

***CRAWFORD COUNTY GENERAL HEALTH DISTRICT***

**CRAWFORD COUNTY, OHIO**

**AUDIT REPORT**

**For the Year Ended December 31, 2011**

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





# Dave Yost • Auditor of State

Members of the Board  
Crawford County General Health District  
130 North Walnut Street  
Suite B  
Bucyrus, Ohio 44820

We have reviewed the *Report of Independent Accountants* of the Crawford County General Health District, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. 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 Crawford County General Health District is responsible for compliance with these laws and regulations.

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

Dave Yost  
Auditor of State

July 30, 2012

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**CRAWFORD COUNTY GENERAL HEALTH DISTRICT**  
**CRAWFORD COUNTY, OHIO**  
**Audit Report**  
**For the year ended December 31, 2011**

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**REPORT OF INDEPENDENT ACCOUNTANTS**

Crawford County General Health District  
Crawford County  
130 North Walnut Street  
Suite B  
Bucyrus, Ohio 44820

To the Board of Health:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Crawford County General Health District, Crawford County (the District), as of and for the year ended December 31, 2011, 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 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 that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the Crawford County Health District, Crawford County, prepares its financial statements and notes on the cash basis of accounting. This is a comprehensive basis of accounting 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 basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Crawford County Health District, Crawford County, as of December 31, 2011, and the respective changes in its cash basis financial position, thereof and the respective budgetary comparison for the General and each major special revenue fund, thereof for the year then ended for the year then ended in conformity with the basis of accounting described in Note 2.

As described in Note 2, the District adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2012, 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.

We conducted our audit to opine on the District's financial statements taken as a whole. Management's Discussion & Analysis includes tables of net assets, changes in net assets and governmental activities. These tables provide additional information, but are not part of the basic financial statements. However these tables are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These tables were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.

*Charles E. Harris & Associates*

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

June 20, 2012

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited

The discussion and analysis of the District Board of Health's (the District) financial performance provides a review of the District's financial activities for the year ended December 31, 2011, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to provide readers with a general explanation of the District's financial performance. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**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.

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions on a cash basis of accounting.

The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a long-term view of those finances. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

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

**Basis of Accounting**

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

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related 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.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited  
(continued)

***Reporting the District as a Whole***

The statement of net assets and the statement of activities reflect how the District did financially during 2011, within the limitations of the cash basis of accounting. The Statement of Net Assets - Cash Basis presents the cash balances of the governmental activities of the District at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental 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 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, these changes can be 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, other nonfinancial factors should also be considered, such as the District's property tax base, the condition of the District's capital assets, the reliance on non-local financial resources for operations and the need for continued growth.

The Statement of Net Assets - Cash Basis reports all of the District's activities, which are governmental. Subdivision settlements, a local subsidy, charges for services and federal grant monies finance most of these activities.

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

***Fund Financial Statements***

Fund financial statements provide detailed information about the District's major funds.

***Governmental Funds*** - The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed short-term view of the District's governmental operations and the health services provided. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The District's major governmental funds are the General Fund, Public and School Health Services, Women, Infants and Children (WIC), and Help Me Grow Funds.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited  
(continued)

**The District as a Whole**

Table 1 provides a summary of the District's net assets for 2011 compared to 2010 on a cash basis:

**Table 1  
Net Assets - Cash Basis**

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$658,347</u>	<u>\$701,213</u>
<b>Net Assets</b>		
Restricted for Other Purposes	451,680	493,147
Unrestricted	<u>206,667</u>	<u>208,066</u>
<b>Total Net Assets</b>	<u><u>\$658,347</u></u>	<u><u>\$701,213</u></u>

Total net assets and restricted for other purposes for the District decreased \$42,866 or 6 percent from 2010. The decrease was partially attributable to the District receiving fewer receipts in 2011 for administering the Help Me Grow program. The time at which intergovernmental receipts for the Help Me Grow program is received fluctuate from year to year based on when the services are invoiced. The reduction in funding provided by the State of Ohio for the Public Health Emergency Preparedness program also contributed to the decrease in total net assets and restricted for other purposes in 2011.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited  
(continued)

Table 2 reflects the changes in net assets for 2011 and 2010.

**Table 2  
Change in Net Assets**

	<b>Governmental Activities</b>	
	<b>2011</b>	<b>2010</b>
<b>Program Cash Receipts</b>		
Charges for Services	\$732,765	\$722,561
Operating Grants and Contributions	580,415	819,479
<b>Total Program Cash Receipts</b>	<u>1,313,180</u>	<u>1,542,040</u>
<b>General Receipts</b>		
Subdivision Settlements	117,796	118,951
Miscellaneous	24,070	23,731
<b>Total General Receipts</b>	<u>141,866</u>	<u>142,682</u>
<b>Total Receipts</b>	<u>1,455,046</u>	<u>1,684,722</u>
<b>Disbursements</b>		
Health		
General Health	315,698	292,547
Public and School Health Services	281,826	317,888
Women, Infants and Children	244,118	226,448
Help Me Grow	270,828	277,483
Public Health Emergency Preparedness	137,847	257,363
Sewage	14,820	10,480
Reserve Balance Account	99	6,425
Landfill/Construction and Demolition	64,632	60,392
Swimming Pool	3,209	2,887
Solid Waste	64,464	65,604
Mobile Home and RV Park	11,589	9,602
Food Service	53,716	54,613
Water System	16,444	18,671
Immunization Action Plan	18,622	3,084
319 Grant	0	3,899
<b>Total Disbursements</b>	<u>1,497,912</u>	<u>1,607,386</u>
<b>Change in Net Assets</b>	(42,866)	77,336
<b>Net Assets Beginning of Year</b>	<u>701,213</u>	<u>623,877</u>
<b>Net Assets End of Year</b>	<u>\$658,347</u>	<u>\$701,213</u>

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited  
(continued)

In 2011, 10 percent of the District's total receipts were from general receipts, consisting mainly of subdivision settlements collected for general health district purposes. Subdivision settlements represent revenue received from townships and municipalities that comprise the District. Miscellaneous receipts did not change significantly. Program cash receipts accounted for 90 percent of the District's total receipts in 2011. These receipts consist primarily of charges for services for nursing services and outside service contracts, birth and death certificates, sewage permits, food service licenses, mobile home and RV park, swimming pools, and water system permits and state and federal operating grants. Although, charges for services did not change significantly, operating grants and contributions decreased by 29 percent from 2010. The decrease in operating grants and contributions was primarily attributable to a reduction in grants from the Ohio Department of Health for the Public Health Emergency Preparedness program along with a reduction in intergovernmental receipts for the Help Me Grow program.

**Governmental Activities**

Table 3 indicates the total cost of services and the net cost of services. The total cost of services represents expenses related to carrying out public health duties and administering the WIC program. The net cost of services identifies the cost of those services supported by charges for services, subdivision settlements, and federal grant monies. Information in the following table is derived from the Statement of Activities - Cash Basis which provides further detail on the cost of program services and the charges for services and sales and operating grants and contributions offsetting those services.

**Table 3  
Governmental Activities**

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Health				
General Health	\$315,698	\$292,547	\$45,566	\$23,685
Public and School Health Services	281,826	317,888	37,976	60,022
Women, Infants and Children	244,118	226,448	(1,055)	(6,717)
Help Me Grow	270,828	257,363	85,751	(37,070)
Public Health Emergency Preparedness	137,847	277,483	9,761	19,324
Sewage	14,820	10,480	2,359	(7,065)
Reserve Balance Account	99	6,425	99	6,425
Landfill/Construction and Demolition	64,632	60,392	(2,658)	1,315
Swimming Pool	3,209	2,887	(379)	(491)
Solid Waste	64,464	65,604	4,464	5,529
Mobile Home and RV Park	11,589	9,602	(1,784)	(1,371)
Food Service	53,716	54,613	(3,421)	(4,039)
Water System	16,444	18,671	3,054	261
Immunization Action Plan	18,622	3,084	4,999	1,639
319 Grant	0	3,899	0	3,899
Total Expenses	\$1,497,912	\$1,607,386	\$184,732	\$65,346

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited  
(continued)

In 2011, program cash receipts supported 88 percent of the costs of services for the District. Program cash receipts include charges for services and sales and operating grants and contributions. General receipts include, most significantly, subdivision settlements.

Overall, the total cost for providing general health services decreased 7 percent from 2010 to 2011. The total cost of services for the Public Health Emergency Preparedness program decreased significantly as the Ohio Department of Health reduced funding to 2008 levels in 2011. The Public and School Health Services program also realized an 11 percent decrease in total cost of services from 2010 to 2011 from reducing the amount of salaries paid by that program. Salaries attributable to administering immunizations were absorbed in the Immunization Action Plan program. A nearly 8 percent increase in disbursements from the General Health program resulted from the program absorbing personnel costs that were previously paid from grant programs and an increase in remittances to the State of Ohio. An increase in personnel costs for administering the WIC program contributed to the nearly 8 percent increase in disbursements for the program. Cost of services in the Help Me Grow program increased minimally at 5 percent.

In 2011, the cost of providing services was not covered by the charges for services or operating grants. Therefore, the cost of services for 2011 was paid from subdivisions that comprise the District. The increase in net cost of services for the Health program was primarily due to paying personnel costs that were previously financed by grant funds. The Public School and Health Services program realized a decrease in the net cost of services from fewer personnel costs being paid from the program and being paid with grant dollars for administering immunizations. The Help Me Grow program experienced a significant increase in the net cost of services for 2011 that was mostly attributable to a decrease in operating grants and contributions. The increase in net cost of services for the Public Health Emergency Preparedness program primarily from the reduction in grant receipts from the Ohio Department of Health.

**The Health District's Funds**

The governmental funds had total receipts of \$1,455,046 and disbursements of \$1,497,912. The governmental funds had a decrease in the cash balance of \$42,866. The decrease was mostly attributable to a reduction in intergovernmental receipts in 2011 for the administration of the Help Me Grow program and a reduction in grant receipts from the Ohio Department of Health related to public health emergency preparedness services.

***Budgetary Highlights***

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Unaudited  
(continued)

During the course of 2011, the District amended its appropriations as set forth by Ohio law, and the budgetary statement reflects that financial activity. Amendments to original disbursements in the Help Me Grow Fund were made as a result of purchasing office equipment and administering services to young age children. Amendments to original disbursements in the Women, Infants and Children Fund were also made as a result of purchasing office equipment. Amendments were made to original disbursements in the Public and School Health Services Fund as a result of a purchasing vaccine and medical supply items related to administering nursing clinics. Amendments were made to original disbursements in the General Fund for office supply purchases and the payment of various permits and remittances to the State of Ohio.

Actual receipts and disbursements in the General Fund did not vary significantly from the final budget.

**Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in 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 the Crawford County General Health District, 130 North Walnut Street, Suite B, Bucyrus, Ohio 44820.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2011*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$658,347</u>
<i>Total Assets</i>	<u><u>658,347</u></u>
<b>Net Assets</b>	
Restricted for:	
Other Purposes	451,680
Unrestricted	<u>206,667</u>
<i>Total Net Assets</i>	<u><u>\$658,347</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Program Cash Receipts</u>		<u>Net (Disbursements) Receipts and Changes in Net Assets</u>	
	<u>Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	
			<u>Governmental Activities</u>	
<b>Governmental Activities</b>				
<b>Health</b>				
General Health	\$315,698	\$261,676	\$8,456	(\$45,566)
Public and School Health Services	281,826	243,850	0	(37,976)
Women, Infants and Children	244,118	0	245,173	1,055
Help Me Grow	270,828	0	185,077	(85,751)
Public Health Emergency Preparedness	137,847	0	128,086	(9,761)
Sewage	14,820	12,461	0	(2,359)
Reserve Balance Account	99	0	0	(99)
Landfill/Construction and Demolition	64,632	67,290	0	2,658
Swimming Pool	3,209	3,588	0	379
Solid Waste	64,464	60,000	0	(4,464)
Mobile Home and RV Park	11,589	13,373	0	1,784
Food Service	53,716	57,137	0	3,421
Water System	16,444	13,390	0	(3,054)
Immunization Action Plan	18,622	0	13,623	(4,999)
<i>Total Governmental Activities</i>	<u>\$1,497,912</u>	<u>\$732,765</u>	<u>\$580,415</u>	<u>(184,732)</u>
		<b>General Receipts</b>		
				117,796
				24,070
			<i>Total General Receipts</i>	<u>141,866</u>
			Change in Net Assets	(42,866)
			<i>Net Assets Beginning of Year</i>	<u>701,213</u>
			<i>Net Assets End of Year</i>	<u>\$658,347</u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF ASSETS AND FUND BALANCE - CASH BASIS  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2011*

	<u>General</u>	<u>Public and School Health Services</u>	<u>Women, Infants and Children</u>	<u>Help Me Grow</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$264,121	\$82,129	\$62,402	\$72,642	\$177,053	\$658,347
<b>Total Assets</b>	<u>\$264,121</u>	<u>\$82,129</u>	<u>\$62,402</u>	<u>\$72,642</u>	<u>\$177,053</u>	<u>\$658,347</u>
<b>Fund Balances</b>						
Restricted	\$0	\$0	\$62,402	\$72,642	\$177,053	\$312,097
Committed	57,454	82,129	0	0	0	139,583
Assigned	8,231	0	0	0	0	8,231
Unassigned	198,436	0	0	0	0	198,436
<i>Total Fund Balances</i>	<u>\$264,121</u>	<u>\$82,129</u>	<u>\$62,402</u>	<u>\$72,642</u>	<u>\$177,053</u>	<u>\$658,347</u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS  
FUND BALANCE - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

	General	Public and School Health Services	Women, Infants and Children	Help Me Grow	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>						
Charges for Services	\$261,676	\$229,430	\$0	\$0	\$2,210	\$493,316
Contributions	0	0	0	928	0	928
Licenses, Fees and Permits	0	14,420	0	0	224,386	238,806
Fines	0	0	0	0	643	643
Intergovernmental	126,252	0	245,173	184,149	141,709	697,283
Miscellaneous	1,677	2,997	0	12,841	6,555	24,070
<i>Total Receipts</i>	<u>389,605</u>	<u>246,847</u>	<u>245,173</u>	<u>197,918</u>	<u>375,503</u>	<u>1,455,046</u>
<b>Disbursements</b>						
Current:						
Health						
Personal Services	239,082	238,044	220,348	223,526	172,282	1,093,282
Materials and Supplies	2,800	24,072	0	4,370	2,715	33,957
Remittances	22,102	0	0	0	116,785	138,887
Contractual Services	15,228	0	0	25,559	52,758	93,545
Capital Outlay	568	0	1,193	2,141	14,550	18,452
Other	36,017	19,710	22,577	15,232	26,253	119,789
<i>Total Disbursements</i>	<u>315,797</u>	<u>281,826</u>	<u>244,118</u>	<u>270,828</u>	<u>385,343</u>	<u>1,497,912</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>73,808</u>	<u>(34,979)</u>	<u>1,055</u>	<u>(72,910)</u>	<u>(9,840)</u>	<u>(42,866)</u>
<b>Other Financing Sources (Uses)</b>						
Advances In	12,300	0	0	0	7,300	19,600
Transfers In	0	22,753	0	0	0	22,753
Advances Out	(7,300)	0	0	(10,000)	(2,300)	(19,600)
Transfers Out	(22,753)	0	0	0	0	(22,753)
<i>Total Other Financing Sources (Uses)</i>	<u>(17,753)</u>	<u>22,753</u>	<u>0</u>	<u>(10,000)</u>	<u>5,000</u>	<u>0</u>
Net Changes in Fund Balance	56,055	(12,226)	1,055	(82,910)	(4,840)	(42,866)
<i>Fund Balance Beginning of Year</i>	<u>208,066</u>	<u>94,355</u>	<u>61,347</u>	<u>155,552</u>	<u>181,893</u>	<u>701,213</u>
<i>Fund Balance End of Year</i>	<u><u>\$264,121</u></u>	<u><u>\$82,129</u></u>	<u><u>\$62,402</u></u>	<u><u>\$72,642</u></u>	<u><u>\$177,053</u></u>	<u><u>\$658,347</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Charges for Services	\$257,972	\$257,972	\$261,676	\$3,704
Intergovernmental	126,596	126,596	126,252	(344)
Miscellaneous	3,701	3,701	1,677	(2,024)
<i>Total Receipts</i>	<u>388,269</u>	<u>388,269</u>	<u>389,605</u>	<u>1,336</u>
<b>Disbursements</b>				
Current:				
Health				
Personal Services	255,316	253,416	239,082	14,334
Materials and Supplies	800	2,800	2,800	0
Remittances	19,931	27,369	27,369	0
Contractual Services	16,300	16,000	15,628	372
Capital Outlay	0	700	568	132
Other	53,142	44,055	38,581	5,474
<i>Total Disbursements</i>	<u>345,489</u>	<u>344,340</u>	<u>324,028</u>	<u>20,312</u>
<i>Excess of Receipts Over Disbursements</i>	<u>42,780</u>	<u>43,929</u>	<u>65,577</u>	<u>21,648</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	0	0	12,300	12,300
Advances Out	0	0	(7,300)	(7,300)
Transfers Out	(22,753)	(22,753)	(22,753)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(22,753)</u>	<u>(22,753)</u>	<u>(17,753)</u>	<u>5,000</u>
<i>Net Changes in Fund Balance</i>	20,027	21,176	47,824	26,648
<i>Fund Balance Beginning of Year</i>	198,094	198,094	198,094	0
Prior Year Encumbrances Appropriated	9,973	9,973	9,973	0
<i>Fund Balance End of Year</i>	<u><u>\$228,094</u></u>	<u><u>\$229,243</u></u>	<u><u>\$255,891</u></u>	<u><u>\$26,648</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC AND SCHOOL HEALTH SERVICES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Charges for Services	\$210,900	\$210,900	\$229,430	\$18,530
Licenses, Fees and Permits	15,000	15,000	14,420	(580)
Intergovernmental	0	0		0
Miscellaneous	7,501	7,501	2,997	(4,504)
<i>Total Receipts</i>	<u>233,401</u>	<u>233,401</u>	<u>246,847</u>	<u>13,446</u>
<b>Disbursements</b>				
Current:				
Health				
Personal Services	245,154	240,065	238,526	1,539
Materials and Supplies	29,055	26,639	26,012	627
Other	16,675	22,451	21,052	1,399
<i>Total Disbursements</i>	<u>290,884</u>	<u>289,155</u>	<u>285,590</u>	<u>3,565</u>
<i>Excess of Receipts Under Disbursements</i>	(57,483)	(55,754)	(38,743)	17,011
<b>Other Financing Sources</b>				
Transfers In	52,753	52,753	22,753	(30,000)
<i>Net Changes in Fund Balance</i>	(4,730)	(3,001)	(15,990)	(12,989)
<i>Fund Balance Beginning of Year</i>	89,625	89,625	89,625	0
Prior Year Encumbrances Appropriated	4,730	4,730	4,730	0
<i>Fund Balance End of Year</i>	<u>\$89,625</u>	<u>\$91,354</u>	<u>\$78,365</u>	<u>(\$12,989)</u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
WOMEN, INFANTS AND CHILDREN FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$252,874	\$252,874	\$245,173	(\$7,701)
<b>Disbursements</b>				
Current:				
Health				
Personal Services	224,482	223,032	220,348	2,684
Capital Outlay	0	1,200	1,193	7
Other	29,374	29,251	23,560	5,691
<i>Total Disbursements</i>	<u>253,856</u>	<u>253,483</u>	<u>245,101</u>	<u>8,382</u>
<i>Net Changes in Fund Balance</i>	(982)	(609)	72	681
<i>Fund Balance Beginning of Year</i>	60,364	60,364	60,364	0
Prior Year Encumbrances Appropriated	<u>982</u>	<u>982</u>	<u>982</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$60,364</u></u>	<u><u>\$60,737</u></u>	<u><u>\$61,418</u></u>	<u><u>\$681</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$286,000	\$286,000	\$196,930	(\$89,070)
Contributions	0	0	928	928
Other	0	0	60	60
<i>Total Receipts</i>	<u>286,000</u>	<u>286,000</u>	<u>197,918</u>	<u>(88,082)</u>
<b>Disbursements</b>				
Current:				
Health				
Personal Services	221,562	225,425	223,526	1,899
Materials and Supplies	10,671	9,421	5,120	4,301
Contractual Services	24,210	30,908	29,282	1,626
Capital Outlay	0	3,000	2,141	859
Other	43,447	27,817	17,346	10,471
<i>Total Disbursements</i>	<u>299,890</u>	<u>296,571</u>	<u>277,415</u>	<u>19,156</u>
<i>Excess of Revenues Under Expenditures</i>	(13,890)	(10,571)	(79,497)	(68,926)
<b>Other Financing Uses</b>				
Advances Out	0	0	(10,000)	(10,000)
<i>Net Changes in Fund Balance</i>	(13,890)	(10,571)	(89,497)	(78,926)
<i>Fund Balance Beginning of Year</i>	141,662	141,662	141,662	0
Prior Year Encumbrances Appropriated	13,890	13,890	13,890	0
<i>Fund Balance End of Year</i>	<u><u>\$141,662</u></u>	<u><u>\$144,981</u></u>	<u><u>\$66,055</u></u>	<u><u>(\$78,926)</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

**Note 1 - Reporting Entity**

A seven-member Board of Health governs the Health District (the District). Five members are appointed by the District Advisory Council and two members are appointed by the City of Bucyrus. The Board appoints a health commissioner and all employees of the District. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and the issuance of health-related licenses and permits. The District also serves as a responding organization in matters concerning public health threats or emergencies.

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

The reporting entity is composed of the primary government.

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

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange 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 and program receipts for each program or function of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible.

Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

Receipts which are not classified as program receipts are presented as general receipts of the District, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general receipts of the District.

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

*Public and School Health Services Fund* - The Public and School Health Services Fund accounts for revenue derived from charges for services, fees and intergovernmental revenue for services committed to providing general nursing and community health services.

*Women, Infants, and Children (WIC) Fund* - The Women, Infants, and Children Fund accounts for federal grant monies restricted to the Special Supplemental Nutrition Program.

*Help Me Grow Fund* - The Help Me Grow Fund receives intergovernmental revenue restricted to administering the Help Me Grow program. These monies are for the promotion of the well-being of young children through home-based specialized services and public awareness, with a special emphasis on early intervention and prevention.

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. Except for modifications having substantial support, 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. Any such modifications made by the District are described in the appropriate section in this note.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

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, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Board of Health may appropriate. The appropriations resolution is the County Board of Health's authorization to spend.

The Board of Health adopts an annual appropriation measure before the first Monday of April. The appropriation measure sets forth the amounts for current expenses for the next year and estimates the several sources of revenue available to the District, including the amount provided by the State and the amount to be collected in fees. The measure is certified to the County Auditor who submits it to the County Budget Commission. The Commission may reduce but not increase any item in the appropriation measure.

The appropriation, less the amount available from the several sources of revenue and any carry-over from the previous year, is apportioned among the townships and municipal corporations composing the District on the basis of taxable valuation. In order for the townships and municipal corporations to include the amounts for the District in their budgets, the District provides each with an estimate of contemplated revenues and expenditures before the first day of June.

Subject to the amount that has been apportioned among the townships and municipal corporations and as may become available from the several sources of revenue, the Board of Health, by resolution, may transfer funds from one account in the appropriation to another, reduce or increase any account, create new accounts, make additional appropriations or reduce total appropriations. Any such action must be submitted to and approved by the County Budget Commission.

E. Cash and Investments

The County Treasurer is the custodian for the District's cash and investments. The County's cash and investment pool holds the District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the Crawford County Auditor's Office, 112 East Mansfield Street, Bucyrus, Ohio 44820.

F. 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.

G. 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.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

H. Employer Contributions to Cost-Sharing Pension Plans

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

I. Long-Term Obligations

The District's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of loans are reported as cash when received and principal and interest 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 are reported at inception. Lease payments are reported when paid. The District did not have any long-term obligations in 2011.

J. 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 activities of Public and School Health Services, WIC, Help Me Grow and other governmental. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

The government-wide statement of net assets reports \$451,680 of restricted net assets. The District did not have any net assets restricted by enabling legislation at December 31, 2011.

K. Fund Balance

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

Nonspendable - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.

Restricted - The restricted classification includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. (Board of Health resolutions).

Enabling legislation authorized the District to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the District can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

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

Assigned - Amounts in the assigned classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned amounts represent intended uses established by the Board of Health or by a District official delegated that authority by resolution.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

L. Interfund Transactions

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

**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 presented for the General Fund and each major special revenue fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to:

General Fund	\$8,231
Major Special Revenue Funds:	
Public and School Health Services	3,764
Women, Infants and Children	983
Help Me Grow	6,587

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

**Note 4 - Subdivision Settlements and Local Subsidy**

Ohio law requires the County to apportion the excess of the District's appropriations over other estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. These amounts are reported as intergovernmental receipts in the financial statements. Auburn, Bucyrus, Chatfield, Cranberry, Dallas, Holmes, Jackson, Jefferson, Liberty, Lykens, Polk, Sandusky, Texas, Tod, Vernon and Whetstone Townships, and the Villages of Chatfield, Crestline, New Washington, North Robinson, and Tiro comprise the District. The City of Bucyrus also contracts with the District for health services in accordance with Ohio law. This is reported in the financial statements as charges for services.

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

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program to reduce its exposure to loss. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2011, PEP retained \$350,000 for casualty claims and \$150,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2011 and 2010:

<u>Casualty and Property Coverage</u>	<u>2011</u>	<u>2010</u>
Assets	\$33,362,404	\$34,952,010
Liabilities	(14,187,273)	(14,320,812)
Net Assets - Unrestricted	<u>\$19,175,131</u>	<u>\$20,631,198</u>

	<u>2011</u>	<u>2010</u>
Number of Members	455	454
Unpaid claims to be paid in future	Approx. \$12.1 million	Approx. \$12.4 million

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

At December 31, 2011, the liabilities above include approximately \$12.1 million of estimated incurred claims payable. The casualty coverage assets and retained earnings above also include unpaid claims to be billed to approximately 455 member governments in the future, as of December 31, 2011. PEP will collect these amounts in the future annual premium billings when PEP's related liabilities are due for payment. As of December 31, 2011, the District's share of these unpaid claims collectible in future year is approximately \$6,746.

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>	
<u>2010</u>	<u>2011</u>
\$6,557	\$7,254

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for a ll casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**Note 6 - Defined Benefit Retirement Plans**

Ohio Public Employees Retirement System

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. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional 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 the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2011, members in the state and local classifications contributed 10 percent of covered payroll. Members in the state and local divisions may participate in all three plans. For 2011, member and employer contribution rates were consistent across all three plans.

The District's contribution rate for 2011 was 14 percent of covered payroll. The portion of the District's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the District's contribution allocated to health care for members in the traditional plan was 4 percent during 2011. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 percent during 2011. Employer contribution rates are actuarially determined.

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2011, 2010, and 2009 was \$85,517, \$72,342, and \$62,790, respectively; 89 percent has been contributed for 2011 and 100 percent has been contributed for 2010 and 2009. No contributions were made to the member-directed plan for 2011 by the District or by plan members.

**Note 7 - Postemployment Benefits**

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan for qualifying members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage. The plan includes a medical plan, a prescription drug program, and Medicare Part B premium reimbursement.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained in writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed 14 percent of covered payroll. The Ohio Revised currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units.

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in the traditional plan was 4 percent during 2011. The portion of the employer contribution allocated to health care for members in the combined plan was 6.05 percent during 2011.

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 the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The District's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2011, 2010, and 2009 was \$34,207, \$41,399, and \$45,402, respectively; 89 percent has been contributed for 2011 and 100 percent for 2010 and 2009.

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

**Note 8 - Interfund Activity**

During 2011, a transfer was made from the General Fund to Public and School Health Services in the amount of \$22,753. The Public and School Health Services fund received the transfer to offset operating costs. Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During 2011, advances were made from the General Fund to other governmental funds, in the amount of \$7,300, in anticipation of intergovernmental receipts to provide services relating to those programs. During 2011, advances were repaid to the General Fund from the Help Me Grow Fund, in the amount of \$10,000, and other governmental funds, in the amount of \$2,300.

**Note 9 - Fund Balance**

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in governmental funds.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011*

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below.

Fund Balance	General	Public and School Health Services	Women, Infants and Children
Restricted for:			
Women and Children Nutrition	0	0	62,402
Committed for:			
Community Health Services	0	82,129	0
Personal Services Resources	57,454	0	0
Total Committed	57,454	82,129	0
Assigned for:			
Unpaid Obligations	8,231	0	0
Unassigned for:			
General Health	198,436	0	0
Total Fund Balance	\$264,121	\$82,129	\$62,402

Fund Balance	Help Me Grow	Other Governmental Funds
Restricted for:		
Camp, Manufactured Home, and Park Licensing	\$0	\$25,110
Construction and Demolition Debris Remittances	0	29,394
Emergency Preparedness	0	40,083
Food Service and Vending Licensing	0	45,971
Private Sewer Operations	0	11,501
Private Water System Licensing	0	5,038
Public Immunizations	0	5,040
Public Pool Licensing	0	1,881
Solid Waste Facility Licensing	0	13,035
Young Child Well Being	72,642	0
Total Restricted	72,642	177,053
Total Fund Balance	\$72,642	\$177,053

**Note 10 - Contingent Liabilities**

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

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

Crawford County General Health District  
Crawford County  
130 North Walnut Street  
Suite B  
Bucyrus, Ohio 44820

To the Board of Health:

We have audited the financial statements of the Crawford County General Health District, Crawford County, Ohio (District) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 20, 2012, wherein we noted the District followed the cash basis of accounting. Also, we noted the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". 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 audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be 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 intend this report solely for the information and use of management, the audit committee, the Board of Health and others within the District. We intend it for no one other than these specified parties.

*Charles E. Harris & Associates*

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

June 20, 2012

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY  
DECEMBER 31, 2011**

**STATUS OF PRIOR YEAR'S CITATIONS AND RECOMMENDATIONS**

The prior audit report, for the year ending December 31, 2010, reported no material citations or recommendations.



# Dave Yost • Auditor of State

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT**

**CRAWFORD 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 09, 2012**