

LORAIN COUNTY GENERAL HEALTH DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013

(UNAUDITED)

General Fund Budget Highlights

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

During 2013, the Board of Health amended the General Fund budget as necessary to reflect incremental revenues and corresponding expenditures. The Health Commissioner approves all adjustments to categories within the Board approved appropriations.

Final budgeted receipts were \$ 186,225 higher than originally budgeted. Actual receipts were greater than final budget receipts by \$ 83,903. The final disbursements budget was \$ 295,790 lower than originally budgeted, while actual disbursements were \$ 686,809 less than final appropriations.

Capital Assets and Debt Administration

Capital Assets

The District currently tracks its capital assets. However, since the financial statements are presented on a cash basis, capital assets are not reflected on the District's financial statements. Instead, the acquisitions of property, plant and equipment are recorded as disbursements when paid.

Debt

The District has no debt obligations.

Current Issues

The District has hired and trained many new staff members and restructured the organization in 2013 due to a large turnover. Some savings have been realized based on replacement of staff at a lower salary than the staff they replaced. This will continue into 2014.

Current grant dollars in areas such as emergency preparedness have been reducing over recent years. However, public health preparedness remains a necessity. This may lead to a need for public dollars to supplement current funding in the short term. The District has reorganized to prepare for this possible shortfall. New grant dollars have been obtained from multiple sources and resources have been reallocated to address new and emerging public health concerns.

The District has been located in the current building for many years and has begun updating offices and will continue to over the next few years. The space is tightening in terms of staff and for the many programs offered by the District. A conservative approach to updating these facilities will allow the District to spread the cost over time and avoid any large one-time expenses.

2014 is the second year of the 1 mil, 5 year Public Health Levy. The renewal levy was passed on March 6, 2012 which will provide sustainable core income for the subsequent 5 years. In spite of the local economy, the District has continued to experience positive financial status. Declines in tax collections and economic influences on income have been offset by staff attrition and the use of conservative expenditures management.

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In the fall of 2014 the District will complete the application for Public Health Accreditation. It will take the remainder of 2014 and into 2015 for the District to become accredited. Public Health Accreditation will position the District to compete for grant dollars that may not be available to those departments that are not accredited and to better respond to current funders. The opportunity for future funding should prove to be worth the extra effort that the District has been conducting and will conduct over the next few years.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. If you have any questions about this report or need additional information, contact the Health Commissioner at Lorain County General Health District, 9880 S. Murray Ridge Road, Elyria, Ohio 44035, or by telephone at 440-284-3219.

LORAIN COUNTY GENERAL HEALTH DISTRICT
 STATEMENT OF NET POSITION – CASH BASIS
 DECEMBER 31, 2013

	Governmental Activities
Assets	
Equity in pooled cash	\$ 8,923,534
Total assets	8,923,534
Net position	
Restricted	442,838
Unrestricted	8,480,696
Total net position	\$ 8,923,534

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT
STATEMENT OF ACTIVITIES – CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Cash</u> <u>Disbursements</u>	<u>Program Cash Receipts</u>		<u>Net</u> <u>(Disbursements)</u> <u>Receipts and</u> <u>Changes in</u> <u>Net Position</u>
		<u>Charges</u> <u>for Services</u> <u>and Sales</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	
Governmental activities				
Public health services	<u>\$ 6,698,680</u>	<u>\$ 1,854,408</u>	<u>\$ 1,513,560</u>	\$ (3,330,712)
General receipts				
Property taxes levied for:				
General purposes				3,128,600
Grants and entitlements not restricted to specific purposes				1,023,988
Miscellaneous				<u>33,423</u>
Total general receipts				<u>4,186,011</u>
Change in net position				855,299
Net position at beginning of year				<u>8,068,235</u>
Net position at end of year				<u>\$ 8,923,534</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT

STATEMENT OF CASH BASIS ASSETS AND
FUND BALANCES – GOVERNMENTAL FUNDS

DECEMBER 31, 2013

	General Fund	WIC Fund	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets				
Equity in pooled cash	\$ 8,507,029	\$ 99,813	\$ 316,692	\$ 8,923,534
Total assets	<u>8,507,029</u>	<u>99,813</u>	<u>316,692</u>	<u>8,923,534</u>
Fund balances				
Restricted	26,333	99,813	316,692	442,838
Assigned	141,382	-	-	141,382
Unassigned	8,339,314	-	-	8,339,314
Total fund balances	<u>\$ 8,507,029</u>	<u>\$ 99,813</u>	<u>\$ 316,692</u>	<u>\$ 8,923,534</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
CASH BASIS FUND BALANCES – GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund	WIC Fund	Other Governmental Funds	Totals Governmental Funds
Receipts				
Taxes	\$ 3,128,600	\$ -	\$ -	\$ 3,128,600
Intergovernmental				
Federal	-	956,709	468,563	1,425,272
State and local	1,023,988	-	229,900	1,253,888
Charges for services				
Home health services	56,270	-	-	56,270
Immunizations	149,385	-	-	149,385
Inspection fees	55,300	-	-	55,300
Contractual services	526,350	-	-	526,350
Licenses	62,137	-	337,097	399,234
Miscellaneous				
Other receipts	32,201	-	95,916	128,117
Other fees	305,484	-	-	305,484
Refunds	121,276	4,803	-	126,079
Total receipts	<u>5,460,991</u>	<u>961,512</u>	<u>1,131,476</u>	<u>7,553,979</u>
Disbursements				
Salaries and benefits	3,552,090	776,021	714,059	5,042,170
Travel	61,326	10,358	14,623	86,307
Office supplies	86,945	5,120	4,061	96,126
Medical supplies	120,574	319	-	120,893
Equipment	80,553	7,685	1,759	89,997
Contracts - repair/service	294,845	-	130,296	425,141
Distribution to state	168,996	-	261,325	430,321
Other disbursements	307,204	64,291	36,230	407,725
Total disbursements	<u>4,672,533</u>	<u>863,794</u>	<u>1,162,353</u>	<u>6,698,680</u>
Excess receipts over (under) disbursements	<u>788,458</u>	<u>97,718</u>	<u>(30,877)</u>	<u>855,299</u>
Other financing sources (uses)				
Transfers in	6,960	-	-	6,960
Transfers out	-	(6,960)	-	(6,960)
Advances in	205,000	100,000	105,000	410,000
Advances out	(205,000)	(100,000)	(105,000)	(410,000)
Total other financing sources (uses)	<u>6,960</u>	<u>(6,960)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	795,418	90,758	(30,877)	855,299
Fund balance, beginning of year, restated	<u>7,711,611</u>	<u>9,055</u>	<u>347,569</u>	<u>8,068,235</u>
Fund balance, end of year	<u>\$ 8,507,029</u>	<u>\$ 99,813</u>	<u>\$ 316,692</u>	<u>\$ 8,923,534</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGET BASIS) – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Receipts				
Taxes	\$ 3,463,758	\$ 3,355,211	\$ 3,128,600	\$ (226,611)
Intergovernmental				
State and local	559,605	797,377	1,023,988	226,611
Charges for services				
Home health services	60,000	60,000	56,270	(3,730)
Immunizations	150,000	150,000	149,385	(615)
Inspection fees	55,000	55,000	55,300	300
Contractual services	450,000	500,000	526,350	26,350
Licenses	66,000	66,000	62,137	(3,863)
Miscellaneous				
Other receipts	6,500	13,500	32,201	18,701
Other fees	270,000	270,000	305,484	35,484
Refunds	110,000	110,000	121,276	11,276
Total receipts	<u>5,190,863</u>	<u>5,377,088</u>	<u>5,460,991</u>	<u>83,903</u>
Disbursements				
Salaries and benefits	4,322,000	3,768,501	3,581,677	186,824
Travel	80,000	82,027	61,326	20,701
Office supplies	75,000	100,000	87,673	12,327
Medical supplies	158,000	187,202	125,482	61,720
Equipment	146,000	170,178	83,718	86,460
Contracts - repair/service	335,000	466,263	319,786	146,477
Distribution to state	206,000	246,634	210,996	35,638
Other disbursements	459,408	464,813	328,151	136,662
Total disbursements	<u>5,781,408</u>	<u>5,485,618</u>	<u>4,798,809</u>	<u>686,809</u>
Excess receipts over (under) disbursements	<u>(590,545)</u>	<u>(108,530)</u>	<u>662,182</u>	<u>770,712</u>
Other financing sources (uses)				
Advances in	255,000	255,000	205,000	(50,000)
Advances out	<u>(255,000)</u>	<u>(255,000)</u>	<u>(205,000)</u>	<u>50,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(590,545)	(108,530)	662,182	770,712
Prior year encumbrances appropriated	155,110	155,110	155,110	-
Fund balance, beginning of year	<u>7,522,023</u>	<u>7,522,023</u>	<u>7,522,023</u>	<u>-</u>
Fund balance, end of year	<u>\$ 7,086,588</u>	<u>\$ 7,568,603</u>	<u>\$ 8,339,315</u>	<u>\$ 770,712</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
 FUND BALANCE – BUDGET AND ACTUAL (BUDGET BASIS) – WIC FUND

FOR THE YEAR ENDED DECEMBER 31, 2013

	WIC FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Receipts				
Intergovernmental				
Federal	\$ 910,000	\$ 957,000	\$ 956,709	\$ (291)
Refunds	-	-	4,803	4,803
Total receipts	<u>910,000</u>	<u>957,000</u>	<u>961,512</u>	<u>4,512</u>
Disbursements				
Salaries and benefits	837,250	831,162	789,526	41,636
Travel	7,000	11,346	10,358	988
Office supplies	7,000	9,000	5,120	3,880
Medical supplies	4,100	4,100	319	3,781
Equipment	1,000	12,400	7,685	4,715
Other disbursements	34,000	70,775	64,291	6,484
Total disbursements	<u>890,350</u>	<u>938,783</u>	<u>877,299</u>	<u>61,484</u>
Excess receipts over (under) disbursements	<u>19,650</u>	<u>18,217</u>	<u>84,213</u>	<u>65,996</u>
Other financing sources (uses)				
Advances in	100,000	100,000	100,000	-
Transfers out	(15,000)	(15,000)	(6,960)	8,040
Advances out	(100,000)	(100,000)	(100,000)	-
Total other financing sources (uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>(6,960)</u>	<u>8,040</u>
Net change in fund balances	4,650	3,217	77,253	74,036
Prior year encumbrances appropriated	8,434	8,434	8,434	-
Fund balance, beginning of year	<u>621</u>	<u>621</u>	<u>621</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,705</u>	<u>\$ 12,272</u>	<u>\$ 86,308</u>	<u>\$ 74,036</u>

See accompanying notes to the basic financial statements.

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 1 - DESCRIPTION OF THE GENERAL HEALTH DISTRICT AND REPORTING ENTITY

The constitution and laws of the State of Ohio establish the rights and privileges of the Lorain County General Health District, (the District) as a body corporate and politic. An eight member Board, including a Health Commissioner govern the District which provides health services to the community including education and prevention of disease.

REPORTING ENTITY

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

These financial statements follow the basis of accounting the Auditor of State prescribes or permits.

The District's Basic Financial Statements consist of government-wide financial statements, including a Statement of Net Position – Cash Basis and a Statement of Activities – Cash Basis, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

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

The Statement of Net Position – Cash Basis presents the cash balances of the governmental activities of the District at year-end. The Statement of Activities – Cash Basis presents a comparison between direct disbursements and program receipts for each program or function of the District's governmental activities. Direct disbursements are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program receipts include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. 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 or draws from the general receipts of the District.

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION (continued)

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. The District utilizes the governmental category of funds.

Governmental Funds

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

General Fund - 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.

Women, Infants and Children (WIC) Fund – this fund receives federal grant funds which are used to provide services through the Special Supplemental Nutrition Program.

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

C. MEASUREMENT FOCUS

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

D. BASIS OF ACCOUNTING

These financial statements are presented in accordance with the cash basis of accounting. As a result of the use of 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 these 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.

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. CASH

As required by Ohio Revised Code, the Lorain County Treasurer is custodian for the District's cash. The District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount. Financial information can be obtained from the Lorain County Treasurer, located at 226 Middle Avenue, Elyria, Ohio 44035.

F. CAPITAL ASSETS

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

G. COMPENSATED ABSENCES

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The cash basis of accounting does not recognize unpaid leave as a liability.

H. LONG-TERM OBLIGATIONS

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

I. INTERFUND RECEIVABLES/PAYABLES

The statements report exchange transactions between funds as receipts in the seller funds and as disbursements in the purchasing funds. Non-exchange flows of cash from one fund to another are reported as interfund transfers. Governmental funds report interfund transfers as other financing sources/uses.

J. NET POSITION

These statements report restricted net position when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on their use. The Statement of Net Position – Cash Basis reports \$442,838 as restricted net position, none of which is restricted by enabling legislation.

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

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category 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" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

LORAIN COUNTY GENERAL HEALTH DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. BUDGETARY PROCESS

The Ohio Revised Code requires that all funds be budgeted and appropriated. The major documents prepared are the appropriations resolution and certificate of estimated resources, which use the budgetary basis of accounting. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The certificate of estimated resources establishes a limit on the amounts the Board of Health may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board of Health uses the fund/function level as its legal level of control for all funds.

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

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 District amends the certificate of estimated resources during the year if the District receives additional or new sources of funds. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect at the time final appropriations were passed by the District.

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

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

The following adjustment is necessary to reconcile the cash basis statement to the budget basis statement:

	Net Change in Fund Balance	
	General Fund	WIC Fund
Budget basis	\$ 662,182	\$ 77,253
Adjustment for encumbrances	141,381	13,505
Funds budgeted elsewhere	(8,145)	-
Cash basis, as reported	\$ 795,418	\$ 90,758

LORAIN COUNTY GENERAL HEALTH DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

GASB Statement No. 61, “The Financial Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34”. This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units (blending vs. discrete presentation, and certain disclosure requirements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2012. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the District.

GASB Statement Number 65, “Items Previously Reported as Assets and Liabilities.” This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012 and have been implemented by the District. The implementation of GASB Statement No. 65 did not have an effect on the financial statements of the District.

NOTE 4 – FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on a fund for the major governmental funds and all other governmental funds are presented below:

Fund balances	General Fund	WIC Fund	Nonmajor Governmental Funds	Total
Restricted for:				
WIC	\$ -	\$ 99,813	\$ -	\$ 99,813
WIC Retirement	26,333	-	-	26,333
Food Service	-	-	101,481	101,481
Solid Waste Management	-	-	34,404	34,404
Car Seat Program	-	-	3,548	3,548
Construction, Demolition and Debris	-	-	127,499	127,499
Smoke Free Ohio	-	-	2,910	2,910
IAP Clinic	-	-	7,302	7,302
Health District Infrastructure	-	-	19,796	19,796
Traffic Safety	-	-	4,120	4,120
Creating Healthy Communities	-	-	2,412	2,412
Black River Project	-	-	13,220	13,220
Total restricted	26,333	99,813	316,692	442,838
Assigned to				
Encumbrances	141,382	-	-	141,382
Total assigned	141,382	-	-	141,382
Unassigned	8,339,314	-	-	8,339,314
Total fund balances	\$ 8,507,029	\$ 99,813	\$ 316,692	\$ 8,923,534

LORAIN COUNTY GENERAL HEALTH DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 5 - CASH BALANCES

The District's cash pool, used by all funds, is deposited with the Lorain County Treasurer. The cash pool is commingled with Lorain County's cash and investment pool and is not identifiable as to demand deposits or investments. The carrying amount of cash on deposit with the Lorain County Treasurer at December 31, 2013 was \$ 8,923,534.

NOTE 6 - PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Health. The Ohio Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State of Ohio, and are reflected in the accompanying financial statements as intergovernmental receipts. Tax payments are due to Lorain County by December 31. If the property owner elects to make semi-annual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the District.

The full tax rate for all District operations for the year ended December 31, 2013, was \$ 1.00 per \$1,000 of assessed value. The assessed values of real and personal property upon which 2012 property tax receipts were based are as follows:

Real property	\$ 3,538,574,620
Public utility property	97,328,110
	\$ 3,635,902,730

Lorain County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

NOTE 7 - DEFINED BENEFIT PENSION PLAN

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

The Traditional Pension Plan —a cost sharing, multiple-employer defined benefit pension plan.

The Member-Directed Plan —a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

The Combined Plan —a cost sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member- Directed Plan.

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 7 – DEFINED BENEFIT PENSION PLAN (continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or calling 614-222-5601 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2013, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2013 member contribution rates were 10.0% of covered payroll for members in state and local classifications. Public safety and law enforcement members contributed 12.0% and 12.6%, respectively. The 2013 contribution rate for state and local employers was 14.00% of covered payroll. The law enforcement and public safety division employer contribution rate was 18.10% of covered payroll.

The District's contributions for pension obligations to the traditional, combined, and member directed plans for the year ended December 31, 2013, December 31, 2012, and December 31, 2011 were \$ 352,221, \$ 367,170, and \$ 351,074, respectively. 92% has been contributed for 2013, with the remaining 8% to be paid in January 2014. The full amount has been contributed for 2012 and 2011.

NOTE 8 - POSTEMPLOYMENT BENEFITS

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

OPERS maintains a cost-sharing multiple employer defined benefit post-employment 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.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or calling 614-222-5601 or 1-800-222-7377.

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 8 - POSTEMPLOYMENT BENEFITS (continued)

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013 state and local employers contributed at a rate of 14.00% of covered payroll and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan and the Combined Plan was 1.0% during calendar year 2013. The OPERS Board of Trustees 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 to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The District's contributions for post-employment benefits for the year ended December 31, 2013, December 31, 2012, and December 31, 2011 were \$ 140,878, \$ 146,858, and \$ 200,673, respectively. 92% has been contributed for 2013, with the remaining 8%, to be paid in January 2014. The full amount has been contributed for 2012 and 2011.

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

NOTE 9 - RISK MANAGEMENT

The District has obtained commercial insurance for comprehensive property and general liability, vehicles, and errors and omissions. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years. The District provides health, prescription, dental and vision insurance coverage through commercial insurance coverage.

NOTE 10 - CONTINGENT LIABILITIES

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

The District is currently party to legal proceedings seeking damages against the District as confirmed by the District's legal counsel. The possible outcome or effects on the financial statements cannot be determined at year end.

LORAIN COUNTY GENERAL HEALTH DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE 11 – INTERFUND TRANSFERS

Interfund transfers consisted of:

	Transfer from: WIC Fund
Transfer to: General Fund	\$ 6,960

The interfund transfer was made to fund WIC employees' leave benefits earned in 2013 that will be paid in future years .

NOTE 12 – RESTATED FUND BALANCES

Beginning of year fund balances have been restated to correct the fund type classification of the District's WIC Retirement activity. In prior years this had been accounted for as a Special Revenue Fund, however, the WIC Retirement activity does not meet the definition of a Special Revenue Fund in accordance with GASB Statement 54.

The restatement is as follows:

	General Fund	WIC Fund	Other Governmental Funds	Total
Fund balance at 12-31-2012				
As previously reported	\$ 7,677,133	\$ 9,055	\$ 382,047	\$ 8,068,235
Correction	34,478	-	(34,478)	-
Restated fund balance at 12-31-2012	\$ 7,711,611	\$ 9,055	\$ 347,569	\$ 8,068,235

SUPPLEMENTAL INFORMATION

LORAIN COUNTY GENERAL HEALTH DISTRICT
 COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
 CASH BASIS FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2013

	Food Service	Solid Waste Mgt.	Car Seat Program	Construction Demolition and Debris	Smoke Free Ohio
Receipts					
Intergovernmental					
Federal	\$ -	\$ -	\$ -	\$ -	\$ 3,251
State and local	-	229,900	-	-	-
Charges for services					
Licenses	337,097	-	-	-	-
Miscellaneous					
Other receipts	-	-	6,553	89,143	-
Total receipts	<u>337,097</u>	<u>229,900</u>	<u>6,553</u>	<u>89,143</u>	<u>3,251</u>
Disbursements					
Salaries and benefits	318,217	57,387	-	-	9,720
Travel	11,483	-	-	-	-
Office supplies	1,942	-	-	-	-
Equipment	1,409	-	-	-	-
Contracts - repair/service	-	-	-	-	-
Distribution to state	19,498	172,500	-	69,327	-
Other expenditures	2,760	-	8,027	-	-
Total disbursements	<u>355,309</u>	<u>229,887</u>	<u>8,027</u>	<u>69,327</u>	<u>9,720</u>
Excess receipts over/(under) disbursements	<u>(18,212)</u>	<u>13</u>	<u>(1,474)</u>	<u>19,816</u>	<u>(6,469)</u>
Other financing sources (uses)					
Advances in	-	-	-	-	-
Advances out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(18,212)</u>	<u>13</u>	<u>(1,474)</u>	<u>19,816</u>	<u>(6,469)</u>
Cash balance, beginning, restated	<u>119,693</u>	<u>34,391</u>	<u>5,022</u>	<u>107,683</u>	<u>9,379</u>
Cash balance, ending	<u>\$ 101,481</u>	<u>\$ 34,404</u>	<u>\$ 3,548</u>	<u>\$ 127,499</u>	<u>\$ 2,910</u>

LORAIN COUNTY GENERAL HEALTH DISTRICT
 COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
 CASH BASIS FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS (Continued)
 FOR THE YEAR ENDED DECEMBER 31, 2013

IAP Clinic	Health District Infrastructure	Traffic Safety	Creating Healthy Communities	Black River Project	Totals (Memo. Only)
\$ 67,450	\$ 193,288	\$ 55,526	\$ 119,607	\$ 29,441	\$ 468,563
-	-	-	-	-	229,900
-	-	-	-	-	337,097
-	-	220	-	-	95,916
<u>67,450</u>	<u>193,288</u>	<u>55,746</u>	<u>119,607</u>	<u>29,441</u>	<u>1,131,476</u>
68,179	96,094	45,712	105,565	13,185	714,059
-	2,388	-	752	-	14,623
1,937	-	149	33	-	4,061
-	-	350	-	-	1,759
-	124,386	-	5,910	-	130,296
-	-	-	-	-	261,325
<u>1,107</u>	<u>1,378</u>	<u>13,195</u>	<u>5,102</u>	<u>4,661</u>	<u>36,230</u>
<u>71,223</u>	<u>224,246</u>	<u>59,406</u>	<u>117,362</u>	<u>17,846</u>	<u>1,162,353</u>
<u>(3,773)</u>	<u>(30,958)</u>	<u>(3,660)</u>	<u>2,245</u>	<u>11,595</u>	<u>(30,877)</u>
25,000	25,000	-	25,000	30,000	105,000
(25,000)	(25,000)	-	(25,000)	(30,000)	(105,000)
-	-	-	-	-	-
<u>(3,773)</u>	<u>(30,958)</u>	<u>(3,660)</u>	<u>2,245</u>	<u>11,595</u>	<u>(30,877)</u>
<u>11,075</u>	<u>50,754</u>	<u>7,780</u>	<u>167</u>	<u>1,625</u>	<u>347,569</u>
<u>\$ 7,302</u>	<u>\$ 19,796</u>	<u>\$ 4,120</u>	<u>\$ 2,412</u>	<u>\$ 13,220</u>	<u>\$ 316,692</u>

LORAIN COUNTY GENERAL HEALTH DISTRICT
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor / Pass Through Grantor / Program Title	CFDA Number	Pass Through Entity Number	Disbursements
<u>U.S. Department of Agriculture</u>			
Passed through the Ohio Department of Health			
Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	04710011WA0512 04710011WA0613	\$ 863,794
Total U.S. Department of Agriculture			<u>863,794</u>
 <u>U.S. Department of Health and Human Services</u>			
Passed through the Ohio Department of Health			
Immunization Action Plan	93.268	04710012IM0512	71,223
Centers for Disease Control and Prevention - Public Health Emergency Preparedness	93.069	04710012PH0312 / PH0413	224,246
Cardiovascular Health	93.991	04710014CC0312	117,362
Total U.S. Department of Health and Human Services			<u>412,831</u>
 <u>U.S. Department of Transportation</u>			
Passed through the Office of the Governor's Highway Safety Representative			
Traffic Safety Grant	20.600	SC-2012-47-00-00-00-368-00 SC-2013-47-00-00-00-414-00	59,406
Total U.S. Department of Transportation			<u>59,406</u>
 <u>U.S. Environmental Protection Agency</u>			
Passed through the Ohio Environmental Protection Agency			
Great Lakes Restoration Initiative	66.469	GL00E056602-0	17,846
Total U.S. Environmental Protection Agency			<u>17,846</u>
Total Federal Awards Expenditures			<u>\$ 1,353,877</u>

See accompanying note to the schedule of federal awards expenditures.

LORAIN COUNTY GENERAL HEALTH DISTRICT
NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

CFDA – Catalog of Federal Domestic Assistance

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

May 21, 2014

Lorain County General Health District
Lorain County
9880 South Murray Ridge Road
Elyria, Ohio 44035

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Lorain County General Health District**, Lorain County, (the District) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 21, 2014 wherein we noted the District uses a special purpose framework other than generally accepted accounting principles.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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



Perry and Associates
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Marietta, Ohio

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

May 21, 2014

Lorain County General Health District
Lorain County
9880 South Murray Ridge Road
Elyria, Ohio 44035

To the Board of Health:

Report on Compliance for Each Major Federal Program

We have audited the **Lorain County General Health District's** (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Lorain County General Health District's major federal program for the year ended December 31, 2013. The *Summary of Audit Results* in the accompanying schedule of audit findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the Lorain County General Health District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2013.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**LORAIN COUNTY GENERAL HEALTH DISTRICT
LORAIN COUNTY**

**Schedule of Audit Findings
OMB Circular A -133 § .505
For the Year Ended December 31, 2013**

1. SUMMARY OF AUDIT RESULTS

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

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

None

3. FINDINGS FOR FEDERAL AWARDS

None