,871 | \$2,109,566 | \$1,975,413 |
| Total Assets              | \$2,196,871 | \$2,109,566 | \$1,975,413 |
| <b>NET ASSETS</b>         |             |             |             |
| Restricted                | 685,971     | 691,916     | 630,483     |
| Unrestricted              | 1,510,900   | 1,417,650   | 1,344,930   |
| Total Net Assets          | \$2,196,871 | \$2,109,566 | \$1,975,413 |

NET ASSETS OF GOVERNMENTAL ACTIVITIES INCREASED \$87,305 OR 4 PERCENT DURING 2010. THE PRIMARY REASON CONTRIBUTING TO THE INCREASE IN CASH BALANCES IS AS FOLLOWS:

- THERE WAS AN INCREASE IN TAX LEVY FUNDS COLLECTED.
- THERE WAS AN INCREASE IN REVENUE FROM SCHOOL CONTRACTS.
- THERE WAS AN INCREASE IN THE WIC GRANT.
- THERE WAS AN INCREASE IN REVENUE FROM LANDFILL

NET ASSETS OF GOVERNMENTAL ACTIVITIES INCREASED \$134,153 OR 7 PERCENT DURING 2009. THE PRIMARY REASONS CONTRIBUTING TO THE INCREASE IN CASH BALANCES IS AS FOLLOWS:

- THERE WAS AN INCREASE IN TAX LEVY FUNDS COLLECTED.
- THERE WAS AN INCREASE IN REVENUE FROM SCHOOL CONTRACTS
- THERE WAS AN INCREASE IN THE WIC GRANT
- THERE WAS A NEW GRANT- PHER (H1N1)

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

TABLE 2 REFLECTS THE CHANGES IN NET ASSETS ON A CASH BASIS IN 2010, 2009, AND 2008.

|                                    | GOVERNMENTAL ACTIVITIES<br>2010 | GOVERNMENTAL ACTIVITIES<br>2009 | GOVERNMENTAL ACTIVITIES<br>2008 |
|------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>RECEIPTS:</b>                   |                                 |                                 |                                 |
| PROGRAM RECEIPTS:                  |                                 |                                 |                                 |
| CHARGES FOR SERVICES AND SALES     | \$294,758                       | \$265,724                       | \$257,266                       |
| OPERATING GRANTS AND CONTRIBUTIONS | 653,822                         | 625,172                         | 513,598                         |
| TOTAL PROGRAM RECEIPTS             | 948,580                         | \$890,896                       | \$770,864                       |
| GENERAL RECEIPTS:                  |                                 |                                 |                                 |
| PROPERTY AND OTHER LOCAL TAXES     | 1,008,576                       | 982,344                         | 1,003,733                       |
| SUBDIVISIONS                       | 69,500                          | 69,674                          | 69,139                          |
| MISCELLANEOUS                      | 22,660                          | 20,495                          | 23,230                          |
| TOTAL GENERAL RECEIPTS             | 1,100,736                       | \$1,072,513                     | \$1,096,102                     |
| TOTAL RECEIPTS                     | \$2,049,316                     | \$1,963,409                     | \$1,866,966                     |
| <b>DISBURSEMENTS:</b>              |                                 |                                 |                                 |
| TRAILER PARK                       | 989                             | 853                             | 833                             |
| POOL                               | 973                             | 1,060                           | 840                             |
| LANDFILL                           | 10,368                          | 16,258                          | 13,206                          |
| FOOD SERVICE                       | 17,804                          | 28,748                          | 25,849                          |
| WIC                                | 154,283                         | 142,085                         | 125,743                         |
| WATER                              | 4,283                           | 2,914                           | 3,667                           |
| FAMILY PLANNING                    | 28,734                          | 33,424                          | 25,690                          |
| HEALTHCHEK                         | 60,061                          | 55,318                          | 32,342                          |
| PHEP                               | 80,087                          | 87,578                          | 89,192                          |
| UNITED WAY                         | 25,831                          | 28,468                          | 29,744                          |
| HELP ME GROW                       | 201,373                         | 204,935                         | 231,575                         |
| SEPTIC                             | 2,111                           | 2,091                           | 705                             |
| CORE                               | 3,129                           | 2,545                           | 3,639                           |
| GROUNDWATER MONT.                  | 798                             | 1,218                           | 899                             |
| PHER (H1N1)                        | 30,617                          | 49,683                          | 0                               |
| PHER III                           | 136,073                         | 0                               | 0                               |
| SCHOOL FUND                        | 3,316                           | 0                               | 0                               |
| GENERAL                            | 1,201,181                       | 1,172,078                       | 1,096,722                       |
| TOTAL DISBURSEMENTS                | \$1,962,011                     | \$1,829,256                     | \$1,680,646                     |
| CHANGE IN NET ASSETS               | 87,305                          | 134,153                         | 186,320                         |
| NET ASSETS, JANUARY 1              | \$2,109,566                     | \$1,975,413                     | \$1,789,093                     |
| NET ASSETS, DECEMBER 31            | \$2,196,871                     | \$2,109,566                     | \$1,975,413                     |

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

PROGRAM RECEIPTS REPRESENT 46% IN 2010, 45% IN 2009, AND 41% IN 2008 OF TOTAL RECEIPTS AND ARE PRIMARILY COMPRISED OF RESTRICTED INTERGOVERNMENTAL RECEIPTS SUCH AS WIC, HELP ME GROW, AND PHEP GRANTS

DURING 2010, GENERAL RECEIPTS REPRESENT 54 PERCENT OF THE DISTRICT'S TOTAL RECEIPTS, AND OF THIS AMOUNT, ABOUT 92 PERCENT ARE PROPERTY AND OTHER LOCAL TAXES. DURING 2009, GENERAL RECEIPTS REPRESENT 55% OF THE DISTRICT'S TOTAL RECEIPTS, AND OF THIS AMOUNT, ABOUT 92% ARE PROPERTY AND OTHER LOCAL TAXES. DURING 2008, GENERAL RECEIPTS REPRESENT 59% OF THE DISTRICT'S TOTAL RECEIPTS. OF THIS AMOUNT ABOUT 92% ARE PROPERTY AND OTHER LOCAL TAXES. OTHER RECEIPTS ARE VERY INSIGNIFICANT AND SOMEWHAT UNPREDICTABLE REVENUE SOURCES.

IN 2010, 2009, AND 2008, DISBURSEMENTS FOR GENERAL REPRESENT THE OVERHEAD COST OF RUNNING THE DISTRICT AND THE SUPPORT SERVICES PROVIDED FOR THE OTHER DISTRICT ACTIVITIES. THESE INCLUDE THE MISCELLANEOUS COSTS OF THE BOARD OF TRUSTEES AND THE FISCAL OFFICER, AS WELL AS INTERNAL SERVICES SUCH AS ACCOUNTING, PAYROLL AND PURCHASING, AND MAINTAINING THE DISTRICT BUILDING. GENERAL DISBURSEMENTS INCREASED PRIMARILY DUE TO INCREASES IN SALARIES AND BENEFITS. DISBURSEMENTS FOR PHER III ARE FOR THE COST OF RUNNING THIS GRANT. PHER III DISBURSEMENTS INCREASED IN 2010 DUE TO INCREASED FUNDING FOR THIS PROJECT.

**GOVERNMENTAL ACTIVITIES**

IF YOU LOOK AT THE STATEMENT OF ACTIVITIES, YOU WILL SEE THAT THE FIRST COLUMN LISTS THE MAJOR SERVICES PROVIDED BY THE DISTRICT. THE NEXT COLUMN IDENTIFIES THE COSTS OF PROVIDING THESE SERVICES. THE MAJOR PROGRAM DISBURSEMENTS FOR GOVERNMENTAL ACTIVITIES ARE FOR HELP ME GROW AND GENERAL ACTIVITIES. GENERAL ACTIVITIES ACCOUNT FOR 61% OF ALL GOVERNMENTAL DISBURSEMENTS FOR 2010, AND 64% FOR 2009. HELP ME GROW ACCOUNTS FOR 10% OF ALL GOVERNMENTAL DISTRIBUTIONS IN 2010 AND 11% FOR 2009. THE NEXT TWO COLUMNS OF THE STATEMENT ENTITLED PROGRAM RECEIPTS IDENTIFY AMOUNTS PAID BY PEOPLE WHO ARE DIRECTLY CHARGED FOR THE SERVICE AND GRANTS RECEIVED BY THE DISTRICT THAT MUST BE USED TO PROVIDE A SPECIFIC SERVICE. THE NET RECEIPT (DISBURSEMENT) COLUMN COMPARES THE PROGRAM RECEIPTS TO THE COST OF THE SERVICE. THIS "NET COST" AMOUNT REPRESENTS THE COST OF THE SERVICE WHICH ENDS UP BEING PAID FROM MONEY PROVIDED BY LOCAL TAXPAYERS. THESE NET COSTS ARE PAID FROM THE GENERAL RECEIPTS WHICH ARE PRESENTED AT THE BOTTOM OF THE STATEMENT. A COMPARISON BETWEEN THE TOTAL COST OF SERVICES AND THE NET COST IS PRESENTED IN TABLE 3.

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

|                           | TOTAL COST<br>OF SERVICES<br>2010 | TOTAL COST<br>OF SERVICES<br>2009 | NET COST<br>OF SERVICES<br>2010 | NET COST<br>OF SERVICES<br>2009 |
|---------------------------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| TRAILER PARK              | 989                               | 853                               | 54                              | 984                             |
| POOL                      | 973                               | 1,060                             | 582                             | 523                             |
| LANDFILL                  | 10,368                            | 16,258                            | 6,031                           | 5,614                           |
| FOOD SERVICE              | 17,804                            | 28,748                            | 8,715                           | (3,262)                         |
| PHER (H1N1)               | 30,617                            | 49,683                            | (30,617)                        | 30,617                          |
| PHER III                  | 136,073                           | 0                                 | 0                               | 0                               |
| SCHOOL FUND               | 3,316                             | 0                                 | 12,684                          |                                 |
| WIC                       | 154,283                           | 142,085                           | 1,444                           | (2,355)                         |
| WATER                     | 4,283                             | 2,914                             | 2,078                           | 2,883                           |
| FAMILY PLANNING           | 28,734                            | 33,424                            | (5,192)                         | (2,024)                         |
| HEALTHCHEK                | 60,061                            | 55,318                            | 2,902                           | 2,274                           |
| PHEP                      | 80,087                            | 87,578                            | 3,403                           | (4,088)                         |
| UNITED WAY                | 25,831                            | 28,468                            | 1,709                           | 4,657                           |
| HELP ME GROW              | 201,373                           | 204,935                           | (11,041)                        | 29,788                          |
| SEPTIC                    | 2,111                             | 2,091                             | 3,949                           | 4,844                           |
| CORE                      | 3,129                             | 2,545                             | (3,129)                         | (2,545)                         |
| GROUNDWATER<br>MONITORING | 798                               | 1,218                             | 196                             | 93                              |
| GENERAL                   | 1,201,181                         | 1,172,078                         | (1,007,199)                     | (1,006,363)                     |
| TOTAL<br>DISBURSEMENTS    | \$1,962,011                       | \$1,829,256                       | (1,013,431)                     | (938,360)                       |

THE DEPENDENCE UPON PROPERTY TAX RECEIPTS IS APPARENT AS OVER 52% OF GOVERNMENTAL ACTIVITIES FOR 2010 AND 51% FOR 2009 ARE SUPPORTED THROUGH THESE GENERAL RECEIPTS.

**THE DISTRICT'S FUNDS**

DURING 2010, TOTAL GOVERNMENTAL FUNDS HAD RECEIPTS OF \$2,049,316 AND DISBURSEMENTS OF \$1,962,011. THE GREATEST CHANGE WITHIN GOVERNMENTAL FUNDS OCCURRED WITHIN THE GENERAL FUND. THE FUND BALANCE OF THE GENERAL FUND INCREASED \$93,250, PARTIALLY DUE TO INCREASED REVENUE FROM CHARGED FOR SERVICES PROVIDED, AND COUPLED WITH THE INCREASE IN PROPERTY TAXES RECEIVED. DURING 2009, TOTAL GOVERNMENTAL FUNDS HAD RECEIPTS OF \$1,963,409 AND DISBURSEMENTS OF \$1,829,256. THE GREATEST CHANGE WITHIN GOVERNMENTAL FUNDS OCCURRED WITHIN THE GENERAL FUND. THE FUND BALANCE OF THE GENERAL FUND INCREASED \$72,720 PARCIALLY DUE TO INCREASED GRANT FUNDING AND INCREASE IN PROPERTY TAXES RECEIVED. DURING 2008, TOTAL GOVERNMENTAL FUNDS HAD RECEIPTS OF \$1,866,966 AND DISBURSEMENTS OF \$1,680,646. THE GREATEST CHANGE WITHIN GOVERNMENTAL FUNDS OCCURRED WITHIN THE GENERAL FUND. THE FUND BALANCE OF THE GENERAL FUND INCREASED \$159,373 AS THE RESULT OF AN INCREASE IN INTERGOVERNMENTAL RECEIPTS.

FOR 2009, THE FUND BALANCE OF THE HELP ME GROW FUND CREASED \$22,454, AS A RESULT OF THE EFFORTS OF THE DISTRICT TO KEEP EXPENDITURES DOWN. THE FUND BALANCE OF THE HELP ME GROW FUND DECREASED BY \$11,041 IN 2010 WHICH IS DUE TO A DECREASE IN FUNDING.

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED

**GENERAL FUND BUDGETING HIGHLIGHTS**

THE DISTRICT'S BUDGET IS PREPARED ACCORDING TO OHIO LAW AND IS BASED UPON ACCOUNTING FOR CERTAIN TRANSACTIONS ON A BASIS OF CASH RECEIPTS, DISBURSEMENTS, AND ENCUMBRANCES. THE MOST SIGNIFICANT BUDGETED FUND IS THE GENERAL FUND.

DURING 2010 AND 2009, THE DISTRICT AMENDED ITS GENERAL FUND BUDGET SEVERAL TIMES TO REFLECT CHANGING CIRCUMSTANCES.

FINAL BUDGETED RECEIPTS WERE ABOVE ORIGINAL BUDGETED RECEIPTS IN 2010 AND 2009. GENERAL FUND RECEIPTS RECEIVED WERE EQUAL TO BUDGETED RECEIPTS FOR 2010 AND 2009.

FINAL DISBURSEMENTS WERE BUDGETED AT \$1,271,500 WHILE ACTUAL DISBURSEMENTS WERE \$1,201,181 FOR 2010. FINAL DISBURSEMENTS WERE BUDGETED AT \$1,268,350 WHILE ACTUAL DISBURSEMENTS WERE \$1,172,079 FOR 2009. THE DISTRICT KEPT SPENDING BELOW BUDGETED AMOUNTS AS DEMONSTRATED BY REPORTED VARIANCE.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

THE DISTRICT DOES NOT REPORT CAPITAL ASSETS AND INFRASTRUCTURE UNDER THE CASH BASIS OF ACCOUNTING.

**DEBT**

THERE IS NO DEBT REFLECTED AT YEAR END.

**CURRENT ISSUES**

THE CHALLENGE FOR ALL HEALTH DISTRICTS IS TO PROVIDE QUALITY SERVICES TO THE PUBLIC WHILE STAYING WITHIN THE RESTRICTIONS IMPOSED BY LIMITED, AND IN SOME CASES SHRINKING, FUNDING. WE RELY HEAVILY ON LOCAL TAXES AND HAVE VERY LITTLE INDUSTRY TO SUPPORT THE TAX BASE. THE DISTRICT WILL CONTINUE TO MONITOR ANTICIPATED RECEIPTS AND DECREASE SPENDING AS NECESSARY.

**CONTACTING THE GOVERNMENTS FINANCIAL MANAGEMENT**

THE FINANCIAL REPORT IS DESIGNED TO PROVIDE OUR CITIZENS, TAXPAYERS, INVESTORS, AND CREDITORS WITH A GENERAL OVERVIEW OF THE DISTRICT'S FINANCES AND TO REFLECT THE DISTRICT'S ACCOUNTABILITY FOR THE MONIES IT RECEIVES. QUESTIONS CONCERNING ANY OF THE INFORMATION IN THIS REPORT OR REQUESTS FOR ADDITIONAL INFORMATION SHOULD BE DIRECTED TO BONITA MOORE, FISCAL OFFICER, FAYETTE COUNTY HEALTH DISTRICT, 317 SOUTH FAYETTE STREET, WASHINGTON COURT HOUSE, OHIO 43160.

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FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF NET ASSETS-CASH BASIS  
DECEMBER 31, 2010

GOVERNMENTAL  
ACTIVITIES

---

ASSETS

EQUITY IN POOLED CASH AND CASH EQUIVALENTS     \$     2,196,871

TOTAL ASSETS     \$     2,196,871

**NET ASSETS**

RESTRICTED FOR:

HELP ME GROW     27,428

FOOD SERVICES     136,829

FAMILY PLANNING     135,843

HEALTHCHEK     145,008

OTHER PURPOSES     240,863

UNRESTRICTED     1,510,900

TOTAL NET ASSETS     \$     2,196,871

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF ACTIVITIES- CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010

|                                | Cash Disbursements | PROGRAM RECEIPTS     |                              | Net (disbursement)                 |
|--------------------------------|--------------------|----------------------|------------------------------|------------------------------------|
|                                |                    | Charges for Services | Operating Grants             | Receipts and Changes In Net Assets |
| <b>Governmental Activities</b> |                    |                      |                              |                                    |
| General Health District        | \$ 1,201,181       | \$ 141,322           | \$ 52,660                    | \$ (1,007,199)                     |
| TRAILER PARK                   | 989                | 1,043                | -                            | 54                                 |
| POOL                           | 973                | 1,555                | -                            | 582                                |
| GROUNDWATER MONIT.             | 798                | 994                  | -                            | 196                                |
| LANDFILL                       | 10,368             | 16,399               | -                            | 6,031                              |
| FOOD SERVICE                   | 17,804             | 26,519               | -                            | 8,715                              |
| WIC                            | 154,283            | -                    | 155,727                      | 1,444                              |
| HELP ME GROW                   | 201,373            | 8,000                | 182,332                      | (11,041)                           |
| WATER                          | 4,283              | 6,361                | -                            | 2,078                              |
| FAMILY PLANNING                | 28,734             | 23,542               | -                            | (5,192)                            |
| HEALTHCHEK                     | 60,061             | 62,963               | -                            | 2,902                              |
| UNITED WAY                     | 25,831             | -                    | 27,540                       | 1,709                              |
| SEPTIC                         | 2,111              | 6,060                | -                            | 3,949                              |
| PHEP                           | 80,087             | -                    | 83,490                       | 3,403                              |
| PHER (H1N1)                    | 30,617             | -                    | -                            | (30617)                            |
| PHER III                       | 136,073            | -                    | 136,073                      | -                                  |
| SCHOOL FUND                    | 3,316              | -                    | 16,000                       | 12,684                             |
| CORE                           | 3,129              | -                    | -                            | (3,129)                            |
| Total Governmental Activities  | \$ 1,962,011       | \$ 294,758           | \$ 653,822                   | \$ (1,013,431)                     |
|                                |                    |                      |                              |                                    |
|                                |                    |                      | <b>GENERAL RECEIPTS</b>      |                                    |
|                                |                    |                      | Property Taxes Levied for    |                                    |
|                                |                    |                      | General Health District      | 1,008,576                          |
|                                |                    |                      | Subdivisions                 | 69,500                             |
|                                |                    |                      | Miscellaneous                | 22,660                             |
|                                |                    |                      | Total General Receipts       | 1,100,736                          |
|                                |                    |                      | Changes in Net Assets        | 87,305                             |
|                                |                    |                      | Net Assets Beginning of year | 2,109,566                          |
|                                |                    |                      | Net Assets End of Year       | 2,196,871                          |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.



FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
AS OF DECEMBER 31, 2010

|  | GENERAL      | HELP ME GROW | ALL OTHER<br>GOVERNMENTAL<br>FUNDS | TOTAL        |
|--|--------------|--------------|------------------------------------|--------------|
| <b>ASSETS</b>                              |              |              |                                    |              |
| EQUITY IN POLLED CASH AND CASH EQUIVALENTS | \$ 1,510,900 | \$ 27,428    | \$ 658,543                         | \$ 2,196,871 |
| TOTAL ASSETS                               | \$ 1,510,900 | \$ 27,428    | \$ 658,543                         | \$ 2,196,871 |

**FUND BALANCES**

UNRESERVED

UNDESIGNATED, REPORTED IN:

|                       |              |           |            |              |
|-----------------------|--------------|-----------|------------|--------------|
| GENERAL FUND          | 1,510,900    | -         | -          | 1,510,900    |
| SPECIAL REVENUE FUNDS | -            | 27,428    | 658,543    | 685,971      |
| TOTAL FUND BALANCES   | \$ 1,510,900 | \$ 27,428 | \$ 658,543 | \$ 2,196,871 |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010

|   | GENERAL          | HELP ME GROW   | All other<br>Governmental<br>FUNDS | TOTAL            |
|---|------------------|----------------|------------------------------------|------------------|
| <b>RECEIPTS</b>                             |                  |                |                                    |                  |
| Property & Other Local Taxes                | \$ 1,008,576     | \$             | \$                                 | \$ 1,008,576     |
| Intergovernmental                           | 84,852           | 182,327        | 375,290                            | 642,469          |
| Grant Revenue                               | -                | -              | 27,540                             | 27,540           |
| Fines, Licenses, and Permits                | 740              | -              | 56,282                             | 57,022           |
| Charges for Services                        | 180,179          | 8,000          | 88,160                             | 276,339          |
| Miscellaneous                               | 14,484           | 5              | 22,881                             | 37,370           |
| <b>TOTAL RECEIPTS</b>                       | <b>1,288,831</b> | <b>190,332</b> | <b>570,153</b>                     | <b>2,049,316</b> |
| <b>DISBURSEMENTS</b>                        |                  |                |                                    |                  |
| General Health District                     | 1,201,181        | -              | -                                  | 1,201,181        |
| Trailer park                                | -                | -              | 989                                | 989              |
| Pool  | -                | -              | 973                                | 973              |
| Landfill                                    | -                | -              | 10,368                             | 10,368           |
| Food Service                                | -                | -              | 17,804                             | 17,804           |
| WIC   | -                | -              | 154,283                            | 154,283          |
| Water                                       | -                | -              | 4,283                              | 4,283            |
| Help Me Grow                                | -                | 201,373        | -                                  | 201,373          |
| Family Planning                             | -                | -              | 28,734                             | 28,734           |
| Healthchek                                  | -                | -              | 60,061                             | 60,061           |
| PHEP  | -                | -              | 80,087                             | 80,087           |
| PHER (H1N1)                                 | -                | -              | 30,617                             | 30,617           |
| PHER III                                    | -                | -              | 136,073                            | 136,073          |
| United Way                                  | -                | -              | 25,831                             | 25,831           |
| School                                      | -                | -              | 3,316                              | 3,316            |
| Septic                                      | -                | -              | 2,111                              | 2,111            |
| CORE  | -                | -              | 3,129                              | 3,129            |
| Groundwater Monitoring                      | -                | -              | 798                                | 798              |
| <b>TOTAL DISBURSEMENTS</b>                  | <b>1,201,181</b> | <b>201,373</b> | <b>559,457</b>                     | <b>1,962,011</b> |
| Excess of Receipts Over Disbursements       | 87,650           | (11,041)       | 10,696                             | 87,305           |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                  |                |                                    |                  |
| Advances in                                 | 62,100           | -              | 56,500                             | 118,600          |
| Advances Out                                | (56,500)         | -              | (62,100)                           | (118,600)        |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>5,600</b>     | <b>-</b>       | <b>(5,600)</b>                     | <b>-</b>         |
| Net Change in Fund Balance                  | 93,250           | (11,041)       | 5,096                              | 87,305           |
| Fund Balance Beginning of Year              | 1,417,650        | 38,469         | 653,447                            | 2,109,566        |
| Fund Balance End of Year                    | \$ 1,510,900     | \$ 27,428      | \$ 658,543                         | \$ 2,196,871     |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENT

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL BUDGET BASIS  
**GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2010  
BUDGETED AMOUNTS

|                                       | Original     | Final        | Actual       | Variance with<br>Final Budget<br>Positive (Negative) |
|---------------------------------------|--------------|--------------|--------------|--|
| Property and Other Local Taxes        | \$ 974,478   | \$ 1,008,576 | \$ 1,008,576 | \$ -   |
| Intergovernmental                     | 89,600       | 84,852       | 84,851       | (1)  |
| Fines, Licenses, and Permits          | 500          | 740          | 740          | -  |
| Charges for Services                  | 183,000      | 180,179      | 180,179      | -  |
| Miscellaneous                         | 15,000       | 14,484       | 14,484       | -  |
| <b>TOTAL RECEIPTS</b>                 | 1,262,578    | 1,288,831    | 1,288,830    | (1)  |
| General Health District               | 1,262,578    | 1,271,500    | 1,201,181    | 70,319   |
| <b>TOTAL DISBURSEMENTS</b>            | 1,262,578    | 1,271,500    | 1,201,181    | 70,319   |
| Excess of Receipts over Disbursements | -            | 17,331       | 87,649       | 70,318   |
| <b>TOTAL OTHER FINANCING SOURCES</b>  | -            | 5,600        | 5,600        | -  |
| Net Change in fund Balance            | -            | 22,931       | 93,249       | 70,318   |
| Fund Balance Beginning of Year        | 1,417,649    | 1,417,649    | 1,417,649    | -  |
| Fund Balances End of Year             | \$ 1,417,649 | \$ 1,440,580 | \$ 1,510,898 | \$ 70,318  |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL BUDGET BASIS  
**HELP ME GROW FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2010

BUDGETED AMOUNTS

|  |            |            |            | Variance with<br>Final Budget |
|--|------------|------------|------------|-------------------------------|
|  | Original   | Final      | Actual     | Positive (Negative)           |
| Intergovernmental                        | \$ 159,315 | \$ 182,327 | \$ 182,327 | \$ -                          |
| Miscellaneous                            | 8,000      | 8,005      | 8,005      | -                             |
| <b>TOTAL RECEIPTS</b>                    | 167,315    | 190,332    | 190,332    | -                             |
| Help Me Grow                             | 167,315    | 209,298    | 201,373    | 7,925                         |
| <b>TOTAL DISBURSEMENTS</b>               | 167,315    | 209,298    | 201,373    | 7,925                         |
| Excess of Receipts over<br>Disbursements | -          | (18,966)   | (11,041)   | 7,925                         |
| TOTAL OTHER FINANCING (USES)             | -          | -          | -          | -                             |
| Net Change in Fund Balance               | -          | (18,966)   | (11,041)   | 7,925                         |
| Fund Balance Beginning of Year           | 38,469     | 38,469     | 38,469     | -                             |
| Fund Balances End of Year                | \$ 38,469  | \$ 19,503  | \$ 27,428  | \$ 7,925                      |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF NET ASSETS – CASH BASIS  
DECEMBER 31, 2009

|  | GOVERNMENTAL ACTIVITIES |                  |
|--|-------------------------|------------------|
| <b>ASSETS</b>                              |                         |                  |
| Equity in Pooled Cash and Cash Equivalents | \$                      | 2,109,566        |
| <b>TOTAL ASSETS</b>                        |                         | <b>2,109,566</b> |
| <b>NET ASSETS</b>                          |                         |                  |
| Restricted for:                            |                         |                  |
| Help Me Grow                               |                         | 38,469           |
| Food Services                              |                         | 127,664          |
| Family Planning                            |                         | 141,035          |
| Healthchek                                 |                         | 142,105          |
| Other Purposes                             |                         | 242,643          |
| Unrestricted                               |                         | 1,417,650        |
| <b>TOTAL NET ASSETS</b>                    | <b>\$</b>               | <b>2,109,566</b> |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF ACTIVITIES – CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2009

|                                | Cash Disbursements | PROGRAM RECEIPTS     |                  | Net (Disbursements) Receipts and |
|--------------------------------|--------------------|----------------------|------------------|----------------------------------|
|                                |                    | Charges for Services | Operating Grants | Changes in Net Assets            |
|                                |                    |                      |                  | Governmental Activities          |
| <b>GOVERNMENTAL ACTIVITIES</b> |                    |                      |                  |                                  |
| General Health District        | \$ 1,172,078       | \$ 111,911           | \$ 53,804        | \$ (1,006,363)                   |
| Trailer Park                   | 853                | 1,837                | -                | 984                              |
| Pool                           | 1,060              | 1,583                | -                | 523                              |
| Groundwater Monitor            | 1,218              | 1,311                | 0                | 93                               |
| Landfill                       | 16,258             | 21,872               | -                | 5,614                            |
| Food Service                   | 28,748             | 25,486               | 0                | (3,262)                          |
| WIC                            | 142,085            | -                    | 139,730          | (2,355)                          |
| Help Me Grow                   | 204,935            | -                    | 234,723          | 29,788                           |
| Water                          | 2,914              | 5,797                | -                | 2,883                            |
| Family Planning                | 33,424             | 31,400               | -                | (2,024)                          |
| Healthchek                     | 55,318             | 57,592               | -                | 2,274                            |
| United Way                     | 28,468             | -                    | 33,125           | 4,657                            |
| Septic                         | 2,091              | 6,935                | -                | 4,844                            |
| PHEP                           | 87,578             | -                    | 83,490           | (4,088)                          |
| PHER (H1N1)                    | 49,683             | -                    | 80,300           | 30,617                           |
| CORE                           | 2,545              | -                    | -                | (2,545)                          |
| Total Governmental Activities  | \$ 1,829,256       | \$ 265,724           | \$ 625,172       | (938,360)                        |

| <b>GENERAL RECEIPTS</b>      |              |
|------------------------------|--------------|
| Property Taxes Levied for:   |              |
| General Health District      | 982,344      |
| Subdivisions                 | 69,674       |
| Miscellaneous                | 20,495       |
| Total General Receipts       | 1,072,513    |
| Change in Net Assets         | 134,153      |
| Net Assets Beginning of Year | 1,975,413    |
| Net Assets End of Year       | \$ 2,109,566 |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

FAYETTE COUNTY HEALTH DISTRICT  
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
AS OF DECEMBER 31, 2009

| <b>ASSETS</b>                              | GENERAL             | HELP ME GROW     | ALL OTHER<br>GOVERNMENTAL<br>FUNDS | TOTAL               |
|--|---------------------|------------------|------------------------------------|---------------------|
| Equity in Pooled Cash and Cash Equivalents | \$ 1,417,650        | \$ 38,469        | \$ 653,447                         | \$ 2,109,566        |
| <b>TOTAL ASSETS</b>                        | <u>\$ 1,417,650</u> | <u>\$ 38,469</u> | <u>\$ 653,447</u>                  | <u>\$ 2,109,566</u> |

**FUND BALANCES**

|                            |                     |                  |                   |                     |
|----------------------------|---------------------|------------------|-------------------|---------------------|
| Unreserved:                |                     |                  |                   |                     |
| Undesignated, Reported in: |                     |                  |                   |                     |
| General Fund               | 1,417,650           | -                | -                 | 1,417,650           |
| Special Revenue Funds      | -                   | 38,469           | 653,447           | 691,916             |
| <b>TOTAL FUND BALANCES</b> | <u>\$ 1,417,650</u> | <u>\$ 38,469</u> | <u>\$ 653,447</u> | <u>\$ 2,109,566</u> |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

|   | General          | Help Me Grow   | All Other<br>Governmental<br>Funds | TOTALS           |
|---|------------------|----------------|------------------------------------|------------------|
| <b>RECEIPTS</b>                               |                  |                |                                    |                  |
| Property and Other Local Taxes                | \$ 982,344       | \$ -           | \$ -                               | \$ 982,344       |
| Intergovernmental                             | 85,578           | 234,723        | 303,520                            | 623,821          |
| Grant Revenue                                 | -                | -              | 33,125                             | 33,125           |
| Fines, Licenses, and Permits                  | 360              | -              | 61,985                             | 62,345           |
| Charges for Services                          | 149,451          | -              | 90,517                             | 239,968          |
| Miscellaneous                                 | 17,331           | -              | 4,475                              | 21,806           |
| <b>TOTAL RECEIPTS</b>                         | <b>1,235,064</b> | <b>234,723</b> | <b>493,622</b>                     | <b>1,963,409</b> |
| <b>DISBURSEMENTS</b>                          |                  |                |                                    |                  |
| General Health District                       | 1,172,078        | -              | -                                  | 1,172,078        |
| Trailer Park                                  | -                | -              | 853                                | 853              |
| Pool  | -                | -              | 1,060                              | 1,060            |
| Groundwater Monitor                           | -                | -              | 1,218                              | 1,218            |
| Landfill                                      | -                | -              | 16,258                             | 16,258           |
| Food Services                                 | -                | -              | 28,748                             | 28,748           |
| WIC   | -                | -              | 142,085                            | 142,085          |
| Water   | -                | -              | 2,914                              | 2,914            |
| Help Me Grow                                  | -                | 204,935        | -                                  | 204,935          |
| Family Planning                               | -                | -              | 33,424                             | 33,424           |
| Healthchek                                    | -                | -              | 55,318                             | 55,318           |
| United Way                                    | -                | -              | 28,468                             | 28,468           |
| Septic  | -                | -              | 2,091                              | 2,091            |
| PHEP  | -                | -              | 87,578                             | 87,578           |
| PHER (H1N1)                                   | -                | -              | 49,683                             | 49,683           |
| CORE  | -                | -              | 2,545                              | 2,545            |
| <b>TOTAL DISBURSEMENTS</b>                    | <b>1,172,078</b> | <b>204,935</b> | <b>452,243</b>                     | <b>1,829,256</b> |
| Excess Receipts Over (Under)<br>Disbursements | 62,986           | 29,788         | 41,379                             | 134,153          |
| <b>Other Financing Sources (Uses)</b>         |                  |                |                                    |                  |
| Advances In                                   | 50,834           | -              | 41,100                             | 91,934           |
| Advances Out                                  | (41,100)         | (7,334)        | (43,500)                           | (91,934)         |
| Total Other Financing Sources (Uses)          | 9,734            | (7,334)        | (2,400)                            | -                |
| Net Change in Fund Balance                    | 72,720           | 22,454         | 38,979                             | 134,153          |
| Fund Balance Beginning of Year                | 1,344,930        | 16,015         | 614,468                            | 1,975,413        |
| Fund Balance End of Year                      | \$ 1,417,650     | \$ 38,469      | \$ 653,447                         | \$ 2,109,566     |



FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL- BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

|                                      | BUDGETED AMOUNTS               |                   |                   | Variance with Final Budget<br>Positive (Negative) |
|--------------------------------------|--------------------------------|-------------------|-------------------|---|
|                                      | Original                       | Final             | Actual            |   |
|                                      | Property and Other Local Taxes | \$ 952,239        | \$ 982,344        | \$ 982,344  |
| Intergovernmental                    | 92,600                         | 85,578            | 85,578            | -   |
| Fines, Licenses, and Permits         | 500                            | 360               | 360               | -   |
| Charges for Services                 | 130,000                        | 149,451           | 149,451           | -   |
| Miscellaneous                        | 15,000                         | 17,331            | 17,331            | -   |
| <b>TOTAL RECEIPTS</b>                | <b>1,190,339</b>               | <b>1,,235,063</b> | <b>1,,235,064</b> | <b>-</b>  |
| General Health District              | 1,190,339                      | 1,268,350         | 1,172,079         | 96,271  |
| <b>TOTAL DISBURSEMENTS</b>           | <b>1,190,339</b>               | <b>1,268,350</b>  | <b>1,172,079</b>  | <b>96,271</b>                                     |
| Excess Receipts over Disbursements   | -                              | (33,286)          | 62,985            | 96,271  |
| <b>Total Other Financing Sources</b> | <b>-</b>                       | <b>9,734</b>      | <b>9,734</b>      | <b>-</b>  |
| Net Change in Fund Balance           | -                              | (23,552)          | 72,719            | 96,271  |
| Fund Balance Beginning of Year       | 1,344,930                      | 1,344,930         | 1,344,930         | -   |
| Fund Balance End of Year             | \$ 1,344,930                   | \$ 1,321,378      | \$ 1,417,649      | \$ 96,271   |

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL-BUDGET BASIS  
HELP ME GROW FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

|                                    | Original  | BUDGETED AMOUNTS |           | Variance with Final Budget |
|------------------------------------|-----------|------------------|-----------|----------------------------|
|                                    |           | Final            | Actual    | Positive (Negative)        |
| Intergovernmental                  | \$ -      | \$ -             | \$ -      | \$ -                       |
| Grants                             | 250,000   | 234,723          | 234,723   | -                          |
| Miscellaneous                      | -         | -                | -         | -                          |
| <b>TOTAL RECEIPTS</b>              | 250,000   | 234,723          | 234,723   | -                          |
| Help Me Grow                       | 250,000   | 242,728          | 204,935   | 37,793                     |
| <b>TOTAL DISBURSEMENTS</b>         | 250,000   | 242,728          | 204,935   | 37,793                     |
| Excess Receipts over Disbursements | -         | (8,005)          | 29,788    | 37,793                     |
| Total Other Financing(USES)        | -         | (7,334)          | (7,334)   | -                          |
| Net Change in Fund Balance         | -         | (15,339)         | 22,454    | 37,793                     |
| Fund Balance Beginning of Year     | 16,015    | 16,015           | 16,015    | -                          |
| Fund Balance End of Year           | \$ 16,015 | \$ 676           | \$ 38,469 | \$ 37,793                  |

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

**Note 1- Reporting Entity**

THE FAYETTE COUNTY GENERAL HEALTH DISTRICT, FAYETTE COUNTY, OHIO (THE DISTRICT), IS A BODY CORPORATE AND POLITIC ESTABLISHED TO EXERCISE THE RIGHTS PRIVILEGES CONVEYED TO IT BY THE CONSTITUTION AND LAWS OF THE STATE OF OHIO. THE DISTRICT IS DIRECTED BY A FIVE-MEMBER BOARD, WHICH ARE APPOINTED BY THE DISTRICT ADVISORY COUNCIL. THE DISTRICT'S SERVICES INCLUDE PUBLIC HEALTH PREPAREDNESS, COMMUNICABLE DISEASE INVESTIGATIONS, IMMUNIZATION CLINICS, INSPECTIONS, PUBLIC HEALTH NURSING SERVICES, VITAL STATISTICS AND ISSUES HEALTH-RELATED LICENSES AND PERMITS.

THE DISTRICT'S MANAGEMENT BELIEVES THESE BASIC FINANCIAL STATEMENTS PRESENT ALL ACTIVITIES FOR WHICH THE DISTRICT IS FINANCIALLY ACCOUNTABLE.

**Note 2 – Summary of Significant Accounting Policies**

AS DISCUSSED FURTHER IN NOTE 2.C, THESE FINANCIAL STATEMENTS ARE PRESENTED ON A CASH BASIS OF ACCOUNTING. THIS CASH BASIS OF ACCOUNTING DIFFERS FROM ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (**GAAP**). GENERALLY ACCEPTED ACCOUNTING PRINCIPLES INCLUDE ALL RELEVANT GOVERNMENTAL ACCOUNTING STANDARDS BOARD (**GASB**) PRONOUNCEMENTS, WHICH HAVE BEEN APPLIED TO THE EXTENT THEY ARE APPLICABLE TO THE CASH BASIS OF ACCOUNTING. IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS, FINANCIAL ACCOUNTING STANDARDS BOARD (**FASB**) PRONOUNCEMENTS AND ACCOUNTING PRINCIPLES BOARD (**APB**) OPINIONS ISSUED ON OR BEFORE NOVEMBER 30, 1989, HAVE BEEN APPLIED, TO THE EXTENT THEY ARE APPLICABLE TO THE CASH BASIS OF ACCOUNTING, UNLESS THOSE PRONOUNCEMENTS CONFLICT WITH OR CONTRADICT **GASB** PRONOUNCEMENTS, IN WHICH CASE **GASB** PREVAILS. FOLLOWING ARE THE MORE SIGNIFICANT OF THE DISTRICT'S ACCOUNTING POLICIES.

A. BASIS OF PRESENTATION

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. GOVERNMENTAL ACTIVITIES GENERALLY ARE FINANCED THROUGH TAXES, INTERGOVERNMENTAL RECEIPTS OR OTHER NON-EXCHANGE TRANSACTIONS. THE DISTRICT HAS NO BUSINESS-TYPE ACTIVITIES.

THE STATEMENT OF NET ASSETS PRESENTS THE CASH BALANCE OF THE GOVERNMENTAL ACTIVITIES OF THE DISTRICT AT YEAR END. THE STATEMENT OF ACTIVITIES COMPARES DISBURSEMENTS AND PROGRAM RECEIPTS FOR EACH PROGRAM OR FUNCTION OF THE DISTRICT'S GOVERNMENTAL ACTIVITIES. DISBURSEMENTS ARE REPORTED BY FUNCTION. A FUNCTION IS A GROUP OF RELATED ACTIVITIES DESIGNED TO ACCOMPLISH A MAJOR SERVICE OR REGULATORY PROGRAM FOR WHICH THE DISTRICT IS RESPONSIBLE.

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**Note 2 – Summary of Significant Accounting Policies (Continued)**

PROGRAM RECEIPTS INCLUDE CHARGES PAID BY THE RECIPIENT OF THE GOODS OR SERVICES OFFERED BY THE PROGRAMS, GRANTS, AND CONTRIBUTIONS THAT ARE RESTRICTED TO MEETING THE OPERATIONAL OR CAPITAL REQUIREMENTS OF A PARTICULAR PROGRAM.

RECEIPTS WHICH ARE NOT CLASSIFIED AS PROGRAM RECEIPTS ARE PRESENTED AS GENERAL RECEIPTS OF THE DISTRICT, WITH CERTAIN LIMITED EXCEPTIONS. THE COMPARISON OF DIRECT DISBURSEMENTS WITH PROGRAM RECEIPTS IDENTIFIES THE EXTENT TO WHICH EACH GOVERNMENTAL PROGRAM IS SELF-FINANCING ON A CASH BASIS OR DRAWS FROM THE GENERAL RECEIPTS OF THE DISTRICT.

**FUND FINANCIAL STATEMENTS**

DURING THE YEAR, THE DISTRICT SEGREGATES TRANSACTIONS RELATED TO CERTAIN DISTRICT FUNCTIONS OR ACTIVITIES IN SEPARATE FUNDS IN ORDER TO AID FINANCIAL MANAGEMENT AND TO DEMONSTRATE LEGAL COMPLIANCE. FUND FINANCIAL STATEMENTS ARE DESIGNED TO PRESENT FINANCIAL INFORMATION OF THE DISTRICT AT THIS MORE DETAILED LEVEL. THE FOCUS OF GOVERNMENTAL FUND FINANCIAL STATEMENTS IS ON MAJOR FUNDS. EACH MAJOR FUND IS PRESENTED IN A SEPARATE COLUMN. NON-MAJOR FUNDS ARE AGGREGATED AND PRESENTED IN A SINGLE COLUMN.

**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 GOVERNMENTAL FUNDS.

**GOVERNMENTAL FUNDS**

GOVERNMENTAL FUNDS ARE THOSE THROUGH WHICH THE GOVERNMENTAL FUNCTIONS OF THE DISTRICT ARE FINANCED. THE FOLLOWING ARE THE DISTRICTS MAJOR GOVERNMENTAL FUNDS:

- GENERAL FUND - THE GENERAL FUND INCLUDES REVENUES AND EXPENSES RELATED TO VITAL STATISTICS, NURSING SERVICES, STATE SUBSIDY, AND TAXATION FEES
- HELP ME GROW FUND - THIS FUND IS USED TO ACCOUNT FOR STATE AND FEDERAL FUNDS RECEIVED FOR FAMILIES THAT HAVE DELAYS AND DISABILITIES FROM BIRTH TO THREE YEARS OLD.

THE OTHER GOVERNMENTAL FUNDS OF THE DISTRICT ACCOUNT FOR GRANTS AND OTHER RESOURCES WHO'S USE IS RESTRICTED TO A PARTICULAR PURPOSE.

**C. BASIS OF ACCOUNTING**

THE DISTRICT'S FINANCIAL STATEMENTS ARE PREPARED USING THE CASH BASIS OF ACCOUNTING. RECEIPTS ARE RECORDED IN THE DISTRICT'S FINANCIAL RECORDS AND REPORTED IN THE FINANCIAL STATEMENTS WHEN CASH IS RECEIVED RATHER THAN WHEN EARNED AND DISBURSEMENTS ARE RECORDED WHEN CASH IS PAID RATHER THAN WHEN A LIABILITY IS INCURRED.

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**Note 2 – Summary of Significant Accounting Policies (Continued)**

AS A RESULT OF THE USE OF THIS CASH BASIS OF ACCOUNTING, CERTAIN ASSETS AND THEIR RELATED REVENUES (SUCH AS ACCOUNTS RECEIVABLE AND REVENUE FOR BILLED OR PROVIDED SERVICES NOT YET COLLECTED) AND CERTAIN LIABILITIES AND THEIR RELATED EXPENSES (SUCH AS ACCOUNTS PAYABLE AND EXPENSES FOR GOODS OR SERVICES RECEIVED BUT NOT YET PAID, AND ACCRUED EXPENSES AND LIABILITIES) ARE NOT RECORDED IN THESE FINANCIAL STATEMENTS.

**D. BUDGETARY PROCESS**

ALL FUNDS ARE LEGALLY REQUIRED TO BE BUDGETED AND APPROPRIATED. THE MAJOR DOCUMENTS PREPARED ARE THE CERTIFICATE OF ESTIMATED RESOURCES AND THE APPROPRIATIONS RESOLUTION, ALL OF WHICH ARE PREPARED ON THE BUDGETARY BASIS OF ACCOUNTING. THE CERTIFICATE OF ESTIMATED RESOURCES ESTABLISHES A LIMIT ON THE AMOUNT THE DISTRICT MAY APPROPRIATE. THE APPROPRIATIONS RESOLUTION IS THE DISTRICTS AUTHORIZATION TO SPEND RESOURCES AND SET 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 THE OBJECT LEVEL.

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 AND APPROVED BY THE FAYETTE COUNTY BUDGET COMMISSION.

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. CASH AND INVESTMENTS**

THE FAYETTE COUNTY TREASURER IS THE CUSTODIAN FOR THE DISTRICT'S CASH AND INVESTMENTS. THE COUNTY'S CASH AND INVESTMENT POOL HOLDS THE DISTRICT'S CASH AND INVESTMENTS, WHICH ARE REPORTED AT THE COUNTY TREASURER'S CARRYING AMOUNT. DEPOSITS AND INVESTMENTS DISCLOSURES FOR THE COUNTY AS A WHOLE MAY BE OBTAINED FROM: SUSAN V. DUNN, FAYETTE COUNTY TREASURER, 133 SOUTH MAIN STREET, WASHINGTON COURT HOUSE, OHIO 43160

**F. ACCUMULATED LEAVE**

IN CERTAIN CIRCUMSTANCES, SUCH AS UPON LEAVING EMPLOYMENT OR RETIREMENT, EMPLOYEES ARE ENTITLED TO CASH PAYMENTS FOR UNUSED LEAVE. UNPAID LEAVE IS NOT REFLECTED AS A LIABILITY UNDER THE DISTRICT'S CASH BASIS OF ACCOUNTING.

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**Note 2 – Summary of Significant Accounting Policies (Continued)**

**G. EMPLOYER CONTRIBUTIONS TO COST SHARING PENSION PLANS**

THE DISTRICT RECOGNIZED THE DISBURSEMENTS FOR EMPLOYER CONTRIBUTIONS TO COST-SHARING PENSION PLANS WHEN THEY ARE PAID. AS DESCRIBED IN NOTES 6 AND 7, THE EMPLOYER CONTRIBUTIONS INCLUDE PORTIONS FOR PENSION BENEFITS AND FOR POSTRETIREMENT HEALTH CARE BENEFITS.

**H. NET ASSETS**

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 AMOUNT RESTRICTED INCLUDES AMOUNTS RESTRICTED FOR HELP ME GROW, FOOD SERVICES, FAMILY PLANNING, HEALTHCHEK, AND OTHER PURPOSES.

**I. FUND BALANCES 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. THE DISTRICT HAS NO RESERVES FOR THE FISCAL YEARS ENDING 2010 AND 2009. UNRESERVED FUND BALANCE INDICATED THAT PORTION OF FUND BALANCE WHICH IS AVAILABLE FOR APPROPRIATION IN FUTURE PERIODS.

**J. INTERFUND TRANSACTIONS**

EXCHANGE TRANSACTIONS BETWEEN FUNDS ARE REPORTED AS RECEIPTS IN THE SELLER FUNDS AND AS DISBURSEMENTS IN THE PURCHASE FUNDS. SUBSIDIES FROM ONE FUND TO ANOTHER WITH A REQUIREMENT FOR REPAYMENT ARE REPORTED AS INTERFUND ADVANCES. INTERFUND ADVANCES ARE REPORTED AS OTHER FINANCING SOURCES/USES IN GOVERNMENTAL FUNDS. INTERFUND ADVANCES BETWEEN GOVERNMENTAL ACTIVITIES ARE ELIMINATED ON THE ENTITY WIDE STATEMENTS.

**NOTE 3- BUDGETARY BASIS OF ACCOUNTING**

THE BUDGETARY BASIS PROVIDED BY LAW IS BASED UPON ACCOUNTING FOR CERTAIN TRANSACTIONS ON THE BASIS OF CASH RECEIPTS, DISBURSEMENTS AND ENCUMBRANCES. THE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL BUDGETARY BASIS PRESENTED FOR THE GENERAL FUND AND EACH MAJOR SPECIAL REVENUE FUND IS PREPARED ON THE BUDGETARY BASIS TO PROVIDE A MEANINGFUL COMPARISON OF ACTUAL RESULTS WITH THE BUDGET. THE DIFFERENCE BETWEEN THE BUDGETARY BASIS AND THAT CASH BASIS IS (ARE) OUTSTANDING YEAR END ENCUMBRANCES ARE TREATED AS EXPENDITURES (BUDGETARY BASIS) RATHER THAN AS A RESERVATION OF FUND BALANCE (CASH BASIS) (AND OUTSTANDING YEAR END ADVANCES ARE TREATED AS ANOTHER FINANCING SOURCE OR USE (BUDGETARY BASIS) RATHER THAN AS AN INTERFUND RECEIVABLE OR PAYABLE (CASH BASIS). IN 2010 AND 2009, THERE WERE NO OUTSTANDING ENCUMBRANCES.

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**NOTE 4- RISK MANAGEMENT**

THE GOVERNMENT IS EXPOSED TO VARIOUS RISKS OF PROPERTY AND CASUALTY LOSSES, AND INJURIES TO EMPLOYEES.

THE GOVERNMENT INSURES AGAINST INJURIES TO EMPLOYEES THROUGH THE OHIO BUREAU OF WORKER'S COMPENSATION.

THE GOVERNMENT BELONGS TO THE PUBLIC ENTITIES POOL OF OHIO (PEP), A RISK-SHARING POOL AVAILABLE TO OHIO LOCAL GOVERNMENTS. PEP PROVIDES PROPERTY AND CASUALTY COVERAGE FOR ITS MEMBERS. AMERICAN RISK POOLING CONSULTANTS, INC. (ARPCO), A DIVISION OF YORK INSURANCE SERVICES GROUP, INC. (YORK), FUNCTIONS AS THE ADMINISTRATOR OF PEP AND PROVIDES UNDERWRITING, CLAIMS, LOSS CONTROL, RISK MANAGEMENT, AND REINSURANCE SERVICES FOR PEP. PEP IS A MEMBER OF THE AMERICAN PUBLIC ENTITY EXCESS POOL (APEEP), WHICH IS ALSO ADMINISTERED BY ARPCO. MEMBER GOVERNMENTS PAY ANNUAL CONTRIBUTIONS TO FUND PEP. PEP PAYS JUDGMENTS, SETTLEMENTS AND OTHER EXPENSES RESULTING FROM COVERED CLAIMS THAT EXCEED THE MEMBERS' DEDUCTIBLES.

**CASUALTY AND PROPERTY COVERAGE**

APEEP PROVIDES PEP WITH AN EXCESS RISK-SHARING PROGRAM. UNDER THIS ARRANGEMENT, PEP RETAINS INSURED RISKS UP TO AN AMOUNT SPECIFIED IN THE CONTRACTS. AT DECEMBER 31, 2009, PEP RETAINED \$350,000 FOR CASUALTY CLAIMS AND \$150,000 FOR PROPERTY CLAIMS.

THE AFOREMENTIONED CASUALTY AND PROPERTY REINSURANCE AGREEMENT DOES NOT DISCHARGE PEP'S PRIMARY LIABILITY FOR CLAIMS PAYMENTS ON COVERED LOSSES. CLAIMS EXCEEDING COVERAGE LIMITS ARE THE OBLIGATION OF THE RESPECTIVE GOVERNMENT.

**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, 2009 AND 2008 (THE LATEST INFORMATION AVAILABLE):

|             | <b><u>2009</u></b>  | <b><u>2008</u></b>  |
|-------------|---------------------|---------------------|
| ASSETS      | \$36,374,898        | \$35,769,535        |
| LIABILITIES | <u>(15,256,862)</u> | <u>(15,310,206)</u> |
| NET ASSETS  | <u>\$21,118,036</u> | <u>\$20,459,329</u> |

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**NOTE 4- RISK MANAGEMENT (Continued)**

AT DECEMBER 31, 2009 AND 2008, RESPECTIVELY, THE LIABILITIES ABOVE INCLUDE APPROXIMATELY \$14.1 MILLION AND \$13.7 MILLION OF ESTIMATED INCURRED CLAIMS PAYABLE. THE ASSETS ABOVE ALSO INCLUDE APPROXIMATELY \$13.7 MILLION AND \$12.9 MILLION OF UNPAID CLAIMS TO BE BILLED TO APPROXIMATELY 447 MEMBER GOVERNMENTS IN THE FUTURE, AS OF DECEMBER 31, 2009 AND 2008, RESPECTIVELY. THESE AMOUNTS WILL BE INCLUDED IN FUTURE CONTRIBUTIONS FROM MEMBERS WHEN THE RELATED CLAIMS ARE DUE FOR PAYMENT. AS OF DECEMBER 31, 2010, THE GOVERNMENT'S SHARE OF THESE UNPAID CLAIMS COLLECTIBLE IN FUTURE YEARS IS APPROXIMATELY \$8,000.

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.

| <b><u>CONTRIBUTIONS TO PEP</u></b> |                    |
|------------------------------------|--------------------|
| <b><u>2010</u></b>                 | <b><u>2009</u></b> |
| \$8,731                            | \$7,991            |

AFTER ONE YEAR OF MEMBERSHIP, A MEMBER MAY WITHDRAW ON THE ANNIVERSARY OF THE DATE OF JOINING PEP, IF THE MEMBER NOTIFIES PEP IN WRITING 60 DAYS PRIOR TO 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 FUTURE OBLIGATION TO PEP. ALSO UPON WITHDRAWAL, PAYMENTS FOR ALL CASUALTY CLAIMS AND CLAIM EXPENSES BECOME THE SOLE RESPONSIBILITY OF THE WITHDRAWING MEMBER, REGARDLESS OF WHETHER A CLAIM OCCURRED OR WAS REPORTED PRIOR TO THE WITHDRAWAL.

**NOTE 5- DEFINED BENEFIT PENSION PLAN**

THE OHIO PUBLIC EMPLOYEES RETIREMENTS SYSTEM (OPERS) HAS PROVIDED THE FOLLOWING INFORMATION TO THE DISTRICT IN ORDER TO ASSIST THEM IN COMPLYING WITH GASB STATEMENT NO. 27, ACCOUNTING FOR PENSIONS BY STATE AND LOCAL GOVERNMENT EMPLOYERS (STATEMENT NO. 27), OPERS ADMINISTERS THREE SEPARATE PENSION PLANS AS DESCRIBED BELOW.

- THE TRADITIONAL PENSION PLAN- A COST SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN.
- THE MEMBER-DIRECTED PLAN- A DEFINED CONTRIBUTION PLAN IN WHICH THE MEMBER INVESTS BOTH MEMBER AND EMPLOYER CONTRIBUTIONS (EMPLOYERS CONTRIBUTIONS VEST OVER FIVE YEARS AT 20% PER YEAR). UNDER THE MEMBER- DIRECTED PLAN MEMBERS ACCUMULATE RETIREMENT ASSETS EQUAL TO THE VALUE OF MEMBER AND (VESTED) EMPLOYER CONTRIBUTIONS PLUS ANY INVESTMENT EARNINGS.



**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**NOTE 5- DEFINED BENEFIT PENSION PLAN (Continued)**

- THE COMBINED PLAN (CO)- COST SHARING , MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN. UNDER THE COMBINED PLAN, **OPERS** INVEST EMPLOYER CONTRIBUTIONS TO PROVIDE A FORMULA RETIREMENT BENEFITS SIMILAR IN NATURE TO THE TRADITIONAL PLAN BENEFIT. MEMBER CONTRIBUTIONS, THE INVESTMENT OF WHICH IS SELF-DIRECTED BY THE MEMBER, ACCUMULATE RETIREMENT ASSETS IN A MANNER SIMILAR TO THE MEMBER-DIRECTED PLAN.

**OPERS** PROVIDES RETIREMENT, DISABILITY, SURVIVOR AND DEATH BENEFITS, AND ANNUAL COST-OF-LIVING ADJUSTMENTS TO MEMBERS OF THE TRADITIONAL PENSION AND COMBINED PLANS. MEMBERS OF THE MEMBER-DIRECTED PLAN DO NOT QUALIFY FOR ANCILLARY BENEFITS.

AUTHORITY TO ESTABLISH AND AMEND BENEFITS IS PROVIDED BY STATE STATUTE PER CHAPTER 145 OF THE OHIO REVISED CODE (ORC).

**OPERS** ISSUE A STAND-ALONE FINANCIAL REPORT. INTERESTED PARTIES MAY OBTAIN A COPY BY WRITING TO OPERS, ATTENTION: FINANCE DIRECTOR, 277 EAST TOWN STREET, COLUMBUS, OHIO 43215-4642, OR BY CALLING (614) 222-5601 OR 1-(800)-22-7377.

THE OHIO REVISED CODE PROVIDES STATUTORY AUTHORITY FOR MEMBERS AND EMPLOYER CONTRIBUTIONS. FOR 2010 AND 2009, MEMBER AND EMPLOYER CONTRIBUTION RATES WERE CONSISTENT ACROSS ALL THREE PLANS.

IN 2009 AND 2010 MEMBER CONTRIBUTION RATES FOR EMPLOYEES WAS 10% FOR THE DISTRICT

THE 2009 AND 2010 EMPLOYER RATE WAS 14% OF COVERED PAYROLL FOR THE DISTRICT.

DISTRICT'S CONTRIBUTIONS FOR THE YEARS ENDED DECEMBER 31, 2010, 2009, AND 2008 WERE \$152,574, \$147,246, AND \$131,102 RESPECTIVELY: 100 PERCENT HAS BEEN CONTRIBUTED FOR 2010, 2009, 2008.

**NOTE 6- POSTEMPLOYMENT BENEFITS**

**A. PLAN DESCRIPTION**

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) ADMINISTERS THREE SEPARATE PENSION PLANS: THE TRADITIONAL PENSION PLAN- A COST SHARING, MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN; THE MEMBER- DIRECTED PLAN- A DEFINE CONTRIBUTION PLAN; AND THE COMBINED PLAN- A COST SHARING MULTIPLE-EMPLOYER DEFINED PENSION PLAN THAT HAS ELEMENTS OF BOTH A DEFINED BENEFIT AND DEFINED CONTRIBUTION PLAN.

OPERS PROVIDE RETIREMENT, DISABILITY, AND SURVIVOR BENEFITS AS WELL AS POST-RETIREMENT HEALTH CARE COVERAGE 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 COVERAGE.

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)**

**NOTE 6- POSTEMPLOYMENT BENEFITS (Continued)**

IN ORDER TO QUALIFY FOR POST-RETIREMENT HEALTH CARE COVERAGE, AGE-AND-SERVICE RETIREES UNDER THE TRADITIONAL PENSION AND COMBINED PLANS MUST HAVE 10 YEARS OR MORE OF QUALIFYING OHIO SERVICE CREDIT. HEALTH CARE COVERAGE FOR DISABILITY RECIPIENTS AND QUALIFIED SURVIVOR BENEFIT RECIPIENTS IS AVAILABLE. THE HEALTH CARE COVERAGE PROVIDED BY OPERS MEETS THE DEFINITION OF AN OTHER POST-EMPLOYMENT BENEFIT (OPEB) AS DESCRIBED IN GASB STATEMENT 45.

THE OHIO REVISED CODE PERMITS, BUT DOES NOT MANDATE OPERS TO PROVIDE OPEB BENEFITS TO ITS ELIGIBLE MEMBER AND BENEFICIARIES. AUTHORITY TO ESTABLISH AND AMEND BENEFITS IS PROVIDED IN CHAPTER 145 OF THE OHIO REVISED CODE.

OPERS ISSUES A STAND-ALONE FINANCIAL REPORT. INTERESTED PARTIES MAY OBTAIN A COPY BY WRITING OPERS, ATTENTION: FINANCE DIRECTOR, 277 EAST TOWN STREET, COLUMBUS, OH 43215-4642, OR BY CALLING (614) 222-5601 OR 1-(800) 222-7377.

**B. FUNDING POLICY**

THE OHIO REVISED CODE PROVIDES THE STATUTORY AUTHORITY REQUIRING PUBLIC EMPLOYERS TO FUND POST-RETIREMENT HEALTH CARE THROUGH THEIR CONTRIBUTIONS TO OPERS. A PORTION OF EACH EMPLOYER'S CONTRIBUTION TO OPERS IS SET ASIDE FOR THE FUNDING OF POST-RETIREMENT HEALTH CARE BENEFITS.

EMPLOYER CONTRIBUTION RATES ARE EXPRESSED AS A PERCENTAGE OF THE COVERED PAYROLL OF ACTIVE MEMBERS. IN 2010 AND 2009, STATE AND LOCAL EMPLOYERS CONTRIBUTED AT A RATE OF 14.0% OF COVERED PAYROLL. THE OHIO REVISED CODE CURRENTLY LIMITS THE EMPLOYER CONTRIBUTION TO A RATE NOT TO EXCEED 14.0% OF COVERED PAYROLL. ACTIVE MEMBERS DO NOT MAKE CONTRIBUTIONS TO THE OPEB PLAN.

OPERS' POST EMPLOYMENT HEALTH CARE PLAN WAS ESTABLISHED UNDER, AND IS ADMINISTERED IN ACCORDANCE WITH, INTERNAL REVENUE CODE 401 (H). EACH YEAR, THE OPERS RETIREMENT BOARD DETERMINES THE PORTION OF THE EMPLOYER CONTRIBUTION RATE THAT WILL BE SET ASIDE FOR FUNDING OF POST-EMPLOYMENT HEALTH CARE BENEFITS. THE PORTION OF EMPLOYER CONTRIBUTIONS ALLOCATED TO HEALTH CARE FOR MEMBERS IN THE TRADITIONAL PLAN WAS 5.5% FROM JANUARY 1 THROUGH FEBRUARY 29, 2010 AND 5.0% FROM MARCH 1 THROUGH DECEMBER 31, 2010. THE PORTION OF EMPLOYER CONTRIBUTIONS ALLOCATED TO HEALTH CARE FOR MEMBERS IN THE COMBINED PLAN WAS 4.73% FROM JANUARY 1 THROUGH FEBRUARY 28, 2010, AND 4.23% FROM MARCH 1 THROUGH DECEMBER 31, 2010. THE PORTION OF EMPLOYER CONTRIBUTIONS ALLOCATED TO HEALTH CARE WAS 7.00% FROM JANUARY 1 THROUGH MARCH 31, 2009 AND 5.5% FROM APRIL 1 THROUGH DECEMBER 31, 2009. THE OPERS BOARD OF TRUSTEES 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 COVERED SELECTED.

FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Continued)

**NOTE 6- POSTEMPLOYMENT BENEFITS (Continued)**

C. INFORMATION FROM EMPLOYER'S RECORDS

THE RATES STATED IN SECTION B, ABOVE, ARE THE CONTRACTUAL REQUIRED CONTRIBUTIONS RATE FOR OPERS. AS PART OF THIS DISCLOSURE, IT WILL BE NECESSARY FOR THE EMPLOYER TO DISCLOSE THE EMPLOYER CONTRIBUTIONS ACTUALLY MADE TO FUND POST-EMPLOYMENT BENEFITS. THE PORTION OF THE DISTRICT'S FOR 2010 AND 2009 CONTRIBUTIONS THAT WE USED TO FUND POST-EMPLOYMENT BENEFITS WERE \$51,842 AND \$61,446 RESPECTIVELY.

D. OPERS RETIREMENT BOARD IMPLEMENTS IN HEALTH CARE PRESERVATION PLAN

THE HEALTH CARE PRESERVATION PLAN (HCPP) ADOPTED BY THE OPERS RETIREMENT BOARD 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 7 – INTERGOVERNMENTAL FUNDING**

FAYETTE COUNTY APPORTIONS THE EXCESS OF THE DISTRICT'S APPROPRIATIONS OVER OTHER ESTIMATED RECEIPTS AMONG THE TOWNSHIPS AND MUNICIPALITIES COMPOSING THE DISTRICT, BASED ON THEIR TAXABLE PROPERTY VALUATIONS. FAYETTE COUNTY WITHHOLDS THE APPORTIONED EXCESS FROM PROPERTY TAX SETTLEMENTS AND DISTRIBUTES TO THE DISTRICT. THE FINANCIAL STATEMENTS PRESENT THESE AMOUNTS AS INTERGOVERNMENTAL RECEIPTS.

THE FAYETTE COUNTY COMMISSIONERS ARE SERVING AS A SPECIAL TAXING DISTRICT TO LEVY AND SPECIAL LEVY OUTSIDE THE TEN-MILL LIMITATION TO PROVIDE THE HEALTH DISTRICT WITH SUFFICIENT FUNDS TO CARRY OUT HEALTH PROGRAMS. THE LEVY GENERATED \$1,008,576 IN 2010 AND \$ 982,344 IN 2009. THESE AMOUNTS ARE INCLUDED AS PROPERTY TAXES.

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# Dave Yost • Auditor of State

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

Fayette County General Health District  
Fayette County  
317 South Fayette Street  
Washington Court House, Ohio 43160

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fayette County General Health District, Fayette County, Ohio (the District), as of and for the years ended December 31, 2010 and 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated August 10, 2011, wherein we noted the District uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

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

### Compliance and Other Matters

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

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated August 10, 2011.

We intend this report solely for the information and use of management, board of trustees, and others within the District. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

August 10, 2011

**FAYETTE COUNTY GENERAL HEALTH DISTRICT  
FAYETTE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2010 AND 2009**

| Finding Number | Finding Summary   | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b> |
|----------------|---|------------------|--|
| 2008-01        | Material reclassifications in intergovernmental receipts. | No               | Partially corrected. Issue reported in management letter for 2010-2009 audit.  |

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# Dave Yost • Auditor of State

FAYETTE COUNTY GENERAL HEALTH DISTRICT

FAYETTE 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 8, 2011