



Dave Yost • Auditor of State



**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Union County General Health District  
Union County  
940 London Avenue, Suite 1100  
Marysville, Ohio 43040

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Union County General Health District, Union County, Ohio, (the District) as of and for the years ended December 31, 2010 and 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2011, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

**Dave Yost**  
Auditor of State

August 30, 2011

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

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The discussion and analysis of the Union County General Health District's, Union County, Ohio (the "District") financial performance provides an overall review of the District's financial activities for the years ended December 31, 2010 and 2009, within the limitations of the District's cash basis accounting. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

**Highlights**

Key highlights for 2010 were as follows:

Net assets of governmental activities increased \$132,970 or just under 6 percent as compared to 2009. The primary reason for the increase in cash balance was due to increased revenues from one of the District's property tax levies.

Program specific receipts in the form of charges for services and operating grants and contribution comprises slightly less than half of the District's receipts, making up about 46 percent of all the dollars coming into the District. General receipts in the form of property taxes and unrestricted grants and entitlements make up the other 54 percent.

The District had \$3,011,420 in disbursements during 2010.

Key highlights for 2009 were as follows:

Net assets of governmental activities increased \$41,224 or just under 2 percent as compared to 2008. The primary reason for the increase in cash balance was due to an increase in grant funds.

Program specific receipts in the form of charges for services and operating grants and contribution comprises slightly less than half of the District's receipts, making up about 46 percent of all the dollars coming into the District. General receipts in the form of property taxes and unrestricted grants and entitlements make up the other 54 percent.

The District had \$2,727,788 in disbursements during 2009.

**Using the Basic Financial Statements**

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

**Report Components**

The statement of net assets and the statement of activities provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balance or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

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**Using the Basic Financial Statements (Continued)**

**Basis of Accounting**

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

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

**Reporting the District as a Whole**

The statement of net assets and the statement of activities reflect how the District did financially during 2010 and 2009, within the limitations of cash basis accounting. The statement of net assets presents the cash balances of the governmental activities of the District at year end. The statement of activities compares cash disbursements with program receipts for each governmental program activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, you should also consider other non-financial factors as well such as the condition of the District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources.

The statement of net assets and the statement of activities present governmental activities, which includes all the District's services. Charges for services and state and federal grants finance just under half of these activities. To a significant extent, benefits provided through the governmental activities are being paid for by the people receiving them. The District has no business-type activities.

**Reporting the District's Most Significant Funds**

Fund financial statements provide detailed information about the District's major funds — not the District as a whole. The District establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. All of the operating funds of the District are governmental.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

**Reporting the District's Most Significant Funds (Continued)**

Governmental Funds — The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the District's governmental operations and the health services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's health programs. The District's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) are combined into one column. The District's major governmental funds are the General Fund, Public Health Nursing Fund, and Public Health Infrastructure Fund. The programs reported in the governmental funds are closely related to those reported in the governmental activities sections of the entity wide statements.

**The District as a Whole**

Table 1 provides a summary of the District's net assets for 2010 compared to 2009 and 2008 on a cash basis:

(Table 1)

**Net Assets**

	Governmental Activities		
	2010	2009	2008
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,501,359	\$ 2,368,389	\$ 2,327,165
Total Assets	2,501,359	2,368,389	2,327,165
<b>Net Assets</b>			
Restricted for Other Purposes	968,416	1,131,165	867,905
Unrestricted	1,532,943	1,237,224	1,459,260
Total Net Assets	\$ 2,501,359	\$ 2,368,389	\$ 2,327,165

Table 2 reflects the changes in net assets in 2010 and 2009. A comparative analysis of government-wide data has been presented by including 2008.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

(Table 2)  
**Changes in Net Assets**

	Governmental Activities		
	2010	2009	2008
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$625,195	\$654,329	\$707,060
Operating Grants and Contributions	820,065	612,712	288,599
Capital Grants and Contributions	0	0	225,385
Total Program Receipts	<u>1,445,260</u>	<u>1,267,041</u>	<u>1,221,044</u>
General Receipts:			
Property Taxes	1,238,658	1,068,380	1,108,837
Grants and Entitlements	446,902	425,661	361,334
Miscellaneous	13,570	7,930	11,912
Total General Receipts	<u>1,699,130</u>	<u>1,501,971</u>	<u>1,482,083</u>
Total Receipts	<u>3,144,390</u>	<u>2,769,012</u>	<u>2,703,127</u>
Disbursements:			
Environmental Health:			
General Environmental Health	294,710	346,072	283,415
Food Service	121,149	111,297	107,192
Plumbing	94,704	97,050	85,458
Water	40,417	28,691	50,201
Sewage	56,607	19,960	49,064
Pools/Spas	7,033	7,418	6,978
Camps/MHP	5,370	3,339	3,403
Solid Waste	4,466	0	0
Radon	7,206	2,704	2,442
Rabies	545	475	502
Personal Health:			
General Nursing	352,205	390,186	398,905
Health Education and Partnerships	319,590	287,061	359,138
Help Me Grow/LEADS/Speech Therapy	298,423	290,755	315,746
Child and Family Health Services	52,132	85,868	127,988
Tobacco Cessation	0	0	9,447
Clinics/BCMH	81,427	127,512	111,603
Public Health Infrastructure	583,294	280,925	186,900
Vital Statistics	83,570	65,524	70,860
Administration	384,602	378,571	390,289
General Health District	223,970	204,380	176,788
Total General Government	<u>3,011,420</u>	<u>2,727,788</u>	<u>2,736,319</u>
Increase (Decrease) in Net Assets	132,970	41,224	(33,192)
Net Assets, Beginning of Year	<u>2,368,389</u>	<u>2,327,165</u>	<u>2,360,357</u>
Net Assets, End of Year	<u><u>\$2,501,359</u></u>	<u><u>\$2,368,389</u></u>	<u><u>\$2,327,165</u></u>

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

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**The District as a Whole (Continued)**

In 2010, 54 percent of the District's total receipts were from general receipts, consisting mainly of property taxes levied for general District purposes. Program receipts accounted for 46 percent of the District's total receipts in year 2010. These receipts consist primarily of charges for services for birth and death certificates, food services licenses, trailer park permits, swimming pools permits, and water system permits and state and federal operating grants and donations.

In 2009, 54 percent of the District's total receipts were from general receipts, consisting mainly of property taxes levied for general District purposes. Program receipts accounted for 46 percent of the District's total receipts in year 2009. These receipts consist primarily of charges for services for birth and death certificates, food services licenses, trailer park permits, swimming pools permits, and water system permits and state and federal operating grants and donations.

**Governmental Activities**

If you look at the Statement of Activities for 2010 on page 11 and for 2009 on page 18, you will see that the first column lists the major disbursements of the District. The next column identifies the amount of these disbursements. In 2010, the major program disbursements for governmental activities were: public health infrastructure and administration, which accounted for 19 percent and 13 percent of total disbursements, respectively. In 2009, the major program disbursements for governmental activities were: general nursing and administration, which each accounted for 14 percent of all governmental disbursements. The next two columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants and contributions received by the District that must be used to provide a specific service. The Net (Disbursement) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local townships and municipalities, taxpayers, state subsidies, and cash balances of grant and fee programs. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

(Table 3)

**Governmental Activities**

	Total Cost Of Services 2010	Net Cost of Services 2010	Total Cost Of Services 2009	Net Cost of Services 2009
Environmental Health:				
General Environmental Health	\$294,710	\$291,445	\$346,072	\$332,052
Food Service	121,149	12,175	111,297	4,611
Plumbing	94,704	48,104	97,050	51,190
Water	40,417	1,715	28,691	1,264
Sewage	56,607	(18,799)	19,960	(59,307)
Pools/Spas	7,033	(3,602)	7,418	(3,982)
Camps/MHP	5,370	(781)	3,339	(2,119)
Solid Waste	4,466	225	0	(4,841)
Radon	7,206	(39)	2,704	(493)
Rabies	545	545	475	475
Personal Health:				
General Nursing	352,205	352,205	390,186	385,884
Health Education and Partnerships	319,590	221,359	287,061	170,394
Help Me Grow/LEADS/Speech Therapy	298,423	39,420	290,755	112,071
Child and Family Health Services	52,132	(7,880)	85,868	2,096
Clinics/BCMH	81,427	(32,104)	127,512	(9,836)
Public Health Infrastructure	583,294	36,393	280,925	(136,153)
Vital Statistics	83,570	18,923	65,524	16,895
Administration	384,602	382,886	378,571	378,166
General Health District	223,970	223,970	204,380	204,380
<b>Total Expenses</b>	<b>\$3,011,420</b>	<b>\$1,566,160</b>	<b>\$2,727,788</b>	<b>\$1,442,747</b>

In 2010, the District has tried to limit its dependence upon property taxes and local subsidies by actively pursuing Federal grants and charges rates for services that are closely related to costs. About 54 percent of the District's costs are supported through property taxes, unrestricted grants, and other general receipts.

In 2009, the District has tried to limit its dependence upon property taxes and local subsidies by actively pursuing Federal grants and charges rates for services that are closely related to costs. About 54 percent of the District's costs are supported through property taxes, unrestricted grants, and other general receipts.

**The District's General Fund**

In 2010, the General Fund had receipts of \$1,877,846 and disbursements of \$1,582,127. The fund balance of the General Fund increased \$295,719 as a result of increased receipts from one of the District's two tax levies and a small transfer from Other Governmental Funds.

In 2009, the General Fund had receipts of \$1,622,118 and disbursements of \$1,844,152. The fund balance of the General Fund decreased \$222,032 as a result of a large transfer into the Public Health Nursing Fund and an increase in expenditures in the General Health Fund.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009  
UNAUDITED**

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**General Fund Budgeting Highlights**

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

During the course of 2010, the District amended its appropriations, and the budgetary statements reflect both the original and final appropriated amounts. There were no significant changes between the original and the final estimated receipts.

During the course of 2009, the District amended its appropriations, and the budgetary statements reflect both the original and final appropriated amounts. There were no significant changes between the original and the final estimated receipts.

**Capital Assets**

The District does not currently keep track of its capital assets.

**Debt Administration**

As of December 31, 2010 and 2009, the District had no outstanding debt.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and providers with a general overview of the District's finances and to reflect the District's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to James A. Damask, MBA, Fiscal Officer, Union County Health Department, 940 London Avenue, Suite 1100, Marysville, Ohio 43040.

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**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2010**

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	<b>Governmental Activities</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 2,501,359
<i>Total Assets</i>	<u>\$ 2,501,359</u>
<b>Net Assets</b>	
Restricted for:	
Other Purposes	968,414
Unrestricted	<u>1,532,945</u>
<i>Total Net Assets</i>	<u>\$ 2,501,359</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Assets
	Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
<b>Environmental Health</b>				
General Environmental Health	\$ 294,710	\$ 650	\$ 2,615	\$ (291,445)
Food Service	121,149	108,974	-	(12,175)
Plumbing	94,704	46,600	-	(48,104)
Water	40,417	38,702	-	(1,715)
Sewage	56,607	75,406	-	18,799
Pools/Spas	7,033	10,635	-	3,602
Camps/MHP	5,370	6,151	-	781
Solid Waste	4,466	-	4,241	(225)
Radon	7,206	-	7,245	39
Rabies	545	-	-	(545)
<b>Personal Health</b>				
General Nursing	352,205	-	-	(352,205)
Health Education and Partnerships	319,590	-	98,231	(221,359)
Help Me Grow/LEADS/Speech Therapy	298,423	148,858	110,145	(39,420)
Child and Family Health Services	52,132	-	60,012	7,880
Tobacco Cessation	-	-	-	-
Clinics/BCMH	81,427	54,047	59,484	32,104
Public Health Infrastructure	583,294	69,680	477,221	(36,393)
Vital Statistics	83,570	63,776	871	(18,923)
Administration	384,602	1,716	-	(382,886)
General Health District	223,970	-	-	(223,970)
<b>Total Governmental Activities</b>	<b>\$ 3,011,420</b>	<b>\$ 625,195</b>	<b>\$ 820,065</b>	<b>(1,566,160)</b>

**General Receipts**

Property Taxes Levied for General Health District Purposes	1,238,658
Grants and Entitlements not Restricted to Specific Programs	446,902
Miscellaneous	13,570
<b>Total General Receipts</b>	<b>1,699,130</b>
Change in Net Assets	132,970
Net Assets Beginning of Year	2,368,389
Net Assets End of Year	<b>\$ 2,501,359</b>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010**

	<u>General</u>	<u>Public Health Nursing Fund</u>	<u>Public Health Infrastructure Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 1,532,945	\$ 338,126	\$ 318,770	\$ 311,518	\$ 2,501,359
<i>Total Assets</i>	<u>\$ 1,532,945</u>	<u>\$ 338,126</u>	<u>\$ 318,770</u>	<u>\$ 311,518</u>	<u>\$ 2,501,359</u>
<b>Fund Balances</b>					
Reserved:					
Reserved for Encumbrances	\$ 2,085	\$ 33,059	\$ 315	\$ 12,609	\$ 48,068
Unreserved:					
Undesignated, Reported in:					
General Fund	1,530,860	-	-	-	1,530,860
Special Revenue Funds	-	305,067	318,455	298,909	922,431
<i>Total Fund Balances</i>	<u>\$ 1,532,945</u>	<u>\$ 338,126</u>	<u>\$ 318,770</u>	<u>\$ 311,518</u>	<u>\$ 2,501,359</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General Fund	Public Health Nursing Fund	Public Health Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>					
Property and Other Local Taxes	\$ 1,238,658	\$ -	\$ -	\$ -	\$ 1,238,658
Intergovernmental	455,833	234,698	477,221	76,734	1,244,486
Fees, Licenses and Permits	52,755	-	-	235,663	288,418
Contractual Services	-	147,375	69,680	-	217,055
Charges for Services	63,633	58,743	-	-	122,376
Miscellaneous	15,347	17,550	-	500	33,397
<i>Total Receipts</i>	<u>1,826,226</u>	<u>458,366</u>	<u>546,901</u>	<u>312,897</u>	<u>3,144,390</u>
<b>Disbursements</b>					
Current:					
Environmental Health					
General Environmental Health	294,710	-	-	-	294,710
Food Service	-	-	-	121,149	121,149
Plumbing	94,704	-	-	-	94,704
Water	-	-	-	40,417	40,417
Sewage	1,000	-	-	55,607	56,607
Pools/Spas	-	-	-	7,033	7,033
Camps/MHP	-	-	-	5,370	5,370
Solid Waste	-	-	-	4,466	4,466
Radon	7,206	-	-	-	7,206
Rabies	545	-	-	-	545
Personal Health					
General Nursing	-	352,205	-	-	352,205
Health Education and Partnerships	-	299,813	-	19,777	319,590
Help Me Grow/LEADS/Speech Therapy	-	298,423	-	-	298,423
Child and Family Health Services	-	-	-	52,132	52,132
Clinics/BCMH	-	81,427	-	-	81,427
Public Health Infrastructure	-	109	583,185	-	583,294
Vital Statistics	83,570	-	-	-	83,570
Administration	384,602	-	-	-	384,602
General Health District	215,790	8,180	-	-	223,970
<i>Total Disbursements</i>	<u>1,082,127</u>	<u>1,040,157</u>	<u>583,185</u>	<u>305,951</u>	<u>3,011,420</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>744,099</u>	<u>(581,791)</u>	<u>(36,284)</u>	<u>6,946</u>	<u>132,970</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	51,620	500,000	-	-	551,620
Transfers Out	(500,000)	-	-	(51,620)	(551,620)
<i>Total Other Financing Sources (Uses)</i>	<u>(448,380)</u>	<u>500,000</u>	<u>-</u>	<u>(51,620)</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	295,719	(81,791)	(36,284)	(44,674)	132,970
<i>Fund Balances Beginning of Year</i>	<u>1,237,226</u>	<u>419,917</u>	<u>355,054</u>	<u>356,192</u>	<u>2,368,389</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,532,945</u>	<u>\$ 338,126</u>	<u>\$ 318,770</u>	<u>\$ 311,518</u>	<u>\$ 2,501,359</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$ 1,306,225	\$ 1,306,225	\$ 1,238,658	\$ (67,567)
Intergovernmental	302,275	302,275	455,833	153,558
Fees, Licenses and Permits	80,449	80,449	52,755	(27,694)
Charges for Services	63,100	63,100	63,633	533
Miscellaneous	750	750	15,347	14,597
<i>Total Receipts</i>	<u>1,752,799</u>	<u>1,752,799</u>	<u>1,826,226</u>	<u>73,427</u>
<b>Disbursements</b>				
Current:				
Environmental Health				
General Environmental Health	351,879	331,286	294,844	36,442
Plumbing	115,064	115,276	94,704	20,572
Sewage	10,436	9,143	1,000	8,143
Radon	4,050	9,268	7,206	2,062
Rabies	550	572	545	27
Personal Health				
General Nursing	-	-	-	-
Health Education and Partnerships	-	-	-	-
Help Me Grow and Speech Therapy	-	-	-	-
Vital Statistics	92,935	94,027	84,549	9,478
Administration	477,185	484,711	385,555	99,156
General Health District	254,192	262,008	215,811	46,197
<i>Total Disbursements</i>	<u>1,306,291</u>	<u>1,306,291</u>	<u>1,084,214</u>	<u>222,077</u>
<i>Excess of Receipts Over Disbursements</i>	<u>446,508</u>	<u>446,508</u>	<u>742,012</u>	<u>295,504</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	51,620	51,620	51,620	-
Transfers Out	(750,000)	(750,000)	(500,000)	250,000
<i>Total Other Financing Sources (Uses)</i>	<u>(698,380)</u>	<u>(698,380)</u>	<u>(448,380)</u>	<u>250,000</u>
<i>Net Change in Fund Balances</i>	<u>(251,872)</u>	<u>(251,872)</u>	<u>293,632</u>	<u>545,504</u>
Prior Year Encumbrances Appropriated	14,445	14,445	14,445	-
<i>Fund Balances Beginning of Year</i>	<u>1,222,783</u>	<u>1,222,783</u>	<u>1,222,783</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 985,356</u>	<u>\$ 985,356</u>	<u>\$ 1,530,860</u>	<u>\$ 545,504</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC HEALTH NURSING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 242,709	\$ 242,709	\$ 234,698	\$ (8,011)
Contractual Services	209,136	209,136	147,375	(61,761)
Charges for Services	54,800	54,800	58,743	3,943
Miscellaneous	-	-	17,550	17,550
<i>Total Receipts</i>	<u>506,645</u>	<u>506,645</u>	<u>458,366</u>	<u>(48,279)</u>
<b>Disbursements</b>				
Current:				
Personal Health				
General Nursing	479,601	470,479	352,580	117,899
Health Education and Partnerships	383,993	396,509	312,018	84,491
Help Me Grow/LEADS/Speech Therapy Clinics/BCMH	401,215	395,674	302,608	93,066
Public Health Infrastructure	129,644	113,253	87,913	25,340
General Health District	-	198	198	-
	-	18,340	17,899	441
<i>Total Disbursements</i>	<u>1,394,453</u>	<u>1,394,453</u>	<u>1,073,216</u>	<u>321,237</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(887,808)</u>	<u>(887,808)</u>	<u>(614,850)</u>	<u>272,958</u>
<b>Other Financing Sources</b>				
Transfers In	750,000	750,000	500,000	(250,000)
<i>Total Other Financing Sources</i>	<u>750,000</u>	<u>750,000</u>	<u>500,000</u>	<u>(250,000)</u>
<i>Net Change in Fund Balances</i>	(137,808)	(137,808)	(114,850)	22,958
Prior Year Encumbrances Appropriated	16,081	16,081	16,081	-
<i>Fund Balances Beginning of Year</i>	<u>403,836</u>	<u>403,836</u>	<u>403,836</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 282,109</u>	<u>\$ 282,109</u>	<u>\$ 305,067</u>	<u>\$ 22,958</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC HEALTH INFRASTRUCTURE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 689,399	\$ 689,399	\$ 477,221	\$ (212,178)
Contractual Services	52,139	52,139	69,680	17,541
<i>Total Receipts</i>	<u>741,538</u>	<u>741,538</u>	<u>546,901</u>	<u>(194,637)</u>
<b>Disbursements</b>				
Current:				
Public Health Infrastructure	683,210	683,210	583,500	99,710
<i>Total Disbursements</i>	<u>683,210</u>	<u>683,210</u>	<u>583,500</u>	<u>99,710</u>
<i>Net Change in Fund Balances</i>	<u>58,328</u>	<u>58,328</u>	<u>(36,599)</u>	<u>(94,927)</u>
Prior Year Encumbrances Appropriated	4,210	4,210	4,210	-
<i>Fund Balances Beginning of Year</i>	<u>350,845</u>	<u>350,845</u>	<u>350,845</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 413,383</u>	<u>\$ 413,383</u>	<u>\$ 318,456</u>	<u>\$ (94,927)</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2009**

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	<b>Governmental Activities</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 2,368,389
<i>Total Assets</i>	<u>\$ 2,368,389</u>
<b>Net Assets</b>	
Restricted for:	
Other Purposes	1,131,163
Unrestricted	<u>1,237,226</u>
<i>Total Net Assets</i>	<u>\$ 2,368,389</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Program Receipts			Net (Disbursements) Receipts and Changes in Net Assets
	Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
Environmental Health				
General Environmental Health	\$ 346,072	\$ 790	\$ 13,230	\$ (332,052)
Food Service	111,122	106,686	-	(4,436)
Plumbing	97,050	45,860	-	(51,190)
Water	28,691	27,427	-	(1,264)
Sewage	19,960	79,267	-	59,307
Pools/Spas	7,418	11,400	-	3,982
Camps/MHP	3,339	5,458	-	2,119
Solid Waste	-	-	4,841	4,841
Radon	2,704	-	3,197	493
Rabies	475	-	-	(475)
Personal Health				
General Nursing	390,362	4,302	-	(386,060)
Health Education and Partnerships	287,061	1,800	114,867	(170,394)
Help Me Grow/LEADS/Speech Therapy	290,755	178,684	-	(112,071)
Child and Family Health Services	85,868	-	65,772	(20,096)
Tobacco Cessation	-	-	-	-
Clinics/BCMH	127,512	64,192	73,156	9,836
Public Health Infrastructure	280,926	80,347	336,731	136,152
Vital Statistics	65,524	47,711	918	(16,895)
Administration	378,569	405	-	(378,164)
General Health District	204,380	-	-	(204,380)
<b>Total Governmental Activities</b>	<b>\$ 2,727,788</b>	<b>\$ 654,329</b>	<b>\$ 612,712</b>	<b>(1,460,747)</b>
<b>General Receipts</b>				
Property Taxes Levied for				
General Health District Purposes				1,068,380
Grants and Entitlements not Restricted to				
Specific Programs				425,661
Miscellaneous				7,930
<b>Total General Receipts</b>				<b>1,501,971</b>
Change in Net Assets				41,224
Net Assets Beginning of Year				2,327,165
Net Assets End of Year				<b>\$ 2,368,389</b>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2009**

	<u>General</u>	<u>Public Health Nursing Fund</u>	<u>Public Health Infrastructure Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 1,237,226	\$ 419,917	\$ 355,054	\$ 356,192	\$ 2,368,389
<i>Total Assets</i>	<u>\$ 1,237,226</u>	<u>\$ 419,917</u>	<u>\$ 355,054</u>	<u>\$ 356,192</u>	<u>\$ 2,368,389</u>
<b>Fund Balances</b>					
Reserved:					
Reserved for Encumbrances	\$ 14,445	\$ 16,081	\$ 4,210	\$ 2,040	\$ 36,776
Unreserved:					
Undesignated, Reported in:					
General Fund	1,222,781	-	-	-	1,222,781
Special Revenue Funds	-	403,836	350,844	354,152	1,108,832
<i>Total Fund Balances</i>	<u>\$ 1,237,226</u>	<u>\$ 419,917</u>	<u>\$ 355,054</u>	<u>\$ 356,192</u>	<u>\$ 2,368,389</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	General Fund	Public Health Nursing Fund	Public Health Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>					
Property and Other Local Taxes	\$ 1,068,380	\$ -	\$ -	\$ -	\$ 1,068,380
Intergovernmental	430,056	161,944	336,731	93,006	1,021,737
Fees, Licenses and Permits	69,507	-	-	219,080	288,587
Contractual Services	-	180,131	80,347	-	260,478
Charges for Services	47,660	72,585	-	-	120,245
Miscellaneous	6,515	-	-	3,070	9,585
<i>Total Receipts</i>	<u>1,622,118</u>	<u>414,660</u>	<u>417,078</u>	<u>315,156</u>	<u>2,769,012</u>
<b>Disbursements</b>					
Current:					
Environmental Health					
General Environmental Health	345,448	624	-	-	346,072
Food Service	-	-	-	111,122	111,122
Plumbing	97,050	-	-	-	97,050
Water	-	-	-	28,691	28,691
Sewage	-	-	-	19,960	19,960
Pools/Spas	-	-	-	7,418	7,418
Camps/MHP	-	-	-	3,339	3,339
Radon	2,704	-	-	-	2,704
Rabies	475	-	-	-	475
Personal Health					
General Nursing	-	390,362	-	-	390,362
Health Education and Partnerships	-	265,066	-	21,995	287,061
Help Me Grow/LEADS/Speech Therapy	-	290,755	-	-	290,755
Child and Family Health Services	-	-	-	85,868	85,868
Clinics/BCMH	-	127,512	-	-	127,512
Public Health Infrastructure	-	-	280,926	-	280,926
Vital Statistics	65,524	-	-	-	65,524
Administration	378,569	-	-	-	378,569
General Health District	204,380	-	-	-	204,380
<i>Total Disbursements</i>	<u>1,094,150</u>	<u>1,074,319</u>	<u>280,926</u>	<u>278,393</u>	<u>2,727,788</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>527,968</u>	<u>(659,659)</u>	<u>136,152</u>	<u>36,763</u>	<u>41,224</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	750,000	-	-	750,000
Transfers Out	(750,000)	-	-	-	(750,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(750,000)</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	<u>(222,032)</u>	<u>90,341</u>	<u>136,152</u>	<u>36,763</u>	<u>41,224</u>
<i>Fund Balances Beginning of Year</i>	<u>1,459,258</u>	<u>329,576</u>	<u>218,902</u>	<u>319,429</u>	<u>2,327,165</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,237,226</u>	<u>\$ 419,917</u>	<u>\$ 355,054</u>	<u>\$ 356,192</u>	<u>\$ 2,368,389</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,068,380	\$ (31,620)
Intergovernmental	324,100	324,100	430,056	105,956
Fees, Licenses and Permits	95,000	95,000	69,507	(25,493)
Charges for Services	47,700	47,700	47,660	(40)
Miscellaneous	-	-	6,515	6,515
<i>Total Receipts</i>	<u>1,566,800</u>	<u>1,566,800</u>	<u>1,622,118</u>	<u>55,318</u>
<b>Disbursements</b>				
Current:				
Environmental Health				
General Environmental Health	394,354	394,595	346,935	47,660
Plumbing	95,843	122,218	98,200	24,018
Radon	1,900	3,350	2,704	646
Rabies	675	675	475	200
Vital Statistics	88,210	89,158	65,793	23,365
Administration	494,183	485,525	384,962	100,563
General Health District	267,901	247,546	209,526	38,020
<i>Total Disbursements</i>	<u>1,343,066</u>	<u>1,343,067</u>	<u>1,108,595</u>	<u>234,472</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>223,734</u>	<u>223,733</u>	<u>513,523</u>	<u>289,790</u>
<b>Other Financing Uses</b>				
Transfers Out	(750,000)	(750,000)	(750,000)	-
<i>Total Other Financing Uses</i>	<u>(750,000)</u>	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	(526,266)	(526,267)	(236,477)	289,790
Prior Year Encumbrances Appropriated	18,985	18,985	18,985	-
<i>Fund Balances Beginning of Year</i>	<u>1,440,273</u>	<u>1,440,273</u>	<u>1,440,273</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 932,992</u>	<u>\$ 932,991</u>	<u>\$ 1,222,781</u>	<u>\$ 289,790</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC HEALTH NURSING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 144,000	\$ 144,000	\$ 161,944	\$ 17,944
Contractual Services	170,000	170,000	180,132	10,132
Charges for Services	115,000	115,000	72,584	(42,416)
Miscellaneous	2,000	2,000	-	(2,000)
<i>Total Receipts</i>	<u>431,000</u>	<u>431,000</u>	<u>414,660</u>	<u>(16,340)</u>
<b>Disbursements</b>				
Current:				
Environmental Health				
General Environmental Health	-	-	624	(624)
Personal Health				
General Nursing	440,931	440,055	391,326	48,729
Health Education and Partnerships	332,076	334,263	270,833	63,430
Help Me Grow and Speech Therapy	354,652	353,487	294,230	59,257
Clinics/BCMh	168,603	168,457	133,387	35,070
<i>Total Disbursements</i>	<u>1,296,262</u>	<u>1,296,262</u>	<u>1,090,400</u>	<u>205,862</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(865,262)</u>	<u>(865,262)</u>	<u>(675,740)</u>	<u>189,522</u>
<b>Other Financing Sources</b>				
Transfers In	650,000	750,000	750,000	-
<i>Total Other Financing Sources</i>	<u>650,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	(215,262)	(115,262)	74,260	189,522
Prior Year Encumbrances Appropriated	20,093	20,093	20,093	-
<i>Fund Balances Beginning of Year</i>	<u>309,483</u>	<u>309,483</u>	<u>309,483</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 114,314</u>	<u>\$ 214,314</u>	<u>\$ 403,836</u>	<u>\$ 189,522</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC HEALTH INFRASTRUCTURE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$ 208,482	\$ 208,482	\$ 336,731	\$ 128,249
Contractual Services	52,139	52,139	80,347	28,208
<i>Total Receipts</i>	<u>260,621</u>	<u>260,621</u>	<u>417,078</u>	<u>156,457</u>
<b>Disbursements</b>				
Current:				
Public Health Infrastructure	260,274	342,774	285,136	57,638
<i>Total Disbursements</i>	<u>260,274</u>	<u>342,774</u>	<u>285,136</u>	<u>57,638</u>
<i>Net Change in Fund Balances</i>	<u>347</u>	<u>(82,153)</u>	<u>131,942</u>	<u>214,095</u>
Prior Year Encumbrances Appropriated	760	760	760	-
<i>Fund Balances Beginning of Year</i>	<u>218,142</u>	<u>218,142</u>	<u>218,142</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 219,249</u>	<u>\$ 136,749</u>	<u>\$ 350,844</u>	<u>\$ 214,095</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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**Note 1 — Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of the District Board of Health, Union County, Ohio (the District) as a body corporate and politic.

A seven-member Board of Health appointed by the District Advisory Council and the City of Marysville governs the District.

The reporting entity is composed of the primary government, component units, and other organization that are included to ensure the financial statements of the District are not misleading.

**A. Primary Government**

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, the issuance of health-related licenses and permits, and emergency response planning.

**B. Component Units**

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

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

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

As discussed further in Note 2C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The following are the more significant of the District's accounting policies.

**A. Basis of Presentation**

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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

A. Basis of Presentation (Continued)

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 District. The activities of the District are considered governmental.

Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the District at year-end. The statement of activities compares disbursements with program receipts for each of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions, including interest restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the District's general receipts.

Fund Financial Statements

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

B. Fund Accounting

The District uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. All of the District's funds are governmental.

Governmental Funds

The District classifies funds financed primarily from intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. Monies are assigned to the various governmental funds according to the purposes for which they may or must be used. The following are the District's major governmental funds:

The General Fund is used to account 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.

The Public Health Nursing Fund accounts fees and non-federal grant revenues for providing public health nursing services and other personal health services.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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

**B. Fund Accounting (continued)**

The Public Health Infrastructure Grant Fund accounts federal pass-through grant revenues and makes disbursements to build capacity for emergency preparedness and, with contractual revenues from other counties, to provide epidemiological services.

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

**C. Basis of Accounting**

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**D. Budgetary Process**

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

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

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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

D. Budgetary Process (continued)

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

E. Cash and Investments

As required by the Ohio Revised Code, the Union County Treasurer holds the District's cash as custodian for the District. The District's assets are held in the County's cash and investment pool, and are valued at the Treasurer's reported carrying amount. Deposits and investments disburse for the County as a whole may be obtained from the County, Donna M. Rausch, Union County Treasurer, 233 West Sixth Street, Marysville, Ohio 43040, (937) 645-3035.

F. Restricted Assets

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

G. Inventory and Prepaid Items

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

H. Capital Assets

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

I. Interfund Receivables/Payables

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

J. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for their employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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

**L. Long-Term Obligations**

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

**M. Net Assets**

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include resources restricted by grant agreements.

The District's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

**N. Interfund Transactions**

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayment from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented in the financial statements.

**O. Fund Balance Reserves**

The District reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. Unreserved and undesignated fund balance indicates that portion of fund balance which is available for appropriation in future periods. A fund balance reserve has been established for outstanding encumbrances at year end.

**Note 3 — Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance — Budget and Actual — Budget Basis for the General Fund, Public Health Nursing Fund, and the Public Health Infrastructure Grant Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at December 31, 2009 (budgetary basis) amounted to \$14,445 for the General Fund, \$16,081 for the Public Health Nursing Fund, and \$4,210 for the Public Health Infrastructure Grant Fund, respectively. The encumbrances outstanding at December 31, 2010 (budgetary basis) amounted to \$2,085 for the General Fund, \$33,059 for the Public Health Nursing Fund, and \$315 for the Public Health Infrastructure Grant Fund, respectively.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

**Note 4 — Property Taxes**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. Real property tax receipts received in 2009 represent the collection of 2008 taxes. Real property taxes received in 2009 were levied after October 1, 2008, on the assessed values as of January 1, 2008, the lien date. Real property tax receipts received in 2010 represent the collection of 2009 taxes. Real property taxes received in 2010 were levied after October 1, 2009, on the assessed values as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannual. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payments dates to be established.

Public utility personal property taxes received in 2009 represent the collection of 2008 taxes. Public utility tangible personal property taxes received in 2009 became a lien on December 31, 2007, were levied after October 1, 2008, and are collected in 2009 with real property taxes. Public utility personal property taxes received in 2010 represent the collection of 2009 taxes. Public utility tangible personal property taxes received in 2010 became a lien on December 31, 2008, were levied after October 1, 2009, and are collected in 2010 with real property taxes. Public utility tangible personal property is currently assessed at vary percentage of true value.

Tangible personal property tax receipts received in 2010 (other than public utility property) represent the collection of 2010 taxes. Tangible personal property taxes received in 2010 were levied after October 1, 2009, on the true value as of December 31, 2009. Tangible personal property tax receipts received in 2009 (other than public utility property) represent the collection of 2009 taxes. Tangible personal property taxes received in 2009 were levied after October 1, 2008, on the true value as of December 31, 2008. Amounts paid by multi-county taxes are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing district their portion of the taxes collected. The collection and distribution of taxes for all subdivision within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collection is accounted for within the applicable funds.

The full tax rate for all District operation for the year ended December 31, 2009 and December 31, 2010 was for \$1.25 per \$1,000 of assessed value. The assessed values of real property, public utility, and tangible personal property upon which the 2009 and 2010 property tax receipts were are as follows:

	Tax Year 2010	Tax Year 2009
Real Property:		
Agriculture	\$186,257,180	\$141,489,780
Residential	749,768,400	750,305,970
Commercial/Industrial/Mineral	251,869,840	248,995,060
Public Utility Property:		
Real	273,620	273,620
Personal	52,107,160	51,655,410
Total Assessed Value	1,240,276,200	1,192,719,840

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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**Note 5 — Risk Management**

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

The District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

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. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP). Member governments pay annual contributions to fund the PEP. PEP pays judgments, settlements, and other expense resulting from covered claims that exceed the members' deductibles.

**Casualty Coverage**

For an occurrence prior to January 1, 2006 PEP retains casualty risk up to \$250,000 per occurrence, including claim adjustment expense. 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 the aggregate per year.

For an occurrence on or subsequent to January 1, 2006, the Pool retains casualty risk up to \$350,000 per occurrence, including loss adjustment expense. Claims exceeding \$350,000 are reinsured with APEEP in an amount not to exceed \$2,650,000 for each claim and \$10,000,000 in the aggregate per year. The District can elect up to \$10,000,000 in additional coverage with the General Reinsurance Corporation, through contracts with PEP.

If losses exhaust PEP's retained earnings, APEEP provide *excess of funds available* coverage up to \$5,000,000 per year, subject to a per-claim limit of \$2,000,000 (for claims prior to January 1, 2006) or \$3,000,000 (for claims on or after January 1, 2006) as noted above.

**Property Coverage**

Beginning in 2005, APEEP established a risk-sharing property program. Under the program, Travelers Indemnity Company reinsures specific losses exceeding \$250,000 up to \$600 million per occurrence. APEEP reinsures members for specific losses exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined members' total insurance values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600 million 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 district.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

**Note 5 — Risk Management (Continued)**

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2010 and 2009.

<u>Casualty and Property Coverage</u>	<u>2010</u>	<u>2009</u>
Assets	\$34,952,010	\$36,374,898
Liabilities	(14,320,812)	(15,256,862)
Retained earnings	<u>\$20,631,198</u>	<u>\$21,118,036</u>

At December 31, 2010 and 2009, respectively, casualty coverage liabilities noted above include approximately \$12.9 million and \$14.0 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$14.1 million and \$12.9 million of unpaid claims to be billed to approximately 454 member governments in the future, as of December 31, 2010 and 2009, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The District's share of these unpaid claims collectible in future years is approximately \$33,040. This payable includes the subsequent year's contribution due if the District terminates participation, as described in the last paragraph below.

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

<u>Contributions to PEP</u>	
2008	\$16,815
2009	\$18,327
2010	\$15,135

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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**Note 6 — Defined Benefit Pension Plans**

The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

For the years ended December 31, 2010 and 2009, the members of all three plans were required to contribute 10.0 percent of their annual covered salaries. The District's contribution rate for pension benefits for 2010 and 2009 was 14.0 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations for the year ended December 31, 2010, 2009, and 2008 were \$214,364, \$212,362, and \$227,188 respectively.

**Note 7 — Postemployment Benefits**

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

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

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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**Note 7 — Postemployment Benefits (Continued)**

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

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2010 and 2009, local government employers contributed 14.0% of covered payroll. Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment health care for members in the Traditional Plan was 5.5% from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. The portion of employer contributions allocated to fund postemployment healthcare for members in the Combined Plan for 2010 was 4.73% from January 1 through February 28, 2010, and 4.23% from March 1 through December 31, 2010. The portion of employer contributions allocated to fund postemployment healthcare was 7.0% from January 1 through March 31, 2009 and 5.5% from April 1 through December 31, 2009.

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

The District's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, and 2009 were \$72,530 and \$90,120, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

**Note 8 — Building Lease**

The District's leases office space under a noncancelable lease. The District's disbursed \$102,663 to pay lease costs for the year ended December 31, 2009 and December 31, 2010 respectively. Future lease payments are as follows:

Year	Amount
2011	102,663
2012	102,663
Total	<u><u>205,326</u></u>

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

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**Note 9 — Interfund Transfers**

During 2010 the following transfers were made:

Transfer from General Health Fund to:	
Public Health Nursing Fund	<u>\$500,000</u>
Total Transfers to the Other Gov't Funds	<u><u>500,000</u></u>
Transfer to General Health Fund from:	
Litter Fund	\$7,218
Tobacco Planning Fund	<u>44,402</u>
Total Transfers from the Other Gov't Funds	<u><u>51,620</u></u>

During 2009 the following transfers were made:

Transfer from the General Health Fund to:	
Public Health Nursing Fund	<u>\$750,000</u>
Total Transfers from the Other Gov't Funds	<u><u>750,000</u></u>

**Note 10 — Contingent Liabilities**

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

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# Dave Yost • Auditor of State

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

Union County General Health District  
Union County  
940 London Avenue, Suite 1100  
Marysville, Ohio 43040

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Union County General Health District, Union County, Ohio (the District) as of and for the years ended December 31, 2010 and 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated August 30, 2011, wherein we noted the District uses a comprehensive accounting basis other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

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

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

### **Compliance and Other Matters**

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

We did a note certain matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated August 30, 2011

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

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

**Dave Yost**  
Auditor of State

August 30, 2011

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2008-001	Financial Reporting	No	Partially Corrected – Issued as a Management Letter Comment
2008-002	Appropriations Exceeded Estimated Resources	Yes	N/A

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# Dave Yost • Auditor of State

UNION COUNTY GENERAL HEALTH DISTRICT

UNION COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
SEPTEMBER 29, 2011