

***GREENE COUNTY COMBINED HEALTH DISTRICT***

**GREENE COUNTY, OHIO**

**AUDIT REPORT**

**For the Year Ended December 31, 2009**

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





Mary Taylor, CPA  
Auditor of State

Greene County Combined Health District  
360 Wilson Drive  
Xenia, Ohio 45385

We have reviewed the *Report of Independent Accountants* of the Greene County Combined Health District, Greene County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2009 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

August 5, 2010

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**GREENE COUNTY COMBINED HEALTH DISTRICT**  
**GREENE COUNTY**  
**AUDIT REPORT**  
For the year ended December 31, 2009

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

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REPORT OF INDEPENDENT ACCOUNTANTS

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

To the Board:

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, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express 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, 2009, 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 June 9, 2010 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.***

June 9, 2010

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(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, 2009 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 2009 are as follows:

- Total net assets decreased by (\$169,014) during 2009.
- Most of the District's revenue was associated 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. These financial statements follow the cash basis of accounting.

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, 2009  
(UNAUDITED)**

**Reporting the Government as a Whole**

The statement of net assets and the statement of activities reflect how the District did financially during 2009 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 2009.

Table 1 provides a summary of the District's net assets for 2009 compared to 2008.

**TABLE 1  
NET ASSETS  
DECEMBER 31, 2009**

	Governmental Activities 2009	Governmental Activities 2008
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$ 2,318,414	\$ 2,487,428
Total Assets	<u>\$ 2,318,414</u>	<u>\$ 2,487,428</u>
Net Assets:		
Restricted for:		
Other Purposes	\$ 2,318,156	2,487,428
Unrestricted	<u>258</u>	<u>-0-</u>
Total Net Assets	<u>\$ 2,318,414</u>	<u>\$ 2,487,428</u>

As mentioned previously, net assets decreased by (\$169,014) during 2009. The increase was primarily associated with funds restricted for specific grants and programs.

**FUND FINANCIAL STATEMENTS REPORTING MAJOR FUNDS**

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

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSIONS AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(UNAUDITED)**

Table 2 reflects the changes in net assets during 2009.

**TABLE 2  
CHANGE IN NET ASSETS**

	<b>Governmental Activities</b>	<b>Governmental Activities</b>
	<b>2009</b>	<b>2008</b>
<b>Receipts:</b>		
Program Receipts:		
Charges for Services	\$ 1,621,204	\$ 1,677,940
Operating Grants	1,241,592	1,264,967
General Receipts:		
Property and Other Local Taxes	1,519,107	1,727,519
Subdivision Fees	121,970	121,970
Unrestricted Grants	242,267	0
Miscellaneous	119,810	97,492
Total Receipts	<u>4,865,950</u>	<u>4,889,888</u>
<b>Disbursements:</b>		
Public Health Services	5,034,964	4,610,581
Total Disbursements	<u>5,034,964</u>	<u>4,610,581</u>
Net Change in Net Assets	<u>(169,014)</u>	<u>279,307</u>
Net Assets, Beginning of Year	2,487,428	2,08,121
Net Assets, End of Year	<u>\$ 2,318,414</u>	<u>\$ 2,487,428</u>

During 2009 the District's revenues remained relatively the same, whereas disbursements increased by 9.2 percent.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(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 2009, the District spent 100% of the amount appropriated in the General Fund. The District's 2009 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, 2009

	<b><u>Governmental Activities</u></b>
<b><u>Assets</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$ 2,318,414
Total Net Assets	<u>2,318,414</u>
<b><u>Net Assets</u></b>	
Restricted For:	
Other Purposes	2,318,156
Unrestricted	258
<b>Total Net Assets</b>	<b><u>\$ 2,318,414</u></b>

See accompanying notes to the basic financial statements.

GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY

STATEMENT OF ACTIVITIES - CASH BASIS  
For the Year Ended December 31, 2009

	<u>Program Cash Receipts</u>			
<u>Cash Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>	
<b>Governmental Activities</b>				
Public Health Services	<u>\$ 5,034,964</u>	<u>\$ 1,621,204</u>	<u>\$ 1,241,592</u>	<u>\$ (2,172,168)</u>
		<b><u>General Receipts:</u></b>		
			1,519,107	
			121,970	
			242,267	
			<u>119,810</u>	
			<u>2,003,154</u>	
			(169,014)	
			<u>2,487,428</u>	
			<u>\$ 2,318,414</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, 2009

	<u>General</u>	<u>Clinic Health Services Fund</u>	<u>Environmental Plumbing/ Inspection Fund</u>	<u>Food Service Operations Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 258	\$ 1,163,550	\$ 96,426	\$ 257,277	\$ 800,903	\$ 2,318,414
<b>Total Assets</b>	<b><u>\$ 258</u></b>	<b><u>\$ 1,163,550</u></b>	<b><u>\$ 96,426</u></b>	<b><u>\$ 257,277</u></b>	<b><u>\$ 800,903</u></b>	<b><u>\$ 2,318,414</u></b>
<b>Fund Balances</b>						
Reserved:						
Reserved For Encumbrances	\$ -	\$ 7,541	\$ 2,126	\$ 625	\$ 23,099	\$ 33,391
Unreserved:						
Undesignated (Deficit) Report In:						
General Fund	258	-	-	-	-	258
Special Revenue Funds	-	1,156,009	94,300	256,652	777,804	2,284,765
<b>Total Fund Balances</b>	<b><u>\$ 258</u></b>	<b><u>\$ 1,163,550</u></b>	<b><u>\$ 96,426</u></b>	<b><u>\$ 257,277</u></b>	<b><u>\$ 800,903</u></b>	<b><u>\$ 2,318,414</u></b>

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, 2009

	General	Clinic Health Services Fund	Environmental Plumbing/ Inspection Fund	Food Service Operations Fund	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>						
Property and Other Local Taxes	\$ 1,519,107	-	-	-	-	\$ 1,519,107
Subdivision fees	121,970	-	-	-	-	121,970
Fees, Licenses & Permits	147,088	\$ 186,491	\$ 279,129	\$ 338,673	\$ 436,165	1,387,546
Contractual Services	233,658	-	-	-	-	233,658
Federal Grants	-	-	-	-	948,321	948,321
State Grants	100,617	-	-	-	-	100,617
Homestead Rollback	141,650	-	-	-	-	141,650
Foundation Grants	-	-	-	-	167,484	167,484
Local Grants	-	-	-	-	30,000	30,000
Other Grants	15,647	33,395	-	-	46,745	95,787
Miscellaneous	106,058	2,564	304	205	10,679	119,810
<b>Total Receipts</b>	<u>2,385,795</u>	<u>222,450</u>	<u>279,433</u>	<u>338,878</u>	<u>1,639,394</u>	<u>4,865,950</u>
<b>DISBURSEMENTS</b>						
Current:						
Public Health Services						
Salaries	699,217	339,119	321,078	249,088	1,502,913	3,111,415
Materials & Supplies	28,589	65,298	8,012	8,806	161,121	271,826
Remittance to State	70,161	-	1,125	22,418	88,922	182,626
Equipment and Vehicles	16,401	2,179	6,031	2,952	17,692	45,255
Contracts - Repairs	3,135	-	1,191	658	660	5,644
Contracts - Services	22,107	32,860	8,762	480	152,057	216,266
Rentals (Facilities/Lease Agreements)	23,286	-	-	-	4,092	27,378
Travel and Training	12,951	4,958	1,519	1,639	15,881	36,948
Advertising and Printing	4,708	367	853	152	39,567	45,647
Public Employees' Retirement	101,214	51,173	47,558	35,885	213,112	448,942
Worker's Compensation	12,945	5,961	6,377	4,490	26,916	56,689
Utilities	9,346	2,849	8,498	2,583	15,077	38,353
Insurance	92,622	54,890	57,383	54,693	163,004	422,592
Other	28,039	8,428	8,749	5,928	74,239	125,383
<b>Total Disbursements</b>	<u>1,124,721</u>	<u>568,082</u>	<u>477,136</u>	<u>389,772</u>	<u>2,475,253</u>	<u>5,034,964</u>
Excess of Receipts Over (Under) Disbursements	<u>1,261,074</u>	<u>(345,632)</u>	<u>(197,703)</u>	<u>(50,894)</u>	<u>(835,859)</u>	<u>(169,014)</u>
Other Financing Sources (Uses)						
Transfers In	-	230,000	105,000	-	510,000	845,000
Transfers Out	(845,000)	-	-	-	-	(845,000)
Advances In	907,984	1,073,800	-	-	250,000	2,231,784
Advances Out	(1,323,800)	(782,984)	-	-	(125,000)	(2,231,784)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,260,816)</u>	<u>520,816</u>	<u>105,000</u>	<u>-</u>	<u>635,000</u>	<u>-</u>
Net Change in Fund Balances	258	175,184	(92,703)	(50,894)	(200,859)	(169,014)
Fund Balances Beginning of Year	-	988,366	189,129	308,171	1,001,762	2,487,428
<b>Fund Balances End of Year</b>	<u>\$ 258</u>	<u>\$ 1,163,550</u>	<u>\$ 96,426</u>	<u>\$ 257,277</u>	<u>\$ 800,903</u>	<u>\$ 2,318,414</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>RECEIPTS</b>				
State Grants	\$ 43,229	\$ 43,229	\$ 43,466	\$ 237
Subdivision Fees	121,970	121,970	121,970	-
Tax Levies	1,513,029	1,513,029	1,519,107	6,078
Homestead Rollback	141,650	154,679	198,801	44,122
Licenses, Permits, & Fees	151,000	230,427	147,088	(83,339)
Contractual Services	233,658	233,658	233,658	-
Other Grants	20,000	20,000	15,647	(4,353)
Miscellaneous	52,000	52,000	106,058	54,058
<b>Total Receipts</b>	<b>2,276,536</b>	<b>2,368,992</b>	<b>2,385,795</b>	<b>16,803</b>
<b>DISBURSEMENTS</b>				
Current:				
Public Health Services				
Salaries	712,168	699,217	699,217	-
Materials & Supplies	28,000	28,589	28,589	-
Remittance to State	80,000	70,161	70,161	-
Equipment and Vehicles	102,424	16,401	16,401	-
Contracts - Repairs	5,000	3,135	3,135	-
Contracts - Services	50,000	22,107	22,107	-
Rentals (Facilities/Lease Agreements)	23,286	23,286	23,286	-
Travel and Training	20,000	12,951	12,951	-
Advertising and Printing	10,000	4,708	4,708	-
Public Employees' Retirement	99,704	101,214	101,214	-
Worker's Compensation	14,243	12,945	12,945	-
Utilities	10,000	9,346	9,346	-
Insurance	117,046	92,622	92,622	-
Other	57,040	28,039	28,039	-
<b>Total Disbursements</b>	<b>1,328,911</b>	<b>1,124,721</b>	<b>1,124,721</b>	<b>-</b>
Excess of Receipts Over (Under) Disbursements	947,625	1,244,271	1,261,074	16,803
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(947,625)	(845,000)	(845,000)	-
Advances In	450,000	924,529	907,984	(16,545)
Advances Out	(450,000)	(1,323,800)	(1,323,800)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(947,625)</b>	<b>(1,244,271)</b>	<b>(1,260,816)</b>	<b>(16,545)</b>
Net Change in Fund Balances	-	-	258	258
Fund Balances Beginning of Year	-	-	-	-
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258</u>	<u>\$ 258</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>RECEIPTS</b>				
Federal Grants	\$ 60,000	\$ -	\$ -	\$ -
Other Grants	65,000	40,000	33,395	(6,605)
Licenses, Permits, & Fees	110,000	110,000	186,491	76,491
Miscellaneous	-	-	2,564	2,564
<b>Total Receipts</b>	<u>235,000</u>	<u>150,000</u>	<u>222,450</u>	<u>72,450</u>
<b>DISBURSEMENTS</b>				
Current:				
Public Health Services				
Salaries	327,659	340,159	339,119	1,040
Materials & Supplies	62,437	71,178	71,178	-
Equipment and Vehicles	15,000	15,000	2,179	12,821
Contracts - Services	43,431	43,431	33,696	9,735
Travel and Training	7,675	7,675	5,558	2,117
Advertising and Printing	3,500	3,500	592	2,908
Public Employees' Retirement	49,347	51,197	51,173	24
Worker's Compensation	6,553	6,553	5,961	592
Utilities	3,960	3,960	2,849	1,111
Insurance	54,080	55,991	54,890	1,101
Other	8,651	10,192	8,428	1,764
<b>Total Disbursements</b>	<u>582,293</u>	<u>608,836</u>	<u>575,623</u>	<u>33,213</u>
Excess of Receipts Over (Under) Disbursements	(347,293)	(458,836)	(353,173)	105,663
<b>Other Financing Sources (Uses)</b>				
Transfers In	300,000	300,000	230,000	(70,000)
Advances In	450,000	1,073,800	1,073,800	-
Advances Out	(450,000)	(994,000)	(782,984)	211,016
<b>Total Other Financing Sources (Uses)</b>	<u>300,000</u>	<u>379,800</u>	<u>520,816</u>	<u>141,016</u>
Net Change in Fund Balances	(47,293)	(79,036)	167,643	246,679
Fund Balances Beginning of Year	<u>988,366</u>	<u>988,366</u>	<u>988,366</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 941,073</u>	<u>\$ 909,330</u>	<u>\$ 1,156,009</u>	<u>\$ 246,679</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>RECEIPTS</b>				
Licenses, Permits, & Fees	\$ 403,000	\$ 403,000	\$ 279,129	\$ (123,871)
Miscellaneous	-	-	304	304
Total Receipts	<u>403,000</u>	<u>403,000</u>	<u>279,433</u>	<u>(123,567)</u>
<b>DISBURSEMENTS</b>				
Current:				
Public Health Services				
Salaries	320,742	321,079	321,078	1
Materials & Supplies	16,250	16,250	8,012	8,238
Equipment and Vehicles	23,450	23,450	6,111	17,339
Contracts - Repair	2,250	2,250	1,191	1,059
Contracts - Services	5,500	12,322	8,762	3,560
Travel and Training	3,100	3,100	2,319	781
Advertising and Printing	1,000	1,000	853	147
Public Employees' Retirement	44,904	47,564	47,558	6
Worker's Compensation	6,415	6,415	6,377	38
Utilities	9,989	9,989	9,098	891
Insurance	59,706	59,806	58,029	1,777
Other	12,551	14,533	9,874	4,659
Total Disbursements	<u>505,857</u>	<u>517,758</u>	<u>479,262</u>	<u>38,496</u>
Excess of Receipts Over (Under) Disbursements	(102,857)	(114,758)	(199,829)	(85,071)
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	105,000	105,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>105,000</u>	<u>105,000</u>	<u>-</u>
Net Change in Fund Balances	(102,857)	(9,758)	(94,829)	(85,071)
Fund Balances Beginning of Year	<u>189,129</u>	<u>189,129</u>	<u>189,129</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 86,272</u>	<u>\$ 179,371</u>	<u>\$ 94,300</u>	<u>\$ (85,071)</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>RECEIPTS</b>				
Licenses, Permits, & Fees	\$ 350,000	\$ 350,000	\$ 338,673	\$ (11,327)
Miscellaneous	-	-	205	205
Total Receipts	<u>350,000</u>	<u>350,000</u>	<u>338,878</u>	<u>(11,122)</u>
<b>DISBURSEMENTS</b>				
Current:				
Public Health Services				
Salaries	237,677	249,177	249,088	89
Materials & Supplies	13,230	13,230	8,996	4,234
Remittance to State	25,000	25,000	22,418	2,582
Equipment and Vehicles	25,000	25,000	2,942	22,058
Contracts - Repair	2,000	2,000	658	1,342
Contracts - Services	1,000	1,000	480	520
Travel and Training	2,700	2,700	1,939	761
Advertising and Printing	1,000	1,000	287	713
Public Employees' Retirement	33,275	35,885	35,885	-
Worker's Compensation	4,754	4,754	4,490	264
Utilities	2,914	2,914	2,583	331
Insurance	55,256	55,736	54,693	1,043
Other	8,146	8,846	5,938	2,908
Total Disbursements	<u>411,952</u>	<u>427,242</u>	<u>390,397</u>	<u>36,845</u>
Excess of Receipts Over (Under) Disbursements	(61,952)	(77,242)	(51,519)	25,723
Fund Balances Beginning of Year	<u>308,171</u>	<u>308,171</u>	<u>308,171</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 246,219</u>	<u>\$ 230,929</u>	<u>\$ 256,652</u>	<u>\$ 25,723</u>

See accompanying notes to the basic financial statements.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

**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, 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, 2009**

**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 all 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, 2009**

**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, 2009**

**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. 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 Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance – Budget and Actual – Budget Basis presented for the General Fund, Clinic Health Services, Environmental Plumbing and Inspection and Food Service Operations funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). During 2009 the encumbrances outstanding at year end (budgetary basis) amounted to \$7,541 for the Clinic Health Services Fund, \$2,126 for the Environmental Plumbing Inspections Fund and \$625 for the Food Service Operations Fund.

**4. CASH AND CASH EQUIVALENTS**

The Greene County Commissioners maintain a cash pool used by all of the County's funds, including those of the Combined Health District. The Ohio Revised Code prescribes allowable deposits and investments. At year-end, the carrying amount of the District's deposits with the Greene County Commissioner was \$2,318,414. 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.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

**5. PROPERTY TAXES**

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

**6. INTERFUND BALANCES**

Unpaid inter-fund cash advances at December 31, 2009 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$1,126,301	\$ -0-
Clinic Health Services Fund	-0-	955,361
Other Governmental Funds	<u>-0-</u>	<u>170,940</u>
Total Interfund Receivables Payables	<u>\$ 1,126,301</u>	<u>\$ 1,126,301</u>

**7. INTERFUND TRANSFERS**

Interfund cash transfers for the year ended December 31, 2009 were as follows:

<b>TRANSFER TO:</b>				
	<b>Clinic Health Services Fund</b>	<b>Environmental Plumbing/Insp Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>TRANSFER FROM:</b>				
General Fund	<u>\$230,000</u>	<u>\$105,000</u>	<u>\$510,000</u>	<u>\$845,000</u>
Totals	<u>\$230,000</u>	<u>\$105,000</u>	<u>\$510,000</u>	<u>\$845,000</u>

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

**8. RISK MANAGEMENT**

The District belongs to the Public Entities Pool of Ohio (“PEP”), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty insurance for its members. 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 \$350,000 per occurrence, 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 \$10,000,000 in aggregate per year. Governments can elect additional coverage, from \$2,000,000 to \$12,000,000, from General Reinsurance Corporation.

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

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

**8. RISK MANAGEMENT (Continued)**

Property Insurance

On January 1, 2005, APEEP began administering a risk-sharing property program. Under the new program, St. Paul Travelers will reinsure specific losses in excess of \$250,000 up to \$600,000,000 per occurrence. APEEP will reinsure members for specific losses in excess of \$100,000 up to \$250,000 per occurrence, subject to annual aggregate loss payment. St. Paul Travelers provides aggregate stop-loss coverage based upon the combined Members' Total Insurable Value (TIV). If the stop-loss is reached by payment of losses between \$100,000 and \$250,000, St. Paul Travelers will then reinsure specific losses in excess of \$100,000 up to their \$600,000,000 per occurrence limit.

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 government.

Financial Position

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

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

At December 31, 2008 and 2007, respectively, the liabilities above include approximately \$13.7 million and \$15.9 of estimated incurred claims payable. The assets and retained earnings above include approximately \$12.9 million and \$15.0 million of unpaid claims to be billed to approximately 445 member governments in the future, as of December 31, 2008 and 2007, respectively. PEP will collect these amounts in the future annual premium billings when PEP's related liabilities are due for payment.

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

Contributions to PEP

- 2007 \$18,429
- 2008 17,249
- 2009 16,696

Members may withdraw in each anniversary of the date they joined PEP. They must provide written notice to PEP 60 days in advance of their anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contribution, minus subsequent year's premium. Also, upon withdrawal, payments of all property and casualty claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the withdrawal.

Settled claims have not exceeded this commercial coverage in any of the last three years. There have been significant reductions in insurance coverage from last year. The District also provides health insurance, dental, and vision coverage to full-time employees through a private carrier.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

**9. PENSION OBLIGATIONS**

*Plan Description*

The District contributes to the Ohio Public Employees Retirement System of Ohio (OPERS), a cost sharing, multiple-employer public employee retirement system. OPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries through 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 in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under this plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings; and the Combined Plan – a cost-sharing multiple-employer defined benefit pension plan. Under this plan, OPERS invests employer contributions 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.

Chapter 145 of the Ohio Revised Code assigns the District to establish and amend benefit provisions to the OPERS board of trustees (Board). OPERS issues a stand-alone financial report that includes the financial statements. That report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-466-2085 or 1-800-222-PERS (7377).

*Funding Policy*

Plan members are required to contribute a percentage of their annual covered salary (10% in 2009 and 2008), and the District is required to contribute an actuarially determined rate. The employer contribution rate for 2009 and 2008 was 14%, and 13.85% for 2007 of annual covered payroll. The District's contributions for pension obligations to the traditional, combined, and member-directed plans for the years ended December 31, 2009, 2008 and 2007 were \$448,942, \$393,403 and \$384,663, respectively. 100% of required contributions have made.

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

OPERS also provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. As required by state statute, a portion of each employer's contribution to OPERS (see note 9) is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory Council for employer contributions. The contribution rates of 14% for the years ended December 31, 2009 and 2008, respectively, included a portion (7% for January - March 2009 and 5.5% for April – December 2009 and 7% for 2008) that was used to fund healthcare. The District's contributions for post-employment benefits were approximately \$187,208, \$196,701 and \$145,787 for the years ended December 31, 2009, 2008 and 2007, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board on September 9, 2004, is effective on January 1, 2007. OPERS took additional actions to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

The Ohio Revised Code provides the statutory Council requiring public employers to fund postretirement health care through their contributions to OPERS.

*Summary of assumptions*

*Actuarial Review* – The assumptions and calculations below were based on the System's latest Actuarial Review performed as of December 31, 2008.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

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

*Funding Method* – The individual entry age actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.

*Assets Valuation Method* – All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of the unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor.

*Investment Return* – The investment assumption rate for 2008 was 6.5%.

*Active Employee Total Payroll* – An annual increase of 4.0% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases over and above the 4.0% base increase, were assumed to range from 0.5% to 6.3%.

*Health Care* – Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .5% to 3% for the next 6 years. In subsequent years (7 and beyond), health care costs were assumed to increase at 4.0% (the projected wage inflation rate).

OPEBs are advanced funded on an actuarially determined basis. The number of active contributing participants in the Traditional Pension Plan and Combined Plans at December 31, 2008 was 356,388. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2008 was \$10.7 billion. The actuarially accrued liability and the unfunded actuarial accrued liability at December 31, 2008, based on the actuarial cost method used, were \$29.6 billion and \$18.9 billion, respectively.

**11. 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.

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2009**

**12. CONTRACTUAL COMMITMENTS**

During the year-ended December 31, 2009, the District had \$211,820 in contractual commitments for services provided. Some of the following commitments were funded by federal and state programs.

<u>VENDORS/CONTRACTORS</u>	<u>AMOUNT</u>
Katherine Lin, MD	\$ 4,242
Dr. Dillaplain, MD	12,767
Cirrus Concept	7,268
Miami Valley Interpreters	911
Darryl Mabra Screeing Fee	1,450
Cannon Financial Services	3,340
WS Electronics	1,356
Staff Mark	6,926
Grays Security	6,752
Steve Burdette, M.D.	156
Greene County Parks & Rec	1,723
General Binding Corp.	451
Jorge Ruiz	330
Micro Charts	72
Community Mercy Outreach	50,188
CHC Software	4,313
Medical Waste Pick-Up	9,831
Compunet Labs	23,718
Van Lehn Construction/Demolition	6,822
Network Experts	1,000
Wright State University	4,000
K&D Carpet Cleaning	650
Dawns Hurst Legal Services	2,465
United Parcel Services	956
Terry Simons Lawn Service	1,700
Key Equipment Financing	2,198
Universal Medical Services Assoc.	340
Greene Radiology	1,155
Cintas Log G62	5,142
Keith Watson, MD	4,243
James Bemby, MD	4,243
Anita Stanley	<u>41,111</u>
<b>TOTAL</b>	<b><u>\$ 211,820</u></b>

Greene County Combined Health District  
Greene County

Schedule of Federal Awards Expenditures  
For the year ended December 31, 2009

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
<b>Passed through Ohio Department of Health</b>			
Special Supplemental Nutrition Program for Women, Infants & Children (WIC)	29-1-001-CL-009	10.557	\$ 452,408
	29-1-001-CL-010		41,428
Total United States Department of Agriculture			<u>493,836</u>
<b>UNITED STATES DEPARTMENT OF TRANSPORTATION</b>			
<b>Passed through Ohio Department of Public Safety</b>			
State and Community Highway Safety	29-000381-09	20.600	29,136
Total United States Department of Transportation			<u>29,136</u>
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<b>Passed through Ohio Department of Health</b>			
Centers for Disease Control and Prevention - Investigation & Technical Assistance (Public Health Infrastructure)	29-1-001-2-B1-09	93.283	34,816
Total Centers for Disease Control and Prevention - Investigation & Technical Assistance	29-1-001-2-B1-10		<u>160,603</u>
			195,419
Centers For Disease Control & Prevention	29-1-001-A2-09	93.268	42,910
Preventive Health & Health Services Block Grant	29-1-001-2-EE-08	93.991	17,500
	29-1-001-2-EE-09		<u>27,409</u>
Total Preventive Health & Health Services Block Grant			44,909
Maternal & Child Health Services Block Grant	29-1-001-1-MC-09	93.994	100,406
<b>Passed through Ohio Department of Health</b>			
<b>Passed through City of Portsmouth Board of Health</b>			
HIV Prevention Activities - Health Department Based	263-440-5283-09	93.940	60,000
Total HIV Prevention Activities - Health Department Based			<u>60,000</u>
Total U.S. Department of Health			<u>443,644</u>
<b>Total Federal Assistance</b>			<u>\$ 966,616</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, 2009**

**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.

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

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

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

To the Board:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greene County Combined Health District (the District) as of and for the year ended December 31, 2009, and have issued our report thereon dated June 9, 2010, wherein we noted the District followed the cash basis of accounting, a comprehensive accounting basis other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls Over Financial Reporting

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

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

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

## Compliance and Other Matters

As part of 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, grants 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*.

We intend this report solely for the information and use of the finance committee, management, the Board, and 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 & Associates, Inc.***

June 9, 2010

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

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

To the Board:

Compliance

We have audited the compliance of the Greene County Combined Health District, Greene County (the District), with the types of compliance requirements described in *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended December 31, 2009. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2009.

## Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A *material weakness* is a control deficiency, or combination of control deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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

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

***Charles E. Harris & Associates, Inc.***

June 9, 2010

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

**GREENE COUNTY COMBINED HEALTH DISTRICT  
GREENE COUNTY  
December 31, 2009**

**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 weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any other significant deficiencies 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 weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any other significant deficiencies 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, 2009**

**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.

## **STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS**

The prior audit report, for the year ending December 31, 2008, reported no material citations or recommendations.



**Mary Taylor, CPA**  
Auditor of State

**GREENE COUNTY 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  
AUGUST 17, 2010**