



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

CHAMPAIGN COUNTY DISTRICT BOARD OF HEALTH
CHAMPAIGN COUNTY

REGULAR AUDIT

For the Years Ended December 31, 2016 and 2015
Fiscal Years Audited Under GAGAS: 2016 and 2015



Dave Yost • Auditor of State

District Board
Champaign County District Board of Health
1512 S. US Highway 68 Suite Q100
Urbana, Ohio 43078

We have reviewed the *Independent Auditor's Report* of the Champaign County District Board of Health, Champaign County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2015 through December 31, 2016. 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 Champaign County District Board of Health is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 1, 2017

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Champaign County District Board of Health
Champaign County, Ohio
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bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Champaign County District Board of Health
Champaign County
1512 S. US Highway 68 Suite Q 100
Urbana , Ohio 43078

To the District Board:

Report on the Financial Statements

We have audited the accompanying cash basis financial statements governmental activities, each major fund and the aggregate remaining fund information of the Champaign County District Board of Health, Champaign County, (the District), as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes designing that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Champaign County District Board of Health
Champaign County
Independent Auditor's Report
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Champaign County District Board of Health, Champaign County, as of December 31, 2016 and 2015, and the respective changes in cash financial position and the budgetary comparison for the General, and WIC Grant funds for the years ended December 31, 2016 and 2015 in accordance with the accounting basis described in Note 2.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

We applied no procedures to Management's Discussion & Analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2017, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standard* in considering the District's internal control over financial reporting and compliance.

BHM CPA Group

BHM CPA Group, Inc.
Columbus, Ohio
June 12, 2017

**Champaign County District Board of Health
Champaign County**

**Management's Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

This discussion and analysis of the Champaign Health District's financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2016 and 2015, within the limitations of the Health District's cash basis of accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the Health District's financial performance.

Highlights

Key highlights for 2016 and 2015 are as follows

- For fiscal year 2016, net position from all governmental activities increased by \$86,841, or 8.6%. For fiscal year 2015, net position from all governmental activities increased by \$93,865, or 10.2%.
- For fiscal year 2016, program specific receipts in the form of charges for services, operating grants and contributions, and contract services comprise the largest percentage of the Health District's receipts, making up over 57 percent of all the dollars coming into the District. General receipts in the form of and unrestricted grants make up the other 43 percent. For fiscal year 2015, program specific receipts in the form of charges for services, operating grants and contributions, and contract services comprise the largest percentage of the Health District's receipts, making up over 57 percent of all the dollars coming into the District. General receipts in the form of and unrestricted grants make up the other 43 percent.
- For fiscal year 2016, the Health District had \$975,211 in disbursements. For fiscal year 2015, the Health District had \$948,971 in disbursements.
- For fiscal year 2016, WIC grant revenue decreased by \$17,259. For fiscal year 2015, WIC grant revenue increased by \$51,994 in 2015. \$25,000 was transferred into the WIC fund from the General revenue fund to cover expenses due to changes in timing of funding allocation by Ohio Department of Health.

Using the Basic Financial Statements

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

Report Components

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Health 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.

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.

**Champaign County District Board of Health
Champaign County**

**Management's Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Health 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 the generally accepted accounting principles. Under the Health 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 expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Health District as a Whole

The Champaign Health District is established to exercise the rights, privileges, and responsibilities conveyed to it by the constitution and laws of the State of Ohio. The Health District is directed by a five-member Board of Health that appoints a Health Commissioner as its Executive Officer. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, vital statistics, and the issuance of health-related licenses and permits. The Health District also acts upon various complaints made by the public concerning the health and welfare of the county.

The statement of net assets and the statement of activities reflect how the Health District did financially during 2016 within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the Health District at year-end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's services, and grants and contributions restricted to meeting the operational 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 Health District's general receipts.

These statements report the Health District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Health District's financial health. Over time, increases or decreases in the Health District's cash position is one indicator of whether the Health District's financial health is improving or deteriorating.

When evaluating the Health District's financial condition, you should also consider other non-financial factors. Such as, the extent of the Health District's debt obligations, the reliance on non-local financial resources for operations, and the need for continued growth in in-side millage as a local revenue source.

In the statement of net assets and the statement of activities, all Health District activities are reported as governmental. State and federal grants, fees, and inside millage finance most of these activities.

**Champaign County District Board of Health
Champaign County**

**Management’s Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

Benefits provided through governmental activities are not necessarily paid for by the people receiving them; particularly in the personal health services division. The Health District has no business-type activities.

Reporting the District’s Most Significant Funds

Fund financial statements provide detailed information about the Health District’s major funds – not the Health District as a whole. The Health District establishes separate funds to better manage its many activities and to help demonstrate that restricted funds are being spent for the intended purpose.

All of the Health District’s activities are reported in Governmental funds. The Governmental fund financial statements provide a detailed view of the Health 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 Health District’s programs. The Health 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 Health District’s major Governmental funds are the General Fund and the WIC Fund. The programs reported in Governmental funds are closely related to those reported in the Governmental Activities section of the entity-wide statements.

The Health District as a Whole

Table 1 - Net Position provides a summary of the Health District’s net position for 2016 and 2015 on a cash basis. A comparative analysis will be presented.

	Table 1	
	Net Position	
	Governmental Activities	
	2016	2015
	<hr/>	<hr/>
Assets		
Cash and Cash Equivalents	\$ 1,009,946	\$ 923,105
Total Assets	<hr/> 1,009,946	<hr/> 923,105
Net Position Restricted for:		
Other Purposes	276,418	261,840
Unrestricted	733,528	661,265
Total Net Position	<hr/> \$ 1,009,946	<hr/> \$ 923,105

As mentioned previously, net assets of all governmental activities increased by \$86,841 during 2016 and increased by \$93,865 during 2015. The primary reasons contributing to the increases in cash balances are as follows:

- Savings from the change in personnel and combination of duties during 2016 and 2015.

**Champaign County District Board of Health
Champaign County**

**Management's Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

Table 2 – Change in Net Position reflects the changes in net position during 2016 and 2015. A comparative analysis of District-Wide data is presented.

	Governmental Activities	
	2016	2015
Receipts		
Program Receipts:		
Charges for Services and Sales	\$ 352,456	\$ 320,143
Operating Grants and Contributions	257,483	275,278
Total Program Receipts	609,939	595,421
General Receipts:		
Revenue from Subdivisions	168,500	168,500
State Subsidy	7,522	7,510
Levy	276,092	271,405
Total General Receipts	452,114	447,415
Total Receipts	1,062,053	1,042,836
Disbursements		
Environmental Health		
Food Program	52,896	50,723
Solid Waste	3,438	3,226
Swimming Pools	3,080	3,113
Plumbing	29,241	25,337
Sewage	25,616	26,085
Other Environmental Health	147,940	102,212
Personal Health Services	135,877	154,795
Immunizations	80,417	42,969
Laboratory	7,593	9,414
Grants		
WIC	176,533	162,590
IAP	9,780	13,178
MRC	1,898	5,764
PHEP	64,476	85,812
Zika	29,889	-
Vital Statistics	18,551	20,534
Child Abuse Prevention	8,903	9,858

(Continued)

**Champaign County District Board of Health
Champaign County**

**Management’s Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

Administration	118,922	170,606
Travel/Training	18,637	13,553
County Auditor/Treasurer Fee	6,173	13,675
Rent/Maintenance Phones	34,919	35,527
Other Health Expenditures	432	-
Total Disbursements	<u>975,211</u>	<u>948,971</u>
Increase (Decrease) in Net Position	86,841	93,865
Net Position, January 1	<u>923,105</u>	<u>829,240</u>
Net Position, December 31	<u><u>\$ 1,009,946</u></u>	<u><u>\$ 923,105</u></u>

During 2016, general receipts represent 45 percent of the Health District’s total receipts as opposed to 43 percent during 2015, and of this amount, 37 percent are local taxes (revenue from subdivisions) provided by each municipality and District in the county as opposed to the 38 percent during 2015. Levy dollars represent 61 percent of general receipts, with the remaining amount at less than 2 percent provided by the State Subsidy.

Disbursements for the Health District represent the overhead costs of running the Health District and the support services provided for the other District activities. These include primarily the costs of personnel and personnel support at 75 percent of total disbursements during 2016 and 80 percent during 2015, as the primary product of the Health District is preventive health services which are labor-intensive.

Capital outlay signifies the disbursements for equipment for use in administering the Health District’s services. There were no significant equipment purchases during 2015, with the total equipment purchases at less than 2 percent of all disbursements.

Governmental Activities

If you look at the Statement of Activities on the next page, you will see that the first column lists the major services provided by the Health District. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Public Health services.

The Net Cost (Disbursement) column compares the program receipts to the cost of the service. This “net cost” amount represents the cost of the service that ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts that 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. All grants (IAP, WIC, and Public Health Emergency Preparedness) have a zero net cost to the health district, in 2008 all grant funds were separated from one general fund; any apparent net costs to the district are not real and should be attributed to changes in accounting practices, carryover, and differing fiscal years.

**Champaign County District Board of Health
Champaign County**

**Management's Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

Table 3 Net Cost of Services

	2016		2015	
	<u>Cash Disbursements</u>	<u>Net Cost of Services</u>	<u>Cash Disbursements</u>	<u>Net Cost of Services</u>
Governmental Activities				
Environmental Health				
Food Program	\$ 52,896	\$ 22,108	\$ 50,722	\$ 23,001
Solid Waste	3,438	534	3,226	766
Swimming Pools	3,080	131	3,113	106
Camps	-	634	-	674
Plumbing	29,241	5,782	25,337	5,673
Sewage	25,616	16,468	26,085	13,532
Other Environmental Health	147,940	(137,802)	102,212	(81,660)
Personal Health Services	135,877	(87,522)	154,795	(85,545)
Immunizations	80,417	(59,805)	42,969	(25,033)
Laboratory	7,593	878	9,414	(1,148)
Grants				
WIC	176,533	(22,715)	162,590	9,065
IAP	9,780	1,456	13,178	305
MRC	1,898	(1,898)	5,765	(2,265)
PHEP	64,476	(9,772)	85,812	(8,254)
Zika	29,889	7,411	-	-
Vital Statistics	18,551	21,829	20,534	22,722
Child Abuse Prevention	8,903	398	9,858	(466)
Administration	118,922	(118,922)	170,606	(170,537)
Travel/Training	18,637	(18,637)	13,553	(13,553)
County Auditor/Treasurer Fee	6,173	(6,173)	13,675	(13,527)
Rent/Maintenance/Phones	34,919	(34,919)	35,527	(35,527)
Other Health	432	55,263	-	8,268
Total Governmental Activities	<u>\$ 975,211</u>	<u>\$ (365,273)</u>	<u>\$ 948,971</u>	<u>\$ (353,403)</u>

The Health District's Funds

For fiscal year 2016, total governmental funds had receipts of \$1,061,804 and disbursements of \$975,211. For fiscal year 2015, total governmental funds had receipts of \$1,042,836 and disbursements of \$948,971.

In the Environmental Health Division most of the services are provided for a fee based on current cost methodologies. However, even with adjustments to fees during 2016 and 2015, the division is not self-funded and requires monies from the general fund. In the Nursing and Personal Health Services division, most of the services provided are not fee based and are primarily funded via the general fund. All of the grants received by the district except the Immunization Action Planning grant have differing fiscal years, therefore while it appears there are more expenditures than receipts this is not true at the end of each grant year.

**Champaign County District Board of Health
Champaign County**

**Management's Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

General Fund Budgeting Highlights

The Health 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 2016 and 2015, the Health District amended its General and Special Revenue fund budgets to reflect changing circumstances.

In 2016, revenues for the General Fund were originally budgeted at \$564,500, and actual revenue was \$670,996. Revenues for BCMH were originally budgeted at \$25,000. Actual revenues for BCMH services were \$19,150. MAC Billing revenues were originally budgeted at \$20,000 and actual revenues were \$29,205. In 2015, revenues for the General Fund were originally budgeted at \$617,175, and actual revenue was \$646,695. Revenues for BCMH were originally budgeted at \$18,000. Actual revenues for BCMH services were \$36,180. MAC Billing revenues were originally budgeted at \$18,000 and actual revenues were \$31,710.

In 2016, disbursements for the General Fund were originally budgeted at \$656,806 and amended to \$685,237 and actual disbursements were \$598,734. Disbursements for Supplies-Vaccine were originally budgeted at \$5,500 amended to \$5,086, and actual disbursements of \$4,280. In 2015, Disbursements for the General Fund were originally budgeted at \$739,445 and amended to \$741,845 and actual disbursements were \$588,621. Disbursements for Supplies-Vaccine were originally budgeted at \$20,000 amended to \$15,400, and actual disbursements of \$2,990. This reflects less disbursements for private purchase of vaccine due to an arrangement with Vax-Care to provide vaccine in both years. The Health District kept overall spending around the general revenue fund budgeted accounts.

Capital Assets

The Health District does not currently keep track of its capital assets and infrastructure. The Health District has not made plans to track this, as it is not required by current law. The Health District does not own land or other real estate at this time.

Debt

As of December 31, 2015, the Health District's outstanding debt included future lease payments for the office facility and copier equipment, as well as accumulated leave balances for the Health District's employees. For further information regarding the Health District's rental lease, refer to the note 10 to the basic financial statements.

Current Issues

The challenge for all Health Districts is to provide high quality preventive health services to the public while staying within the restrictions imposed by limited, and in some cases shrinking funding. The Health District relies heavily on inside millage from the cities, townships, and villages and state levy grant funds; as the inside millage and the grant funds are fairly fixed we continue to struggle with the increase in operating expenses primarily in personnel costs. Without a significant change in these resources, even with conservative spending, the Health District will continue to see a decrease in financial stability. The District successfully passed a 0.4 mil levy in November 2007, May 2012; and November 2016. This additional funding in 2013 through 2017 will assure that basic service provision can continue even with shrinkage of grant funding.

**Champaign County District Board of Health
Champaign County**

**Management's Discussion and Analysis
For the Years Ended December 31, 2016 and 2015**

Contacting the Health District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Health District's finances and to reflect the Health 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 Gabe Jones, Health Commissioner, Champaign Health District, 1512 S. US Highway 68, Suite Q100, Urbana, OH 43078.

Champaign County District Board of Health
Champaign County
Statement of Net Position - Cash Basis
December 31, 2016

	Governmental Activities
	2016
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 1,009,946
Total Assets	1,009,946
Net Position	
Restricted for:	
Other Purposes	276,418
Unrestricted	733,528
Total Net Position	\$ 1,009,946

See accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2016

	Cash Disbursements	Program Receipts		Net (Disbursements)
		Charges for Service and Sales	Operating Grants and Contributions	Receipts
				Governmental Activities
Governmental Activities				
Environmental Health				
Food Program	52,896	75,004	-	22,108
Solid Waste	3,438	3,972	-	534
Swimming Pools	3,080	3,212	-	132
Camps	-	634	-	634
Plumbing	29,241	35,023	-	5,782
Sewage	25,616	42,084	-	16,468
Other Environmental Health	147,940	10,138	-	(137,802)
Personal Health Services	135,877	48,355	-	(87,522)
Immunizations	80,417	20,612	-	(59,805)
Laboratory	7,593	8,471	-	878
Grants				
WIC	176,533	-	153,818	(22,715)
IAP	9,780	-	11,236	1,456
MRC	1,898	-	-	(1,898)
PHEP	64,476	-	54,701	(9,775)
Zica	29,889	-	37,300	7,411
Vital Statistics	18,551	40,380	-	21,829
Child Abuse Prevention	8,903	9,302	-	399
Administration	118,922	-	-	(118,922)
Travel/Timing	18,637	-	-	(18,637)
County Auditor/Treasurer Fee	6,173	-	-	(6,173)
Rent/Maintenance/Phones	34,919	-	-	(34,919)
Other Health	432	55,270	426	55,264
Total Governmental Activities	975,211	352,457	257,481	(365,273)
		General Receipts		
		Levy		276,092
		Subdivisions		168,500
		State Subsidy		7,522
		Total General Receipts		452,114
		Change in Net Position		86,841
		Net Position Beginning of Year		923,105
		Net Position End of Year		1,009,946

See accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Assets and Fund Balances - Cash Basis
For the Year Ended December 31, 2016

	<u>General</u>	<u>WIC Grant</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 733,528	\$ 49,170	\$ 227,248	\$ 1,009,946
Total Position	<u>733,528</u>	<u>49,170</u>	<u>227,248</u>	<u>1,009,946</u>
Fund Balances				
Restricted	-	49,170	227,248	276,418
Assigned	98,357	-	-	98,357
Unassigned	635,171	-	-	635,171
Total Fund Balances	<u>\$ 733,528</u>	<u>\$ 49,170</u>	<u>\$ 227,248</u>	<u>\$ 1,009,946</u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Revenues, Disbursements, and Changes in Fund Balance - Cash Basis
Governmental Funds
For the Year Ended December 31, 2016

	General	WIC Grant	Other Governmental Funds	Total Governmental Funds
Receipts				
State Funds	\$ 7,522	\$ -	\$ -	\$ 7,522
Grants				
Local	-	-	3,971	3,971
State	20,492	-	97,437	117,929
Federal	12,250	153,650	-	165,900
Levy	276,092	-	-	276,092
Subdivisions	168,500	-	-	168,500
Fines, Licenses and Permits: Environmental	59,324	-	120,270	179,594
Nursing Fees	35,873	-	5,796	41,669
Medicaid/Medicare	3,889	-	-	3,889
Vital Statistic Fees	40,380	-	9,302	49,682
Donations	250	-	-	250
Reimbursements/Refunds	33,114	168	462	33,744
Miscellaneous	13,312	-	-	13,312
Total Receipts	<u>670,998</u>	<u>153,818</u>	<u>237,238</u>	<u>1,062,054</u>
Disbursements				
Salaries - Employees	332,540	111,668	93,583	537,791
Sick Leave Vacation Payoff	10,082	-	-	10,082
Group Insurances	63,856	15,459	19,015	98,330
Medicare	5,189	3,376	1,319	9,884
PERS	46,273	13,839	13,151	73,263
Workers Compensation	2,227	712	648	3,587
Supplies - Office and Program Specific	14,397	5,042	1,112	20,551
Supplies - Postage	2,031	779	99	2,909
Supplies - Medical	3,571	-	-	3,571
Supplies - Vaccine	4,280	-	-	4,280
Equipment	5,370	5,158	-	10,528
Accreditation	5,088	-	-	5,088
Repair/Maintenance	3,639	-	-	3,639
Rent/Maintenance Building	18,751	6,000	-	24,751
Rent/Lease Equipment	7,919	-	-	7,919
Insurance Liability	3,901	-	-	3,901
Telephone	4,610	1,855	4,301	10,766
Audit	357	-	-	357
Advertising and Printing/Binding	2,961	1,001	480	4,442
Travel/Training/Dues/Membership	15,290	922	4,933	21,145
Consulting/Contracts	13,347	240	14,381	27,968
Refunds	432	10,481	30,096	41,009
Fees - Lab/State	7,593	-	9,683	17,276
Fees - Vital Statistics	18,378	-	-	18,378
Fees - State Remittances	836	-	7,146	7,982
Fees - County Auditor	5,816	-	-	5,816
Total Disbursements	<u>598,734</u>	<u>176,532</u>	<u>199,947</u>	<u>975,213</u>
Excess of Receipts Over (Under) Disbursements	<u>72,264</u>	<u>(22,714)</u>	<u>37,291</u>	<u>86,841</u>
Net Change in Fund Balances	72,264	(22,714)	37,291	86,841
Fund Balance, Beginning of Year	661,265	71,884	189,956	923,105
Fund Balance, End of Year	<u>733,529</u>	<u>49,170</u>	<u>227,247</u>	<u>1,009,946</u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2016

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Receipts				
State Funds	\$ 7,000	\$ 7,000	\$ 7,522	\$ 522
Grants				
State	-	-	20,492	20,492
Federal	-	12,250	12,250	-
Levy	256,850	281,850	276,092	(5,758)
Subdivisions	168,500	168,500	168,500	-
Fines, Licenses and Permits: Environmental	35,400	78,540	59,323	(19,217)
Nursing Fees	38,600	38,600	35,873	(2,727)
Medicaid/Medicare	1,600	1,600	3,889	2,289
Vital Statistic Fees	29,000	29,000	40,380	11,380
Donations	-	-	250	250
Reimbursements/Refunds	21,550	22,656	33,114	10,458
Miscellaneous	6,000	6,000	13,312	7,312
Total Receipts	<u>564,500</u>	<u>645,996</u>	<u>670,997</u>	<u>25,001</u>
Disbursements				
Salaries - Employees	351,384	351,284	332,540	18,744
Sick Leave Vacation Payoff	10,000	10,100	10,082	18
Group Insurances	79,000	77,114	63,856	13,258
Medicare	5,095	5,189	5,189	-
PERS	49,194	49,194	46,273	2,921
Workers Compensation	12,298	12,249	2,227	10,022
Supplies - Office and Program Specific	9,800	19,484	14,397	5,087
Supplies - Postage	4,000	3,200	2,031	1,169
Supplies - Medical	5,500	3,751	3,571	180
Supplies - Vaccine	5,500	5,086	4,280	806
Equipment	5,500	17,200	5,370	11,830
Accreditation	5,000	6,000	5,088	912
Repair/Maintenance	2,200	3,750	3,638	112
Rent/Maintenance Building	27,089	27,089	18,752	8,337
Rent/Lease Equipment	6,300	7,500	7,918	(418)
Insurance Liability	6,000	3,901	3,901	-
Telephone	5,600	5,299	4,610	689
Audit	3,000	1,000	358	642
Advertising and Printing/Binding	1,400	3,200	2,960	240
Travel/Training/Dues/Membership	15,081	17,231	15,290	1,941
Consulting/Contracts	6,900	15,791	13,348	2,443
Refunds	1,000	800	432	368
Fees - Lab/State	8,150	7,950	7,592	358
Fees - Vital Statistics	24,075	24,531	18,378	6,153
Fees - State Remittances	-	-	836	(836)
Fees - County Auditor	6,800	6,800	5,817	983
Unanticipated Emergency	1,000	544	-	544
Total Disbursements	<u>656,866</u>	<u>685,237</u>	<u>598,734</u>	<u>86,503</u>
 Excess of Receipts Over (Under) Disbursements	 <u>(92,366)</u>	 <u>(39,241)</u>	 <u>72,263</u>	 <u>111,504</u>
Other Financing Sources				
Transfers Out	5,000	5,000	-	(5,000)
Total Other Financing Sources	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
 Net Change in Fund Balances	 (87,366)	 (34,241)	 72,263	 106,504
 Fund Balance, Beginning of Year	 661,265	 661,265	 661,265	 -
 Fund Balance, End of Year	 <u>573,899</u>	 <u>627,024</u>	 <u>733,528</u>	 <u>106,504</u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
WIC Grant Fund
For the Year Ended December 31, 2016

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Receipts				
WIC	\$ 179,655	\$ 153,818	\$ 153,650	\$ (168)
Reimbursements			168	168
Total Receipts	<u>179,655</u>	<u>153,818</u>	<u>153,818</u>	<u>-</u>
Disbursements				
Salaries - Employees	112,702	112,050	111,669	381
Group Insurances	15,914	13,055	15,459	(2,404)
Medicare	1,651	3,376	3,376	-
PERS	15,921	13,839	13,839	-
Workers Compensation	3,867	1,034	713	321
Supplies - Office and Program Specific	9,633	6,961	5,727	1,234
Advertising	3,941	1,001	1,001	-
Equipment	2,400	5,158	5,158	-
Rent/Phones	9,976	7,855	7,856	(1)
Travel/Training/Dues/Membership	3,100	1,649	922	727
Refunds	-	11,033	10,572	461
Consulting/Contract	-	240	240	-
Total Disbursements	<u>179,105</u>	<u>177,251</u>	<u>176,532</u>	<u>719</u>
Excess of Receipts Over (Under) Disbursements	<u>550</u>	<u>(23,433)</u>	<u>(22,714)</u>	<u>719</u>
Fund Balance, Beginning of Year	71,884	71,884	71,884	-
Fund Balance, End of Year	<u><u>72,434</u></u>	<u><u>48,451</u></u>	<u><u>49,170</u></u>	<u><u>719</u></u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Net Position - Cash Basis
December 31, 2015

	Governmental Activities
	2015
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 923,914
Total Assets	923,914
Net Position	
Restricted for:	
Other Purposes	261,840
Unrestricted	661,265
Total Net Position	\$ 923,105

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2015

	<u>Program Receipts</u>			<u>Net (Disbursements)</u>
	<u>Cash</u>	<u>Charges for</u>	<u>Operating Grants</u>	<u>Receipts</u>
Governmental Activities	Disbursements	Service and Sales	and Contributions	Governmental
Environmental Health				Activities
Food Program	50,723	73,482	242	23,001
Solid Waste	3,226	-	3,992	766
Swimming Pools	3,113	3,210	9	106
Camps	-	674	-	674
Plumbing	25,337	31,010	-	5,673
Sewage	26,085	39,535	82	13,532
Other Environmental Health	102,212	20,552	-	(81,660)
Personal Health Services	155,605	69,250	-	(86,355)
Immunizations	42,969	17,936	-	(25,033)
Laboratory	9,414	8,266	-	(1,148)
Grants				
WIC	162,590	-	171,655	9,065
IAP	13,178	3,511	9,972	305
MRC	5,765	-	3,500	(2,265)
PHEP	85,812	-	77,559	(8,253)
Vital Statistics	20,534	43,256	-	22,722
Child Abuse Prevention	9,858	9,392	-	(466)
Administration	170,606	69	-	(170,537)
Travel/Timing	13,553	-	-	(13,553)
County Auditor/Treasurer Fee	13,675	-	-	(13,675)
Rent/Maintenance/Phones	35,527	-	-	(35,527)
Other Health	-	-	8,268	8,268
Total Governmental Activities	949,782	320,143	275,279	(354,360)

General Receipts

Levy	271,405
Subdivisions	168,500
State Subsidy	7,510
Total General Receipts	447,415

Change in Net Position	93,055
Net Position Beginning of Year	830,050
Net Position End of Year	923,105

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2015

	<u>General</u>	<u>WIC Grant</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 661,265	\$ 71,884	\$ 190,765	\$ 923,914
Total Position	<u>661,265</u>	<u>71,884</u>	<u>190,765</u>	<u>923,914</u>
Fund Balances				
Restricted	-	71,884	189,956	261,840
Assigned	97,366	-	-	97,366
Unassigned	563,899	-	-	563,899
Total Fund Balances	<u>\$ 661,265</u>	<u>\$ 71,884</u>	<u>\$ 189,956</u>	<u>\$ 923,105</u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Revenues, Disbursements, and Changes in Fund Balance - Cash Basis
Governmental Funds
For the Year Ended December 31, 2015

	General	WIC Grant	Other Governmental Funds	Total Governmental Funds
Receipts				
State Funds	\$ 7,510	\$ -	\$ -	\$ 7,510
Grants				
Local	-	-	3,971	3,971
Federal	-	170,909	80,475	251,384
Levy	271,405	-	-	271,405
Subdivisions	168,500	-	-	168,500
Fines, Licenses and Permits: Environmental	52,236	-	116,228	168,464
Nursing Fees	84,232	-	10,437	94,669
Medicaid/Medicare	2,954	-	2,974	5,928
Vital Statistic Fees	43,256	-	9,392	52,648
Charges for Services	8,266	-	-	8,266
Donations	294	-	-	294
Reimbursements/Refunds	3,331	746	1,009	5,086
Miscellaneous	4,711	-	-	4,711
Total Receipts	<u>646,695</u>	<u>171,655</u>	<u>224,486</u>	<u>1,042,836</u>
Disbursements				
Salaries - Employees	343,685	110,609	101,532	555,826
Sick Leave Vacation Payoff	750	-	-	750
Group Insurances	64,658	15,442	21,036	101,136
Medicare	4,859	1,569	1,414	7,842
PERS	47,858	15,484	14,101	77,443
Workers Compensation	4,925	1,621	1,411	7,957
Supplies - Office and Program Specific	12,632	5,220	3,457	21,309
Supplies - Postage	1,429	-	13	1,442
Supplies - Medical	3,016	-	9,858	12,874
Supplies - Vaccine	2,990	-	-	2,990
Equipment	22	-	720	742
Client Incentive/Health Promotion	-	-	1,116	1,116
Repair/Maintenance	203	-	-	203
Rent/Maintenance Building	24,559	9,944	-	34,503
Rent/Lease Equipment	6,448	-	490	6,938
Insurance Liability	3,738	-	-	3,738
Telephone	4,317	-	4,520	8,837
Audit	7,298	-	-	7,298
Advertising and Printing/Binding	1,175	1,450	-	2,625
Travel/Training/Dues/Membership	13,553	651	7,617	21,821
Consulting/Contracts	4,000	-	23,963	27,963
Refunds	181	600	314	1,095
Fees - Lab/State	9,414	-	-	9,414
Fees - Vital Statistics	20,534	-	-	20,534
Fees - State Remittances	-	-	7,008	7,008
Fees - County Auditor	6,377	-	-	6,377
Total Disbursements	<u>588,621</u>	<u>162,590</u>	<u>198,570</u>	<u>949,781</u>
Excess of Receipts Over (Under) Disbursements	<u>58,074</u>	<u>9,065</u>	<u>25,916</u>	<u>93,055</u>
Other Financing Sources				
Transfers In	-	25,000	20,000	45,000
Transfers Out	(45,000)	-	-	(45,000)
Total Other Financing Sources	<u>(45,000)</u>	<u>25,000</u>	<u>20,000</u>	<u>-</u>
Net Change in Fund Balances	13,074	34,065	45,916	93,055
Fund Balance, Beginning of Year	648,191	37,819	144,040	830,050
Fund Balance, End of Year	<u>661,265</u>	<u>71,884</u>	<u>189,956</u>	<u>923,105</u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Funds
For the Year Ended December 31, 2015

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Receipts				
State Funds	\$ 6,000	\$ 6,000	\$ 7,510	\$ 1,510
Grants				
Levy	267,350	272,965	271,405	(1,560)
Subdivisions	168,500	168,500	168,500	-
Fines, Licenses and Permits: Environmental	36,400	42,126	52,236	10,110
Nursing Fees	49,750	67,930	84,232	16,302
Medicaid/Medicare	1,500	1,500	2,954	1,454
Vital Statistic Fees	29,300	29,300	43,256	13,956
Charges for Services	6,300	6,300	8,266	1,966
Donations	-	-	294	294
Reimbursements/Refunds	75	75	3,331	3,256
Miscellaneous	-	-	4,711	4,711
Total Receipts	<u>565,175</u>	<u>594,696</u>	<u>646,695</u>	<u>51,999</u>
Disbursements				
Salaries - Employees	348,999	360,999	343,685	17,314
Sick Leave Vacation Payoff	10,000	10,000	750	9,250
Group Insurances	80,000	68,000	64,658	3,342
Medicare	5,060	5,060	4,859	201
PERS	48,860	48,860	47,858	1,002
Workers Compensation	15,705	8,005	4,925	3,080
Supplies - Office and Program Specific	12,800	15,800	12,632	3,168
Supplies - Postage	4,557	4,557	1,429	3,128
Supplies - Medical	13,000	8,026	3,016	5,010
Supplies - Vaccine	20,000	15,400	2,990	12,410
Equipment	4,600	3,600	22	3,578
Accreditation	5,000	5,000	-	5,000
Community Health Assessment	5,000	5,000	-	5,000
Repair/Maintenance	1,000	1,000	203	797
Rent/Maintenance Building	27,089	27,089	24,559	2,530
Rent/Lease Equipment	6,000	7,474	6,448	1,026
Insurance Liability	6,600	6,600	3,738	2,862
Telephone	5,200	5,700	4,317	1,383
Audit	3,000	10,700	7,298	3,402
Advertising and Printing/Binding	1,000	2,000	1,175	825
Travel/Training/Dues/Membership	19,500	20,100	13,553	6,547
Consulting/Contracts	4,000	4,000	4,000	-
Refunds	1,000	1,000	181	819
Fees - Lab/State	7,600	11,400	9,414	1,986
Fees - Vital Statistics	23,325	25,925	20,534	5,391
Fees - County Auditor	7,550	7,550	6,377	1,173
Unanticipated Emergency	53,000	53,000	-	53,000
Total Disbursements	<u>739,445</u>	<u>741,845</u>	<u>588,621</u>	<u>153,224</u>
Excess of Receipts Over (Under) Disbursements	<u>(174,270)</u>	<u>(147,149)</u>	<u>58,074</u>	<u>205,223</u>
Other Financing Sources				
Transfers Out	(52,000)	(52,000)	(45,000)	7,000
Advances In	52,000	52,000	-	(52,000)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(45,000)</u>	<u>(45,000)</u>
Net Change in Fund Balances	(174,270)	(147,149)	13,074	160,223
Fund Balance, Beginning of Year	648,191	648,191	648,191	-
Fund Balance, End of Year	<u>473,921</u>	<u>501,042</u>	<u>661,265</u>	<u>160,223</u>

See the accompanying notes to the financial statements.

Champaign County District Board of Health
Champaign County
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
WIC Grant Fund
For the Year Ended December 31, 2015

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Receipts				
WIC	\$ 176,611	\$ 196,655	\$ 170,909	\$ (25,746)
Reimbursements			746	746
Total Receipts	<u>176,611</u>	<u>196,655</u>	<u>171,655</u>	<u>(25,000)</u>
Disbursements				
Salaries - Employees	111,316	121,670	110,609	11,061
Group Insurances	15,694	17,254	15,442	1,812
Medicare	1,615	1,736	1,569	167
PERS	15,584	17,034	15,484	1,550
Workers Compensation	4,761	6,005	1,621	4,384
Supplies - Office and Program Specific	11,900	8,980	5,220	3,760
Advertising	3,000	1,484	1,450	34
Client Incentive/BF	2,000	392	-	392
Rent/Phones	9,536	10,324	9,944	380
Travel/Training/Dues/Membership	1,205	1,255	651	604
Refunds	-	599	600	(1)
Total Disbursements	<u>176,611</u>	<u>186,733</u>	<u>162,590</u>	<u>24,143</u>
Excess of Receipts Over (Under) Disbursements	<u>-</u>	<u>9,922</u>	<u>9,065</u>	<u>(857)</u>
Other Financing Sources				
Transfers In	-	-	25,000	25,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Net Change in Fund Balances	-	9,922	34,065	24,143
Fund Balance, Beginning of Year	37,819	37,819	37,819	-
Fund Balance, End of Year	<u>37,819</u>	<u>47,741</u>	<u>71,884</u>	<u>24,143</u>

See the accompanying notes to the financial statements.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

1. Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Champaign County District Board of Health, Champaign County, (the District) as a body corporate and politic. A five-member Board appointed by the District Advisory Council governs the Health District. The Board appoints a health commissioner and all employees of the Health District.

The Reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Health District are not misleading

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Health District. The Health District's services include vital statistics, prevention and control of disease, immunization clinics, public health nursing services, inspections, the issuance of health-related licenses and permits, sanitation, abatement and removal of nuisances, and emergency response planning.

B. Component Units

Component units are legally separate organizations for which the Health District is financially accountable. The Health District is financially accountable for an organization if the Health District appoints a voting majority of the organization's governing board and (1) the Health District is able to significantly influence the programs or services performed or provided by the organization; or (2) the Health District is legally entitled to or can otherwise access the organization's resources; or the Health District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Health District, are accessible to the Health District and are significant in amount to the Health District. The Health District includes no component units

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

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 or accounting. Following are the more significant of the Health District's accounting policies.

A. Basis of Presentation

The Health District's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. These statements usually distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

2. Summary of Significant Accounting Policies (Continued)

1. Government-Wide Financial Statements (Continued)

Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Health District has no business-type activities.

The statement of net position presents the cash balance of the governmental activities of the Health District at year end. The statement of activities compares disbursements and program receipts for each program or function of the Health 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 Health District is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and contract services rendered for a program. Receipts which are not classified as program receipts are presented as general receipts of the Health 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 Health District.

2. Fund Financial Statements

During the year, the Health District segregates transactions related to certain Health 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 Health 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. Funds are used to segregate resources that are restricted as to use. All of the funds of the Health District are governmental.

1. Governmental Funds

Governmental funds are those through which most governmental functions of the Health District are financed. The following are the Health District's major governmental funds:

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 Health District for any purpose provided it is expended or transferred according to the general laws of Ohio.

The Public Health Emergency Preparedness Grant Fund, the Immunization Action Plan Grant Fund, and the WIC Grant Fund account for State and Federal Grant money used to provide programs in Champaign County. The WIC funds are predominantly for early childhood issues including nutrition, early detection and intervention. The Public Health Emergency Preparedness Fund Includes the Public Health Emergency Preparedness and Medical Reserve Corps Funds, which are used to provide public health emergency preparedness and volunteer recruitment activities for the County.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

2. Summary of Significant Accounting Policies (Continued)

The Immunization Action Plan Fund is used to provide immunization and immunization education for families of children birth through thirty-five months. Each of these funds is restricted for a particular purpose. The other governmental funds of the Health District account for grants and other resources whose use is restricted for a particular purpose.

C. Basis of Accounting

The Health District's financial statements are prepared using the modified cash basis of accounting. Receipts are recorded in the Health 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.

As a result of the use of this modified 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 liabilities and their related expenses) are not recorded in these financial statements.

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 resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Health may appropriate. The appropriations resolution is the Board of Health's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Board of Health. The legal level of control has been established by the Board of Health at the fund, function, and object level for all funds.

ORC Section 5705.28 (C) (1) requires the Health District to file an estimate of contemplated revenue and expenses with the municipalities and Health Districts within the Health District by about June 1 (forty-five days prior to July 15). The County Auditor cannot allocate property taxes from municipalities and Health Districts with the District if filing has not been made.

ORC Section 3709.28 establishes budgetary requirements for the Health District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April the Health District must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the County Budget Commission. Subject to estimated resources, the Board of Health may, by resolution, transfer appropriations from one appropriation item to another, reduce or increase any item, create new items, and make additional appropriations or reduce the total appropriation. Such appropriation modifications shall be certified to the County Budget Commission for approval.

The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources in effect 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 resource in effect at the time final appropriations were passed by the Board of Health.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

2. Summary of Significant Accounting Policies (Continued)

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 budget reflect the first appropriation resolution that covered the entire year, including amounts automatically carried forward from prior years. The amount reported as the final budgeted amounts represents the final appropriations passed by the Board of Health during the year.

E. Cash and Investments

The Champaign County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health 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 the Champaign County Auditor, 1512 S. US Highway 68, Suite B300, Urbana, Ohio 43078, (937) 484-1555.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

G. Inventory and Prepaid Items

The Health District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

I. Interfund Receivables/Payables

The Health District reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

J. 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 Health District's cash basis of accounting

K. Employer Contributions to Cost-Sharing Pension Plans

The Health District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

2. Summary of Significant Accounting Policies (Continued)

L. Long-Term Obligations

The Health District's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither another financing source nor capital outlay expenditure is reported at inception. Lease payments are reported when paid.

M. Fund Balance Reserves

Fund balance is divided into five classifications based primarily on the extent to which the Health District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Non-spendable - The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted - Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Health, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board or a Health District official delegated that authority by resolution, or by State Statute.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Health District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

2. Summary of Significant Accounting Policies (Continued)

N. Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies 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 cash disbursements to the funds that initially paid for them are not presented in the financial statements.

3. Budgetary Basis of Accounting

The budgetary basis as 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 the cash basis is 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). The Health District had no encumbrances outstanding at year end.

4. Intergovernmental and Levy Funding

The County apportions the excess of the Health District's appropriations over other estimated receipts among the Districts and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as Subdivision revenue.

5. Risk Management

A. Commercial Insurance

The Health District has obtained commercial insurance for the following risks:

- Employee Health Insurance
- Errors and Omissions

B. Risk Pool Membership

The Champaign Health District is exposed to various risks of property and casualty losses, and injuries to employees.

The Champaign Health District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Risk Pooling Services, 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 American Public Entity Excess Pool (APEEP), which is also administered by YORK. Member governments pay annual contributions to fund PEP. PEP pays judgements, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

5. Risk Management (Continued)

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. A December 31, 2016, PEP retained \$350,000 casualty claims and \$100,000 for property claims.

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

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, 2016 and 2015:

	2016	2015
Assets	\$ 42,182,281	\$ 38,707,677
Liabilities	(13,396,700)	(12,759,127)
Nets Assets - Unrestricted	\$ 28,785,581	\$ 25,948,550

The assets above include approximately \$12 million and \$11 million unpaid claims to be billed to approximately 520 and 499 member governments in the future, as of December 31, 2016 and 2015, respectively. These amounts will be included in future contributions from members when the related claims are due for payment.

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 financial contributions required to be made to PEP for each year of membership.

Contributions to PEP	
2016	2015
\$ 3,901	\$ 3,738

The Champaign County Health District's actual contributions for 2016 and 2015 in table above.

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 (via certified mail) 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 expense become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

5. Risk Management (Continued)

D. County Commissioner Association of Ohio Workers' Compensation Group Rating Plan

For 2016, the Health District, through Champaign County as their fiscal agent, participated in the State of Ohio Worker's Compensation system. The Health District budgets 4.5% of wages to provide Workers' Compensation coverage for its' employees; this amount will remain the same for 2017.

E. Employee Medical Benefits

The Health District participates in a health insurance plan through Anthem available for all fulltime employees. The fully insured plan includes health, mental health and prescription benefits.

The cost of the program for 2016 was \$98,330 compared to \$101,136 in 2015.

6. Defined Benefit Pension Plans

The Health District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 percent 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 in nature to, but less than, the traditional plan benefit. Member contributions, whose investment 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 and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, East Town Street, 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 and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2013, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement member contributed 12 percent and 12.6 percent, respectively. 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 Pension Plan. For 2013, member and employer contribution rates were consistent across all three plans. Effective January 1, 2014, the member contribution rates for law enforcement members increased to 13.0 percent.

The Health District's contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in all three plans was 1 percent for 2013. Employer contribution rates are actuarially determined.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

6. Defined Benefit Pension Plans (Continued)

The Health District's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2016, 2015, 2014, were \$73,263, \$71,443, and \$69,586 respectively. The full amount has been contributed for 2016, 2015, and 2014.

7. Post-Employment Benefits

A. Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for 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. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care 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 health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215- 4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.1 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

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 1% in 2013. The portion of employer contributions allocated to health care for members in the Combined Plan was 1% in 2013. Effective January 1, 2014, the portion allocated to healthcare was raised to 2 percent for both plans, as recommended by the OPERS actuary.

**Champaign County District Board of Health
Champaign County**

**Notes to the Financial Statements
December 31, 2016 and 2015**

7. Post-Employment Benefits (Continued)

A. Ohio Public Employees Retirement System

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 health care 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 on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six-year

period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

Changes to the healthcare plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved healthcare changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions towards the health care fund after the end of the transition period.

8. Contingent Liabilities

Amounts grantor agencies pay to the Health District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

9. Contractual Obligations

The Health District is a party to a multi-year lease for rental of office space. This lease will be renewed in January 2017. This lease requires the District to remit monthly.



**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Required by *Government Auditing Standards***

Champaign County District Board of Health
Champaign County
1512 S. US Highway 68 Suite Q 100
Urbana , Ohio 43078

To the District Board:

We have audited, in accordance with the auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Champaign County District Board of Health, Champaign County, (the District) as of and for the years ended December 31, 2016 and 2015 and the related notes to the financial statements, and have issued our report thereon dated June 12, 2017, wherein we noted the District followed financial reporting provisions that Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village's financial statements. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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, opining 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*.

Purpose of this Report

This report only describes the scope of our internal control testing and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BHM CPA Group

BHM CPA Group, Inc.
Piketon, Ohio
June 12, 2017



Dave Yost • Auditor of State

CHAMPAIGN COUNTY DISTRICT BOARD OF HEALTH

CHAMPAIGN 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 14, 2017