

GREENE COUNTY COMBINED HEALTH DISTRICT

GREENE COUNTY, OHIO

AUDIT REPORT

For the Year Ended December 31, 2005

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



**Auditor of State
Betty Montgomery**

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

We have reviewed the *Report of Independent Accountants* of the Greene County Combined Health District, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2005 through December 31, 2005. 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 Greene County Combined Health District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

December 20, 2006

This Page is Intentionally Left Blank.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY
AUDIT REPORT
For the year ended December 31, 2005

Table of Contents

<u>Title</u>	<u>Page</u>
Report of Independent Accountants.....	1-2
Management’s Discussion and Analysis.....	3-6
Statement of Net Assets – Cash Basis December 31, 2005	7
Statement of Activities – Cash Basis December 31, 2005.....	8
Statement of Cash Basis Assets and Fund Balances - For the Year Ended December 31, 2005	9
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balances - For the Year Ended December 31, 2005	10
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis - General Fund - For the Year Ended December 31, 2005	11
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis – Clinic Health Services Fund - For the Year Ended December 31, 2005	12
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis – Environmental Plumbing and Inspection Fund For the Year Ended December 31, 2005.....	13
Statement of Cash Receipts, Cash Disbursements, and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis – Food Service Operations Fund - For the Year Ended December 31, 2005	14
Notes to the Financial Statements.....	15-23
Schedule of Federal Awards Expenditures.....	24
Notes to the Schedule of Federal Awards Expenditures.....	25
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Required by <i>Government Auditing Standards</i>	27-28
Report on Compliance With Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133	29-30
Schedule of Findings.....	31-32
Schedule of Prior Audit Findings.....	33

Charles E. Harris & Associates, Inc.
Certified Public Accountants

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

REPORT OF INDEPENDENT ACCOUNTANTS

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greene County Combined Health District (the District), as of and for the year ended December 31, 2005, 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 an opinion on these financial statements based on our audit.

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

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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of December 31, 2005, and the respective changes in cash basis financial position and the respective budgetary comparison for the General Fund, Clinical Health Services Fund, Environmental Plumbing and Inspection Fund and Food Service Operations Fund thereof for the year then ended in conformity with accounting basis Note 2 describes.

The management's discussion and analysis on pages 3 to 6 is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2006 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, 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 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards expenditures is presented for the purposes of additional analysis as required by *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information as been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Charles E. Harris & Associates, Inc.

October 20, 2006

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(UNAUDITED)**

This discussion and analysis of the Greene County Combined Health District's (the District) financial performance provides an overall review of the financial activities for the year ended December 31, 2005 within the limits of the District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Highlights

Key highlights for 2005 are as follows:

- It was almost a breakeven fiscal operation during 2005 (revenues received was approximately equal to expenditures paid). However, net assets decreased by (\$3,248). The decrease was associated primarily with two major funds; Clinic Health Services Fund and Food Operations Fund, including the aggregate other governmental funds which experienced excess disbursements over revenues.
- Most of the District's revenue was associated with intergovernmental funding, from local, state and federal sources.

Using the Basic Financial Statements

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

Report Components

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

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the District's cash basis of accounting, receipts are recognized when received (in cash), rather than when earned, and disbursements when paid, rather than when a liability is incurred.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivables) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(UNAUDITED)**

Reporting the Government as a Whole

The statement of net assets and the statement of activities reflect how the District did financially during 2005, within the limits of cash basis accounting. The statement of net assets presents the cash balances of the District at year end. The statement of activities presents the revenue and disbursement activity during 2005.

Table 1 provides a summary of the District's net assets for 2005.

**TABLE 1
NET ASSETS
Governmental Activities**

	<u>2005</u>	<u>2004</u>
ASSETS:		
Equity in Pooled Cash and Cash Equivalents	\$1,795,200	\$ 1,798,448
Total Assets	<u>1,795,200</u>	<u>1,798,448</u>
 NET ASSETS:		
Restricted for		
Other Purposes	532,478	534,968
Unrestricted	<u>1,262,722</u>	<u>1,263,480</u>
Total Net Assets	<u>\$1,795,200</u>	<u>\$ 1,798,448</u>

As mentioned previously, net assets decreased by (\$3,248) during 2005. The decrease was primarily associated with funds restricted for specific grants and programs.

FUND FINANCIAL STATEMENTS REPORTING MAJOR FUNDS

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

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**MANAGEMENT'S DISCUSSIONS AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(UNAUDITED)**

Table 2 reflects the changes in net assets during 2005.

**TABLE 2
CHANGE IN NET ASSETS**

	<u>2005</u>	<u>2004</u>
Receipts:		
Program Receipts:		
Charges for Services	1,365,971	1,624,720
Operating Grants	1,089,439	1,220,293
General Receipts:		
Property and Other Local Taxes	1,270,630	1,225,240
Subdivision Fees	121,970	121,970
Unrestricted Grants	193,757	146,737
Fees, Other, and reimbursements	433,315	0
Donations	688	2,655
Other	0	75,227
Total Receipts	<u>4,475,770</u>	<u>1,601,829</u>
Disbursements:		
Public Health Services		
Salaries	2,628,561	2,511,584
Materials/Supplies	214,985	219,842
Remittance to State	157,467	99,779
Equipment/Vehicles	247,165	106,563
Contracts – Repair	9,865	14,802
Contracts – Services	204,383	266,802
Rentals/Facilities/Lease Agreements)	35,077	15,815
Travel and Training	47,304	55,245
Advertising and Printing	37,246	53,565
Public Employees' Retirement	366,814	329,923
Worker's Compensation	39,295	47,021
Utilities and Telephone	37,531	42,793
Insurance (Health, Dental, Life, Liability)	343,119	297,751
Other	110,206	126,208
Total Disbursements	<u>4,479,018</u>	<u>4,187,693</u>
Excess of Receipts Over (Under) Disbursements	(3,248)	259,149
Other Financial Sources – Uses		
Transfers In	808,000	828,000
Transfers Out	808,000	(828,000)
Advances In	1,040,786	821,649
Advances Out	<u>(1,040,786)</u>	<u>(821,649)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(3,248)	259,149
Fund Balance Beginning of Year	<u>1,798,448</u>	<u>1,539,299</u>
Fund Balance End of Year	<u>\$1,795,200</u>	<u>1,798,448</u>

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2005
(UNAUDITED)**

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

BUDGETARY HIGHLIGHTS

The District made numerous revisions to the original appropriation approved by the Board and the Board's fiscal agent, the Greene County Budget Commission. Overall, these changes resulted in little significant change in the fund balance. During 2005, the District spent about 90% of the amount appropriated in the General Fund. The District's 2005 financial statements include budgetary statements for the General Fund, Clinic Health Services Fund (CHS), Environmental Health Plumbing/Inspection and Food Service/Operations Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

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

Debt

The District has no debt obligations.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it received.

Questions concerning any of the information in this report or requests for additional information should be directed to:

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

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2005

	Governmental Activities
<u>Net Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 1,795,200
Total Net Assets	<u>1,795,200</u>
<u>Net Assets</u>	
Restricted For:	
Other Purposes	532,478
Unrestricted	1,262,722
Total Net Assets	<u>\$ 1,795,200</u>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

COMBINED STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2005

	<u>General</u>	<u>Clinic Health Services Fund</u>	<u>Environmental Plumbing/ Inspection Fund</u>	<u>Food Service Operations Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 506,395	\$ 398,179	\$ 282,630	\$ 607,996	\$ 1,795,200
Total Assets	<u>-</u>	<u>506,395</u>	<u>398,179</u>	<u>282,630</u>	<u>607,996</u>	<u>1,795,200</u>
<u>Fund Balances</u>						
Reserved:						
Reserved For Encumbrances	-	3,551	1,821	769	21,201	27,342
Unreserved:						
Undesignated (Deficit) Report In:						
Special Revenue Funds	-	502,844	396,358	281,861	586,795	1,767,858
Total Fund Balances	<u>\$ -</u>	<u>\$ 506,395</u>	<u>\$ 398,179</u>	<u>\$ 282,630</u>	<u>\$ 607,996</u>	<u>\$ 1,795,200</u>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	General	Clinic Health Services Fund	Environmental Plumbing/ Inspection Fund	Food Service Operations Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS						
Property and Other Local Taxes	\$ 1,270,630	-	-	-	-	\$ 1,270,630
Subdivision fees	121,970	-	-	-	-	121,970
Fees, Licenses & Permits	154,141	\$ 127,233	\$ 544,908	\$ 286,184	\$ 398,526	1,510,992
Contractual Services	233,658	-	-	-	-	233,658
Federal Grants	-	56,600	-	-	785,804	842,404
State Grants	193,757	-	-	-	-	193,757
Foundation Grants	-	-	-	-	153,978	153,978
Local Grants	-	38,287	-	-	23,870	62,157
Other Grants	-	-	-	-	30,000	30,000
Donations	688	800	-	-	100	1,588
Miscellaneous	45,516	230	36	312	8,542	54,636
Total Receipts	<u>2,020,360</u>	<u>223,150</u>	<u>544,944</u>	<u>286,496</u>	<u>1,400,820</u>	<u>4,475,770</u>
DISBURSEMENTS						
Current:						
Public Health Services						
Salaries	625,971	402,416	305,134	192,315	1,102,725	2,628,561
Materials & Supplies	29,279	54,842	18,401	3,950	108,513	214,985
Remittance to State	71,602	-	-	21,840	64,025	157,467
Equipment and Vehicles	100,909	14,046	43,580	21,665	66,965	247,165
Contracts - Repairs	3,483	-	3,055	1,266	2,061	9,865
Contracts - Services	27,065	20,402	990	495	155,431	204,383
Rentals (Facilities/Lease Agreements)	34,121	-	351	-	605	35,077
Travel and Training	14,318	6,120	1,460	1,894	23,512	47,304
Advertising and Printing	2,555	255	1,196	953	32,287	37,246
Public Employees' Retirement	88,914	54,997	42,953	26,293	153,657	366,814
Worker's Compensation	10,273	5,443	5,135	2,635	15,809	39,295
Utilities	11,433	3,514	7,917	2,576	12,091	37,531
Insurance	101,149	53,200	49,737	35,850	111,077	351,013
Other	31,866	6,410	7,366	3,517	53,153	102,312
Total Disbursements	<u>1,152,938</u>	<u>621,645</u>	<u>487,275</u>	<u>315,249</u>	<u>1,901,911</u>	<u>4,479,018</u>
Excess of Receipts Over (Under) Disbursements	<u>867,422</u>	<u>(398,495)</u>	<u>57,669</u>	<u>(28,753)</u>	<u>(501,091)</u>	<u>(3,248)</u>
Other Financing Sources (Uses)						
Transfers In	-	390,000	-	-	418,000	808,000
Transfers Out	(808,000)	-	-	-	-	(808,000)
Advances In	490,682	455,104	-	-	95,000	1,040,786
Advances Out	(550,104)	(445,682)	-	-	(45,000)	(1,040,786)
Total Other Financing Sources (Uses)	<u>(867,422)</u>	<u>399,422</u>	<u>-</u>	<u>-</u>	<u>468,000</u>	<u>-</u>
Net Change in Fund Balances	-	927	57,669	(28,753)	(33,091)	(3,248)
Fund Balances Beginning of Year	-	505,468	340,510	311,383	641,087	1,798,448
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 506,395</u>	<u>\$ 398,179</u>	<u>\$ 282,630</u>	<u>\$ 607,996</u>	<u>\$ 1,795,200</u>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
RECEIPTS				
State Grants	\$ 179,377	\$ 193,684	\$ 193,757	\$ 73
Subdivision Fees	121,970	121,970	121,970	-
Tax Levies	1,218,389	1,250,379	1,270,630	20,251
Licenses, Permits, & Fees	145,000	192,519	154,141	(38,378)
Contractual Services	233,658	233,658	233,658	-
Donations	-	688	688	-
Other Receipts	70,000	45,516	45,516	-
Total Receipts	<u>1,968,394</u>	<u>2,038,414</u>	<u>2,020,360</u>	<u>(18,054)</u>
DISBURSEMENTS				
Current:				
Public Health Services				
Salaries	620,379	625,971	625,971	-
Materials & Supplies	30,000	29,279	29,279	-
Remittance to State	119,938	71,602	71,602	-
Equipment and Vehicles	184,269	100,909	100,909	-
Contracts - Repairs	10,500	3,483	3,483	-
Contracts - Services	49,300	61,186	61,186	-
Travel and Training	17,000	14,318	14,318	-
Advertising and Printing	7,000	2,555	2,555	-
Public Employees' Retirement	84,055	88,914	88,914	-
Worker's Compensation	13,960	10,273	10,273	-
Utilities	17,000	11,433	11,433	-
Insurance	114,273	101,149	101,149	-
Other	17,000	31,866	31,866	-
Total Disbursements	<u>1,284,674</u>	<u>1,152,938</u>	<u>1,152,938</u>	<u>-</u>
Excess of Receipts Over (Under) Disbursements	683,720	885,476	867,422	(18,054)
Other Financing Sources (Uses)				
Transfers Out	(973,020)	(808,000)	(808,000)	-
Advances In	350,000	490,682	490,682	-
Advances Out	(60,000)	(550,104)	(550,104)	-
Total Other Financing Sources (Uses)	<u>(683,020)</u>	<u>(867,422)</u>	<u>(867,422)</u>	<u>-</u>
Net Change in Fund Balances	700	18,054	-	(18,054)
Fund Balances Beginning of Year	-	-	-	-
Fund Balances End of Year	<u>\$ 700</u>	<u>\$ 18,054</u>	<u>\$ -</u>	<u>\$ (18,054)</u>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
CLINIC HEALTH SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
RECEIPTS				
Federal Grants	\$ 110,600	\$ 110,600	\$ 56,600	\$ (54,000)
Local Grants	7,000	7,000	38,287	31,287
Licenses, Permits, & Fees	78,000	78,000	127,233	49,233
Donations	-	-	800	800
Other Receipts	10,000	10,000	230	(9,770)
	<u>205,600</u>	<u>205,600</u>	<u>223,150</u>	<u>17,550</u>
Total Receipts				
DISBURSEMENTS				
Current:				
Public Health Services				
Salaries	406,350	402,418	402,416	2
Materials & Supplies	54,560	57,560	56,447	1,113
Equipment and Vehicles	23,670	16,670	14,046	2,624
Contracts - Services	36,793	26,593	21,033	5,560
Travel and Training	10,800	10,800	7,010	3,790
Advertising and Printing	2,500	2,500	255	2,245
Public Employees' Retirement	55,060	55,060	54,997	63
Worker's Compensation	9,143	6,983	5,443	1,540
Utilities	4,500	4,500	3,769	731
Insurance	65,981	61,531	53,200	8,331
Other	1,655	1,805	6,580	(4,775)
	<u>671,012</u>	<u>646,420</u>	<u>625,196</u>	<u>21,224</u>
Total Disbursements				
Excess of Receipts Over (Under) Disbursements	(465,412)	(440,820)	(402,046)	38,774
Other Financing Sources (Uses)				
Transfers In	300,000	340,000	390,000	50,000
Advances In	350,000	350,000	455,104	105,104
Advances Out	(350,000)	(445,682)	(445,682)	-
	<u>300,000</u>	<u>244,318</u>	<u>399,422</u>	<u>105,104</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	(165,412)	(196,502)	(2,624)	193,878
Fund Balances Beginning of Year	493,990	493,990	493,990	-
Prior Year Encumbrances Appropriated	11,478	11,478	11,478	-
	<u>11,478</u>	<u>11,478</u>	<u>11,478</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 340,056</u>	<u>\$ 308,966</u>	<u>\$ 502,844</u>	<u>\$ 193,878</u>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
ENVIRONMENTAL PLUMBING AND INSPECTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
RECEIPTS				
Licenses, Permits, & Fees	\$ 540,000	\$ 540,000	\$ 544,908	\$ 4,908
Other Receipts	-	-	36	36
Total Receipts	<u>540,000</u>	<u>540,000</u>	<u>544,944</u>	<u>4,944</u>
DISBURSEMENTS				
Salaries	340,007	340,007	305,134	34,873
Materials & Supplies	18,705	19,705	18,400	1,305
Equipment and Vehicles	58,000	57,000	43,580	13,420
Contracts - Repair	3,000	4,000	3,055	945
Contracts - Services	6,700	6,700	1,341	5,359
Travel and Training	5,925	5,925	1,860	4,065
Advertising and Printing	2,500	2,500	1,196	1,304
Public Employees' Retirement	46,071	46,071	42,953	3,118
Worker's Compensation	7,650	7,650	5,135	2,515
Utilities	11,200	11,200	9,338	1,862
Insurance	89,944	89,944	52,560	37,384
Other	6,985	5,985	4,544	1,441
Total Disbursements	<u>596,687</u>	<u>596,687</u>	<u>489,096</u>	<u>107,591</u>
Excess of Receipts Over (Under) Disbursements	(56,687)	(56,687)	55,848	112,535
Fund Balances Beginning of Year	319,195	319,195	319,195	-
Prior Year Encumbrances Appropriated	<u>21,315</u>	<u>21,315</u>	<u>21,315</u>	<u>-</u>
Fund Balances End of Year	<u><u>\$ 283,823</u></u>	<u><u>\$ 283,823</u></u>	<u><u>\$ 396,358</u></u>	<u><u>\$ 112,535</u></u>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
FOOD SERVICE OPERATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
RECEIPTS				
Licenses, Permits, & Fees	\$ 265,000	\$ 283,247	\$ 286,184	\$ 2,937
Other Receipts	-	312	312	-
Total Receipts	<u>265,000</u>	<u>283,559</u>	<u>286,496</u>	<u>2,937</u>
DISBURSEMENTS				
Salaries	197,690	197,170	192,315	4,855
Materials & Supplies	3,650	5,150	3,950	1,200
Remittance to State	22,000	23,813	21,840	1,973
Equipment and Vehicles	20,000	24,000	21,665	2,335
Contracts - Repair	-	2,500	1,266	1,234
Contracts - Services	2,000	2,000	495	1,505
Travel and Training	8,300	5,300	2,544	2,756
Advertising and Printing	1,200	1,200	953	247
Public Employees' Retirement	26,787	27,287	26,293	994
Worker's Compensation	4,448	2,635	2,635	-
Utilities	4,704	4,204	2,695	1,509
Insurance	27,965	41,521	37,806	3,715
Other	3,150	4,150	1,561	2,589
Total Disbursements	<u>321,894</u>	<u>340,930</u>	<u>316,018</u>	<u>24,912</u>
Excess of Receipts Over (Under) Disbursements	(56,894)	(57,371)	(29,522)	27,849
Fund Balances Beginning of Year	309,379	309,379	309,379	-
Prior Year Encumbrances Appropriated	<u>2,004</u>	<u>2,004</u>	<u>2,004</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 254,489</u>	<u>\$ 254,012</u>	<u>\$ 281,861</u>	<u>\$ 27,849</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

1. DESCRIPTION OF THE COMBINED HEALTH DISTRICT AND REPORTING ENTITY

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

Reporting Entity

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

These financial statements follow the cash basis of accounting. The District's Basic Financial Statements consists of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

1. Government-Wide Financial Statements

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

The Statement of Net Assets presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the District.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

2. Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the district at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

3. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District utilizes the governmental category of funds.

Governmental Funds

Governmental funds are those through which most governmental functions of the District typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. The following are the District's major governmental funds:

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

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

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

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

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

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

4. Measurement Focus

The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the District's cash basis of accounting, receipts are recognized when received in cash, rather than when earned, and disbursements when paid, rather than when a liability is incurred.

5. Basis of Accounting

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

B. Cash

As required by Ohio Revised Code, the County Treasurer is custodian for the District's cash. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

C. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. Acquisitions of property are not reflected as an asset under the basis of accounting the District uses.

D. Long-term Debt Obligations

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

E. Net Assets

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

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

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Budgetary Process

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

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

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

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

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payment for unused leave. Unpaid leave is not reflected as liability under the basis of accounting the District uses.

3. CASH AND CASH EQUIVALENTS

The Greene County Commissioners maintain a cash pool used by all of the County's funds, including those of the Combined Health District. The Ohio Revised Code prescribes allowable deposits and investments. At year-end, the carrying amount of the District's deposits with the Greene County Commissioner was \$1,795,200. The Greene County Board of Commissioners, as the fiscal agent for the District, is responsible for maintaining adequate depository collateral for all funds in the County's pooled Cash and deposits accounts.

4. PROPERTY TAXES

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

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

5. INTERFUND BALANCES

Unpaid inter-fund cash advances at December 31, 2005 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 525,104	\$ -0-
Clinic Health Services Fund	-0-	455,104
Other Governmental Funds	<u>-0-</u>	<u>70,000</u>
Total Interfund ReceivablesPayables	<u>\$ 525,104</u>	<u>\$ 525,104</u>

6. INTERFUND TRANSFERS

Interfund cash transfers for the year ended December 31, 2005 were as follows:

TRANSFER TO:

	Clinic Health Services Fund	Other Governmental Funds	Total Governmental Funds
TRANSFER FROM:			
General Fund	<u>\$390,000</u>	<u>\$418,000</u>	<u>\$808,000</u>
Totals	<u>\$390,000</u>	<u>\$418,000</u>	<u>\$808,000</u>
	=====		

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

7. RISK MANAGEMENT

A. Commercial Insurance

The District has obtained commercial insurance for the following risks:

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

B. Risk Pool Membership

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

Casualty Coverage

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

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

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

7. RISK MANAGEMENT (Continued)

Property Coverage

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

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

Financial Position

PEP's financial statements (audited by other accountants) conform to generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2005 and 2004.

<u>Casualty Coverage</u>	<u>2005</u>	<u>2004</u>
Assets	\$29,719,675	\$27,437,169
Liabilities	<u>15,994,168</u>	<u>13,880,038</u>
Retained earnings	\$13,725,507	\$13,557,131
	=====	=====

<u>Property Coverage</u>	<u>2005</u>	<u>2004</u>
Assets	\$4,443,332	\$ 3,652,970
Liabilities	<u>1,068,246</u>	<u>540,073</u>
Retained earnings	\$3,375,086	\$3,112,897
	=====	=====

8. PENSION OBLIGATIONS

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

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

OPERS provide retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS, 227 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-6701 or 800-222-7377.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

8. PENSION OBLIGATIONS (Continued)

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2005, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan. The 2005 member contribution rates were 8.5% for members in classifications other than law enforcement and public safety. The 2005 employer contribute rate for local government employer units was 13.55% of covered payroll.

The District's contributions for pension obligations to the traditional, combined, and member-directed plans for the years ended December 31, 2005, 2004 and 2003 were \$352,407, \$239,856 and \$214,843. 78% or \$275,035 has been contributed for 2005 with the remaining balance of \$77,372 or 22% to be paid in the first quarter of 2006.

9. POSTEMPLOYEMNT BENEFITS OTHER THAN PENSION BENEFITS

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

The health care coverage provided by the retirement system is considered an Other Post employment Benefit (OPB) as described in GASB Statement No. 12. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 employer contribution rate was 13.55 percent of covered payroll and 4.00 percent was the portion used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS' latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.

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

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005, which were used to fund post-employment benefits were \$103,960. The actual contribution and the actuarial required contribution amounts are the same. OPERS' net assets available for the payment of benefits at December 31, 2004 (the latest information available), was \$10.8 billion. The actuarial accrued liability and the unfounded actuarial accrued liability, based on the actuarial cost method used, were \$29.5 billion and \$18.7 billion, respectively.

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

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)

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

10. CONTINGENCIES

A. Litigation

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

B. Grants

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

11. CONTRACTUAL COMMITMENTS

During the year-ended December 31, 2005, the District had \$249,325 in contractual commitments for services provided. Some of the following commitments were funded by federal and state programs.

<u>CONTRACTOR</u>	<u>AMOUNT</u>
Treasurer, State of Ohio-Audit	\$ 9,494
Mike Logan-Xenia Refrigeration	95
Micro Chart	1,065
Sonitrol	2,801
Sparkle Car Wash	93
Pitney Bowes	3,225
K & D Carpet Cleaning	150
Eastgate Ford	370
Planet Ford	768
Greene County Building Services	2,274
Gordon Steven & Associates	218
Henry Schein	1,748
Greene County Services	1,844
Walker Transmission	200
Buckeye Positions	250
William Brink	1,000
Margaret Burns	3,033
W.S. Electronics	1,206
K-D Architectural Drawings	2,568
Dean Engineering	18,900
CompuNet Labs	11,572
Medical Director	13,077
Margaret Clark	2,361

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2005**

11. CONTRACTUAL COMMITMENTS (Continued)

Waste Management	3,801
United Parcel Services	920
All Shredd	518
Dawn/Hurst	2,174
Fedrico	2,163
Parks/Recreation	816
Snyder Solutions	293
Terry Simmons' Lawn Service	1,353
Leisure Lawn	368
Wright State	9,317
Vision Learning	2,650
General Building Corp	357
Modern Leasing-Copier	31,031
Miami Valley Interpreters	1,805
Van Dyne Crotty	4,692
Medtox Labs	300
Family Connection (Dr. Jonas)	2,787
Dr. Lin	6,816
Keith Watson	6,365
Alice M. Teal	2,739
Brenda Browder	300
Lynn T. Kiddman	300
CBS Personnel Services	2,405
Express Personnel Services	1,411
Bruce Barcelo	33,603
Maitreyee Sherman	38,240
Children's Medical Center	500
Cheryl Meyer, Ph.D	10,000
Universal Medical Services	1,384
Ohio Home Builders Association	605
Grandview Schools	<u>1,000</u>
	<u>\$249,325</u>

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2005

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed through Ohio Department of Health			
Special Supplemental Nutrition Program for Women, Infants & Children (WIC)	29-1-001-CL-006	10.557	\$ 67,244
	29-1-001-CL-005		309,333
Total United States Department of Agriculture			<u>376,577</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION			
Passed through Ohio Department of Public Safety			
State and Community Highway Safety	29000HD0 (4158.0) -04	20.600	6,182
	29000HD0 (5032.0) -05		25,308
Total United States Department of Transportation			<u>31,490</u>
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY			
Passed through Ohio Department of Health			
State Indoor Radon Grants	29-1-001-2-BA-06	66.032	13,750
	29-1-001-2-BA-05		31,510
Total United States Environmental Protection Agency			<u>45,260</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Ohio Department of Health			
Centers for Disease Control and Prevention - Investigation & Technical Assistance (Public Health Infrastructure)	29-1-001-2-BI-06	93.283	69,634
	29-1-001-2-BI-05		68,169
Total Centers for Disease Control and Prevention - Investigation & Technical Assistance			<u>137,803</u>
Immunization Grants	29-1-001-2-AZ-04	93.268	6,321
	29-1-001-2-AZ-05		34,485
Total Immunization Grants			<u>40,806</u>
Preventive Health and Health Services Block Grant	29-1-001-2-EE-04	93.991	5,012
	29-1-001-2-EE-05		32,867
Total Preventive Health and Health Services Block Grant			<u>37,879</u>
Maternal and Child Health Services Block Grant to the States	29-1-001-1-MC-06	93.994	63,011
	29-1-001-1-MC-05		52,978
Total Maternal and Child Health Services Block Grant to the States			<u>115,989</u>
Passed through Ohio Department of Health			
Passed through City of Portsmouth Board of Health			
HIV Prevention Activities - Health Department Based	263-440-5283-04	93.940	14,150
	263-440-5283-05		42,450
Total HIV Prevention Activities - Health Department Based			<u>56,600</u>
Total United States Department of Health and Human Services			<u>389,077</u>
Total Federal Assistance			<u>\$ 842,404</u>

The accompanying notes are an integral part of this schedule.

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2005**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – MATCHING REQUIREMENTS

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

THIS PAGE INTENTIONALLY LEFT BLANK

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland, OH 44113-1306
Office phone - (216) 575-1630
Fax (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greene County Combined Health District (the District), as of and for the year ended December 31, 2005, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 20, 2006, wherein we noted that the District uses a comprehensive basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated October 20, 2006.

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

Charles E. Harris and Associates, Inc.
October 20, 2006

Charles E. Harris & Associates, Inc.
Certified Public Accountants

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland, OH 44113-1306
Office phone - (216) 575-1630
Fax (216) 436-2411

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

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

Compliance

We have audited the compliance of the Greene County Combined Health District, (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2005. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2005.

Internal Control Over Compliance

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

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

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

Charles E. Harris and Associates, Inc.

October 20, 2006

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505**

**GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY
December 31, 2005**

1. SUMMARY OF AUDITOR'S RESULTS

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)
OMB CIRCULAR A-133 SECTION .505

GREENE COUNTY COMBINED HEALTH DISTRICT
GREENE COUNTY
December 31, 2005

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit report, for the year ending December 31, 2004, reported no material citations or recommendations.



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

COMBINED HEALTH DISTRICT

GREENE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 2, 2007**