



Dave Yost • Auditor of State



**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the Members of the Board:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Union County General Health District, Union County, Ohio (the District), as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Union County General Health District, Union County, Ohio, as of December 31, 2014 and 2013, and the respective changes in cash financial position and the respective budgetary comparison for the General, Public Health Nursing, and Public Health Infrastructure funds thereof for the years then ended in accordance with the accounting basis described in Note 2.

**Accounting Basis**

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

**Other Matters**

*Supplemental and Other Information*

We audited to opine on the District's financial statements that collectively comprise its basic financial statements.

We applied no procedures to the Management's Discussion & Analysis presented on pages 3-9 of the report, and accordingly, we express no opinion or any other assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2016, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

January 8, 2016

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED**

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The discussion and analysis of the Union County General Health District's, Union County, Ohio (the "Health District") financial performance provides an overall review of the Health District's financial activities for the years ended December 31, 2014, and December 31, 2013, within the limitations of the Health District's cash basis accounting. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the Health District's financial performance.

**Highlights**

Key highlights for 2014 were as follows:

Net position of governmental activities decreased \$4,251 or less than 1 percent as compared to 2013. The primary reason for the decrease in cash balance was due to an increase in disbursements.

Program specific receipts in the form of charges for services and operating grants and contributions comprise just over 42 percent of all the dollars coming into the Health District. General receipts in the form of property taxes and unrestricted make up the other 58 percent.

The Health District had \$3,093,194 in disbursements during 2014.

Key highlights for 2013 were as follows:

Net position of governmental activities decreased \$30,735 or just over 1 percent as compared to 2012. The primary reason for the decrease in cash balance was due to decreased revenues in the General Health Fund and increased disbursements.

Program specific receipts in the form of charges for services and operating grants and contributions comprise slightly over 43 percent of all the dollars coming into the Health District. General receipts in the form of property taxes and unrestricted make up the other 57 percent.

The Health District had \$2,913,848 in disbursements during 2013.

**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 Health District's cash basis of accounting.

**Report Components**

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

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

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED  
(Continued)**

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**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Health 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 Health District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

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

**Reporting the Health District as a Whole**

The statement of net position and the statement of activities reflect how the Health District did financially during 2014 and 2013, within the limitations of cash basis accounting. The statement of net position presents the cash balances of the governmental activities of the Health District at year end. The statement of activities compares cash disbursements with program receipts for each governmental program activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Health District's general receipts.

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

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

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

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED  
(Continued)**

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

**The Health District as a Whole**

Table 1 provides a summary of the Health District's net position for 2014 compared to 2013 and 2012 on a cash basis:

(Table 1)

**Net Position**

	Governmental Activities		
	2014	2013	2012
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,640,276	\$ 2,644,527	\$ 2,675,262
Total Assets	2,640,276	2,644,527	2,675,262
 <b>Net Position</b>			
Restricted for Other Purposes	1,151,370	1,117,388	935,261
Unrestricted	1,488,906	1,527,139	1,740,001
Total Net Position	\$ 2,640,276	\$ 2,644,527	\$ 2,675,262

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED  
(Continued)**

(Table 2)

**Changes in Net Position**

	Governmental Activities		
	2014	2013	2012
Receipts:			
Program Receipts:			
Charges for Services and Sales	\$695,494	\$592,528	\$553,836
Operating Grants and Contributions	728,911	630,483	667,972
Total Program Receipts	<u>1,424,405</u>	<u>1,223,011</u>	<u>1,221,808</u>
General Receipts:			
Property Taxes	1,369,049	1,284,968	1,279,977
Grants and Entitlements	281,011	354,757	384,448
Miscellaneous	14,477	20,377	5,765
Total General Receipts	<u>1,664,538</u>	<u>1,660,102</u>	<u>1,670,190</u>
Total Receipts	<u>3,088,943</u>	<u>2,883,113</u>	<u>2,891,998</u>
Disbursements:			
Environmental Health:			
General Environmental Health	268,385	299,299	256,219
Food Service	154,499	61,735	56,966
Plumbing	125,497	116,776	101,167
Water	40,440	32,950	30,319
Sewage	81,268	73,108	71,336
Pools/Spas	3,953	6,885	6,897
Camps/MHP	1,132	267	6,524
Solid Waste	2,384	4,708	4,729
Radon	3,515	5,165	6,240
Rabies	558	482	210
Personal Health:			
General Nursing & Ohio Children's Trust	368,228	368,993	340,507
Health Education and Partnerships	334,632	303,153	292,122
Injury Prevention	94,113	69,687	59,005
Safe Communities	21,525	20,931	19,531
Smoking Prevention	2,762	2,434	7,558
Help Me Grow/LEADS/Central Intake	310,184	320,468	304,843
Prescription Assistance	20,058	24,692	25,860
Child and Family Health Services	43,044	36,211	46,903
Reproductive Health & Wellness	141,763	133,002	133,379
Clinics/BCMH	43,228	30,097	32,155
Public Health Infrastructure/MRC/Radiation	252,451	201,831	245,826
Vital Statistics	88,630	88,039	83,530
Administration	403,492	392,105	356,644
General Health District & LGIF	287,452	320,830	295,502
Total General Government	<u>3,093,194</u>	<u>2,913,848</u>	<u>2,783,972</u>
Increase (Decrease) in Net Position	(4,251)	(30,735)	108,026
Net Position, Beginning of Year	<u>2,644,527</u>	<u>2,675,262</u>	<u>2,567,236</u>
Net Position, End of Year	<u>\$2,640,276</u>	<u>\$2,644,527</u>	<u>\$2,675,262</u>

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED  
(Continued)**

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In 2014, 54 percent of the Health District's total receipts were from general receipts, consisting mainly of property taxes levied for general Health District purposes. Program receipts accounted for 46 percent of the Health District's total receipts in year 2014. These receipts consist primarily of charges for services for birth and death certificates, food services licenses, trailer park permits, swimming pools permits, and water system permits and state and federal operating grants and donations.

In 2013, 58 percent of the Health District's total receipts were from general receipts, consisting mainly of property taxes levied for general Health District purposes. Program receipts accounted for 46 percent of the Health District's total receipts in year 2013. These receipts consist primarily of charges for services for birth and death certificates, food services licenses, trailer park permits, swimming pools permits, and water system permits and state and federal operating grants and donations.

**Governmental Activities**

If you look at the Statement of Activities for 2014 on page 14 and for 2013 on page 21, you will see that the first column lists the major disbursements of the Health District. The next column identifies the amount of these disbursements. In 2014, the major program disbursements for governmental activities were: administration and general nursing, which accounted for 13 percent and 12 percent of total disbursements, respectively. In 2013, the major program disbursements for governmental activities were: general nursing and administration, which each accounted for 13 percent of all governmental disbursements. The next two columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants and contributions received by the Health District that must be used to provide a specific service. The Net (Disbursement) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local townships and municipalities, taxpayers, state subsidies, and cash balances of grant and fee programs. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED  
(Continued)**

(Table 3)

	<b>Governmental Activities</b>			
	Total Cost Of Services	Net Cost of Services	Total Cost Of Services	Net Cost of Services
	2014	2014	2013	2013
Environmental Health:				
General Environmental Health	\$268,386	\$262,778	\$299,299	\$293,479
Food Service	154,499	42,674	61,735	(48,532)
Plumbing	125,497	19,222	116,776	14,731
Water	40,440	(2,138)	32,950	(6,836)
Sewage	81,268	(50,607)	73,108	(9,559)
Pools/Spas	3,953	(7,902)	6,885	(5,238)
Camps/MHP	1,132	(563)	267	(1,488)
Solid Waste	2,384	(2,506)	4,708	(182)
Radon	3,515	(345)	5,165	(1,704)
Rabies	558	558	482	482
Personal Health:				
General Nursing & Ohio Children's Trust	368,228	364,991	368,993	367,960
Health Education and Partnerships	334,632	334,590	303,153	301,803
Injury Prevention	94,113	24,363	69,687	1,236
Safe Communities	21,525	(12,541)	20,931	14,299
Smoking Cessation	2,762	2,762	2,434	2,434
Help Me Grow/LEADS/Central Intake	310,184	106,329	320,468	123,306
Prescription Assistance	20,058	4,058	24,692	8,292
Child and Family Health Services	43,044	1,141	36,211	(4,556)
Reproductive Health & Wellness	141,763	(9,179)	133,002	2,278
Clinics/BCMH	43,228	(30,781)	30,097	(39,488)
Public Health Infrastructure	252,451	(26,566)	201,831	(50,070)
Vital Statistics	88,630	21,585	88,039	25,295
Administration	403,492	347,414	392,105	382,105
General Health District & LGIF	287,452	279,452	320,830	320,790
Total Expenses	<u>\$3,093,194</u>	<u>\$1,668,789</u>	<u>\$2,913,848</u>	<u>\$1,690,837</u>

In 2014, the Health District has tried to limit its dependence upon property taxes and local subsidies by actively pursuing Federal grants and charges rates for services that are closely related to costs. About 54 percent of the health district's costs are supported through property taxes, unrestricted grants, and other general receipts.

In 2013, the Health District has tried to limit its dependence upon property taxes and local subsidies by actively pursuing Federal grants and charges rates for services that are closely related to costs. About 57 percent of the health district's costs are supported through property taxes, unrestricted grants, and other general receipts.

**The Health District's General Fund**

In 2013, the General Fund had receipts of \$1,835,630 and disbursements of \$1,188,492. The fund balance of the General Fund decreased by \$212,862 as a result of a large transfer to the Public Health Nursing Fund. The General fund had an increase in revenues and a decrease in expenditures.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
UNAUDITED  
(Continued)**

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In 2014, the General Fund had receipts of \$1,882,568 and disbursements of \$1,165,801. The fund balance of the General Fund decreased by \$38,233 as a result of a small transfer to the Public Health Nursing Fund. The General fund had an increase in revenues and a decrease in expenditures.

**General Fund Budgeting Highlights**

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

During the course of 2014, the Health District amended its appropriations, and the budgetary statements reflect both the original and final appropriated amounts. There were no significant changes between the original and the final estimated receipts.

During the course of 2013, the Health District amended its appropriations, and the budgetary statements reflect both the original and final appropriated amounts. There were no significant changes between the original and the final estimated receipts.

**Capital Assets**

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

**Debt Administration**

As of December 31, 2014 and 2013, the District had no outstanding debt.

**Contacting the Health District's Financial Management**

This financial report is designed to provide to provide our citizens, taxpayers, and providers with a general overview of the Health District's finances and to reflect the Health 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 Jason E. Orcena, PhD, Health Commissioner, Union County Health Department, 940 London Avenue, Suite 1100, Marysville, Ohio 43040.

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**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

***Statement of Net Position - Cash Basis  
December 31, 2014***

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	<b>Governmental Activities</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents with Fiscal Agent	\$ 2,640,276
<i>Total Assets</i>	<u>\$ 2,640,276</u>
<b>Net Position</b>	
Restricted for:	
Public Health	\$ 1,151,370
Unrestricted	<u>1,488,906</u>
<i>Total Net Position</i>	<u>\$ 2,640,276</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Activities - Cash Basis  
For the Year Ended December 31, 2014**

	Disbursements	Program Receipts		Net (Disbursements)
		Charges for Services and Sales	Operating Grants and Contributions	Receipts and Changes in Net Position
				Governmental Activities
<b>Governmental Activities</b>				
Environmental Health				
General Environmental Health	\$ 268,386	\$ 2,383	\$ 3,225	\$ (262,778.00)
Food Service	154,499	111,825	-	(42,674)
Plumbing	125,497	106,275	-	(19,222)
Water	40,440	42,578	-	2,138
Sewage	81,268	131,875	-	50,607
Pools/Spas	3,953	11,855	-	7,902
Camps/MHP	1,132	1,695	-	563
Solid Waste	2,384	-	4,890	2,506
Radon	3,515	-	3,860	345
Rabies	558	-	-	(558)
Personal Health				
General Nursing & Ohio Children's Trust	368,228	3,237	-	(364,991)
Health Education and Partnerships	334,632	42	-	(334,590)
Injury Prevention	94,113	-	69,750	(24,363)
Safe Communities	21,525	-	34,066	12,541
Smoking Cessation	2,762	-	-	(2,762)
Help Me Grow/LEADS/Central Intake	310,184	66,500	137,355	(106,329)
Prescription Assistance	20,058	-	16,000	(4,058)
Child and Family Health Services	43,044	-	41,903	(1,141)
Reproductive Health & Wellness	141,763	9,726	141,216	9,179
Clinics/BCMH	43,228	31,359	42,650	30,781
Public Health Infrastructure/MRC/Radiation	252,451	101,816	177,201	26,566
Vital Statistics	88,630	66,182	863	(21,585)
Administration	403,492	146	55,932	(347,414)
General Health District & LGIF	287,452	8,000	-	(279,452)
<b>Total Governmental Activities</b>	<b>\$ 3,093,194</b>	<b>\$ 695,494</b>	<b>\$ 728,911</b>	<b>(1,668,789)</b>

**General Receipts**

Property Taxes Levied for	
General Health District Purposes	1,369,050
Grants and Entitlements not Restricted to	
Specific Programs	281,011
Miscellaneous	14,477
<b>Total General Receipts</b>	<b>1,664,538.00</b>
Change in Net Position	(4,251.00)
Net Position Beginning of Year	2,644,527
Net Position End of Year	<b>\$ 2,640,276.00</b>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Cash Basis Assets and Fund Balances  
Governmental Funds  
December 31, 2014**

	General	Public Health Nursing Fund	Public Health Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents with Fiscal Agent	\$ 1,488,906	\$ 183,318	\$ 445,338	\$ 522,714	\$ 2,640,276
<i>Total Assets</i>	<u>\$ 1,488,906</u>	<u>\$ 183,318</u>	<u>\$ 445,338</u>	<u>\$ 522,714</u>	<u>\$ 2,640,276</u>
<b>Fund Balances</b>					
Restricted:	\$ -	\$ 183,318	\$ 445,338	\$ 522,714	\$ 1,151,370
Assigned	729,168	-	-	-	729,168
Unassigned (Deficit):	759,738	-	-	-	759,738
<i>Total Fund Balances</i>	<u>\$ 1,488,906</u>	<u>\$ 183,318</u>	<u>\$ 445,338</u>	<u>\$ 522,714</u>	<u>\$ 2,640,276</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2014**

	General Fund	Public Health Nursing Fund	Public Health Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>					
Property and Other Local Taxes	\$ 1,369,050	\$ -	\$ -	\$ -	\$ 1,369,050
Intergovernmental	288,959	376,252	184,780	80,858	930,849
Fees, Licenses and Permits	130,000	-	-	277,628	407,628
Contractual Services	-	103,885	70,536	-	174,421
Charges for Services	66,179	28,363	-	-	94,542
Miscellaneous	28,380	70,370	13,703	-	112,453
<i>Total Receipts</i>	<u>1,882,568</u>	<u>578,870</u>	<u>269,019</u>	<u>358,486</u>	<u>3,088,943</u>
<b>Disbursements</b>					
Current:					
Environmental Health					
General Environmental Health	268,385	-	-	-	268,385
Food Service	-	-	-	154,499	154,499
Plumbing	125,497	-	-	-	125,497
Water	-	-	-	40,440	40,440
Sewage	-	-	-	81,268	81,268
Pools/Spas	-	-	-	3,953	3,953
Camps/MHP	-	-	-	1,132	1,132
Solid Waste	-	-	-	2,384	2,384
Radon	3,515	-	-	-	3,515
Rabies	558	-	-	-	558
Personal Health					
General Nursing & Ohio Children's Trust	-	368,228	-	-	368,228
Health Education and Partnerships	-	334,632	-	-	334,632
Injury Prevention	-	94,113	-	-	94,113
Safe Communities	-	-	-	21,525	21,525
Smoking Cessation	-	2,762	-	-	2,762
Help Me Grow/LEADS/Central Intake	-	310,184	-	-	310,184
Prescription Assistance	-	20,058	-	-	20,058
Child and Family Health Services	-	-	-	43,044	43,044
Reproductive Health & Wellness	-	141,763	-	-	141,763
Clinics/BCMH	-	43,228	-	-	43,228
Public Health Infrastructure	-	9,239	243,213	-	252,452
Vital Statistics	88,630	-	-	-	88,630
Administration	403,492	-	-	-	403,492
General Health District & LGIF	275,724	11,728	-	-	287,452
<i>Total Disbursements</i>	<u>1,165,801</u>	<u>1,335,935</u>	<u>243,213</u>	<u>348,245</u>	<u>3,093,194</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>716,767</u>	<u>(757,065)</u>	<u>25,806</u>	<u>10,241</u>	<u>(4,251)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	705,000	-	50,000	755,000
Transfers Out	(755,000)	-	-	-	(755,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(755,000)</u>	<u>705,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	<u>(38,233)</u>	<u>(52,065)</u>	<u>25,806</u>	<u>60,241</u>	<u>(4,251)</u>
<i>Fund Balances Beginning of Year</i>	<u>1,527,139</u>	<u>235,383</u>	<u>419,532</u>	<u>462,473</u>	<u>2,644,527</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,488,906</u>	<u>\$ 183,318</u>	<u>\$ 445,338</u>	<u>\$ 522,714</u>	<u>\$ 2,640,276</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2014**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 1,288,401	\$ 1,288,401	\$ 1,369,050	\$ 80,649
Intergovernmental	356,236	356,236	288,959	(67,277)
Fees, Licenses and Permits	105,650	105,650	130,000	24,350
Charges for Services	61,372	61,372	66,179	4,807
Miscellaneous	600	600	28,379	27,779
<i>Total Receipts</i>	<u>1,812,259</u>	<u>1,812,259</u>	<u>1,882,567</u>	<u>70,308</u>
<b>Disbursements</b>				
Current:				
Environmental Health				
General Environmental Health	272,322	300,700	271,398	29,302
Plumbing	157,958	135,073	130,440	4,633
Radon	5,010	5,010	3,719	1,291
Rabies	790	790	558	232
Vital Statistics	89,806	90,630	88,781	1,849
Administration	554,723	546,706	411,909	134,797
General Health District	300,522	302,221	282,709	19,512
<i>Total Disbursements</i>	<u>1,381,131</u>	<u>1,381,131</u>	<u>1,189,514</u>	<u>191,617</u>
<i>Excess of Receipts Over Disbursements</i>	<u>431,129</u>	<u>431,129</u>	<u>693,053</u>	<u>261,924</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(1,075,000)</u>	<u>(1,075,000)</u>	<u>(755,000)</u>	<u>320,000</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(1,075,000)</u>	<u>(1,075,000)</u>	<u>(755,000)</u>	<u>320,000</u>
<i>Net Change in Fund Balances</i>	(643,871)	(643,871)	(61,947)	581,924
<i>Fund Balance Beginning of Year</i>	1,426,428	1,426,428	1,426,428	-
Prior Year Encumbrances Appropriated	50,355	50,355	50,355	-
<i>Fund Balance End of Year</i>	<u>\$ 832,912</u>	<u>\$ 832,912</u>	<u>\$ 1,414,836</u>	<u>\$ 581,924</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Public Health Nursing Fund  
For the Year Ended December 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>Receipts</b>				
Intergovernmental	\$ 256,782	\$ 256,782	\$ 376,252	\$ 119,470
Contractual Services	66,000	66,000	103,885	37,885
Charges for Services	27,234	27,234	28,363	1,129
Miscellaneous	16,957	16,957	70,368	53,411
<i>Total Receipts</i>	<u>366,973</u>	<u>366,973</u>	<u>578,868</u>	<u>211,895</u>
<b>Disbursements</b>				
Current:				
Personal Health				
General Nursing & Ohio Children's Trust	432,361	389,522	376,039	13,483
Health Education and Partnerships	392,327	389,519	348,843	40,676
Injury Prevention	88,138	101,671	94,490	7,181
Smoking Cessation	-	7,792	8,080	(288)
Help Me Grow/LEADS/Central Intake	316,608	325,283	313,019	12,264
Prescription Assistance	31,450	31,450	25,755	5,695
Reproductive Health & Wellness	251,896	254,589	228,542	26,047
Clinics/BCMH	190,300	170,140	74,043	96,097
Public Health Infrastructure	-	9,238	9,238	0
General Health District & LGIF	-	23,877	26,410	(2,533)
<i>Total Disbursements</i>	<u>1,703,081</u>	<u>1,703,081</u>	<u>1,504,459</u>	<u>198,622</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(1,336,108)</u>	<u>(1,336,108)</u>	<u>(925,591)</u>	<u>410,517</u>
<b>Other Financing Sources</b>				
Transfers In	<u>1,244,472</u>	<u>1,244,472</u>	<u>705,000</u>	<u>(539,472)</u>
Transfers Out	-	-	-	-
Advances In	-	-	-	-
Advances Out	-	-	-	-
<i>Total Other Financing Sources</i>	<u>1,244,472</u>	<u>1,244,472</u>	<u>705,000</u>	<u>(539,472)</u>
<i>Net Change in Fund Balances</i>	(91,636)	(91,636)	(220,591)	(128,955)
<i>Fund Balance Beginning of Year</i>	(30,539)	(30,539)	(30,539)	-
Prior Year Encumbrances Appropriated	<u>132,961</u>	<u>132,961</u>	<u>132,961</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 10,786</u>	<u>\$ 10,786</u>	<u>\$ (118,169)</u>	<u>\$ (128,955)</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

***Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Public Health Infrastructure Fund  
For the Year Ended December 31, 2014***

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$ 147,876	\$ 147,876	\$ 184,780	\$ 36,904
Contractual Services	72,754	72,754	70,536	(2,218)
Miscellaneous	17,000	17,000	13,703	(3,297)
<i>Total Receipts</i>	<u>237,630</u>	<u>237,630</u>	<u>269,019</u>	<u>31,389</u>
<b>Disbursements</b>				
Current:				
Public Health Infrastructure	181,131	251,853	243,213	8,640
<i>Total Disbursements</i>	<u>181,131</u>	<u>251,853</u>	<u>243,213</u>	<u>8,640</u>
<i>Net Change in Fund Balances</i>	<u>56,499</u>	<u>(14,223)</u>	<u>25,806</u>	<u>40,029</u>
<i>Fund Balance Beginning of Year</i>	419,532	419,532	419,532	-
Prior Year Encumbrances Appropriated	15,312	15,312	15,312	(0)
<i>Fund Balance End of Year</i>	<u>\$ 491,343</u>	<u>\$ 420,621</u>	<u>\$ 460,650</u>	<u>\$ 40,029</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

***Statement of Net Position - Cash Basis  
December 31, 2013***

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	<b>Governmental Activities</b>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents with Fiscal Agent	\$ 2,644,527
<i>Total Assets</i>	<u>\$ 2,644,527</u>
<b>Net Position</b>	
Restricted for:	
Public Health	\$ 1,117,388
Unrestricted	<u>1,527,139</u>
<i>Total Net Position</i>	<u>\$ 2,644,527</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Activities - Cash Basis  
For the Year Ended December 31, 2013**

	Disbursements	Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
Environmental Health				
General Environmental Health	\$ 299,299	\$ 1,320	\$ 4,500	\$ (293,479)
Food Service	61,735	110,267	-	48,532
Plumbing	116,776	102,045	-	(14,731)
Water	32,950	39,786	-	6,836
Sewage	73,108	82,667	-	9,559
Pools/Spas	6,885	12,123	-	5,238
Camps/MHP	267	1,755	-	1,488
Solid Waste	4,708	-	4,890	182
Radon	5,165	-	6,869	1,704
Rabies	482	-	-	(482)
Personal Health				
General Nursing & Ohio Children's Trust	368,993	1,033	-	(367,960)
Health Education and Partnerships	303,153	100	1,250	(301,803)
Injury Prevention	69,687	-	68,451	(1,236)
Safe Communities	20,931	-	6,632	(14,299)
Smoking Cessation	2,434	-	-	(2,434)
Help Me Grow/LEADS/Central Intake	320,468	65,500	131,662	(123,306)
Prescription Assistance	24,692	-	16,400	(8,292)
Child and Family Health Services	36,211	400	40,367	4,556
Reproductive Health & Wellness	133,002	5,112	125,612	(2,278)
Clinics/BCMH	30,097	22,901	46,684	39,488
Public Health Infrastructure/MRC/Radiation	201,831	85,584	166,317	50,070
Vital Statistics	88,039	61,895	849	(25,295)
Administration	392,105	-	10,000	(382,105)
General Health District & LGIF	320,830	40	-	(320,790)
<b>Total Governmental Activities</b>	<b>\$ 2,913,848</b>	<b>\$ 592,528</b>	<b>\$ 630,483</b>	<b>(1,690,837)</b>

**General Receipts**

Property Taxes Levied for General Health District Purposes	1,284,968
Grants and Entitlements not Restricted to Specific Programs	354,757
Miscellaneous	20,377
<b>Total General Receipts</b>	<b>1,660,102</b>
Change in Net Position	(30,735)
Net Position Beginning of Year	2,675,262
Net Position End of Year	<u>\$ 2,644,527</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Cash Basis Assets and Fund Balances  
Governmental Funds  
December 31, 2013**

	General	Public Health Nursing Fund	Public Health Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents with Fiscal Agent	\$ 1,527,139	\$ 235,383	\$ 419,532	\$ 462,473	\$ 2,644,527
<i>Total Assets</i>	<u>\$ 1,527,139</u>	<u>\$ 235,383</u>	<u>\$ 419,532</u>	<u>\$ 462,473</u>	<u>\$ 2,644,527</u>
<b>Fund Balances</b>					
Restricted:	\$ -	\$ 235,383	\$ 419,532	\$ 462,473	\$ 1,117,388
Assigned	643,549	-	-	-	643,549
Unassigned (Deficit):	883,590	-	-	-	883,590
<i>Total Fund Balances</i>	<u>\$ 1,527,139</u>	<u>\$ 235,383</u>	<u>\$ 419,532</u>	<u>\$ 462,473</u>	<u>\$ 2,644,527</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2013**

	General Fund	Public Health Nursing Fund	Public Health Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>					
Property and Other Local Taxes	\$ 1,284,968	\$ -	\$ -	\$ -	\$ 1,284,968
Intergovernmental	362,974	362,337	165,517	52,289	943,117
Fees, Licenses and Permits	104,235	-	-	245,647	349,882
Contractual Services	-	65,500	85,584	-	151,084
Charges for Services	61,895	27,482	-	-	89,377
Miscellaneous	21,558	40,136	1,518	1,473	64,685
<i>Total Receipts</i>	<u>1,835,630</u>	<u>495,455</u>	<u>252,619</u>	<u>299,409</u>	<u>2,883,113</u>
<b>Disbursements</b>					
Current:					
Environmental Health					
General Environmental Health	299,299	-	-	-	299,299
Food Service	-	-	-	61,735	61,735
Plumbing	116,776	-	-	-	116,776
Water	-	-	-	32,950	32,950
Sewage	-	-	-	73,108	73,108
Pools/Spas	-	-	-	6,885	6,885
Camps/MHP	-	-	-	267	267
Solid Waste	-	-	-	4,708	4,708
Radon	5,165	-	-	-	5,165
Rabies	482	-	-	-	482
Personal Health					
General Nursing & Ohio Children's Trust	-	368,993	-	-	368,993
Health Education and Partnerships	-	303,153	-	-	303,153
Injury Prevention	-	69,687	-	-	69,687
Safe Communities	-	-	-	20,931	20,931
Smoking Cessation	-	2,434	-	-	2,434
Help Me Grow/LEADS/Central Intake	-	320,468	-	-	320,468
Prescription Assistance	-	24,692	-	-	24,692
Child and Family Health Services	-	-	-	36,211	36,211
Reproductive Health & Wellness	-	133,002	-	-	133,002
Clinics/BCMH	-	30,097	-	-	30,097
Public Health Infrastructure	-	9,821	192,010	-	201,831
Vital Statistics	88,039	-	-	-	88,039
Administration	392,105	-	-	-	392,105
General Health District & LGIF	286,626	34,204	-	-	320,830
<i>Total Disbursements</i>	<u>1,188,492</u>	<u>1,296,551</u>	<u>192,010</u>	<u>236,795</u>	<u>2,913,848</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>647,138</u>	<u>(801,096)</u>	<u>60,609</u>	<u>62,614</u>	<u>(30,735)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	860,000	-	-	860,000
Transfers Out	(860,000)	-	-	-	(860,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(860,000)</u>	<u>860,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	<u>(212,862)</u>	<u>58,904</u>	<u>60,609</u>	<u>62,614</u>	<u>(30,735.00)</u>
<i>Fund Balances Beginning of Year</i>	<u>1,740,001</u>	<u>176,479</u>	<u>358,923</u>	<u>399,859</u>	<u>2,675,262</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,527,139</u>	<u>\$ 235,383</u>	<u>\$ 419,532</u>	<u>\$ 462,473</u>	<u>\$ 2,644,527</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
General Fund  
For the Year Ended December 31, 2013**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 1,199,884	\$ 1,199,884	\$ 1,284,968	\$ 85,084
Intergovernmental	317,197	317,197	362,974	45,777
Fees, Licenses and Permits	70,225	70,225	104,235	34,010
Charges for Services	60,521	60,521	61,895	1,374
Miscellaneous	600	600	21,558	20,958
<i>Total Receipts</i>	<u>1,648,427</u>	<u>1,648,427</u>	<u>1,835,630</u>	<u>187,203</u>
<b>Disbursements</b>				
Current:				
Environmental Health				
General Environmental Health	347,497	348,340	301,038	47,302
Plumbing	117,832	124,142	121,976	2,166
Radon	6,450	6,450	5,165	1,285
Rabies	650	650	482	168
Vital Statistics	90,461	91,557	88,129	3,428
Administration	520,061	510,809	410,416	100,393
General Health District	307,461	308,464	311,642	(3,178)
<i>Total Disbursements</i>	<u>1,390,412</u>	<u>1,390,412</u>	<u>1,238,848</u>	<u>151,564</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>258,015</u>	<u>258,015</u>	<u>596,782</u>	<u>(338,767)</u>
<b>Other Financing Uses</b>				
Transfers Out	(950,000)	(950,000)	(860,000)	90,000
<i>Total Other Financing Uses</i>	<u>(950,000)</u>	<u>(950,000)</u>	<u>(860,000)</u>	<u>90,000</u>
<i>Net Change in Fund Balances</i>	(691,985)	(691,985)	(263,218)	(248,767)
<i>Fund Balance Beginning of Year</i>	1,718,049	1,718,049	1,718,049	0
Prior Year Encumbrances Appropriated	21,952	21,952	21,952	-
<i>Fund Balance End of Year</i>	<u>\$ 1,048,016</u>	<u>\$ 1,048,016</u>	<u>\$ 1,476,783</u>	<u>\$ (248,767)</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Public Health Nursing Fund  
For the Year Ended December 31, 2013**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Intergovernmental	\$ 301,655	\$ 301,655	\$ 362,337	\$ 60,682
Contractual Services	72,000	72,000	65,500	(6,500)
Charges for Services	27,234	27,234	27,482	248
Miscellaneous	48,957	48,957	40,136	(8,821)
<i>Total Receipts</i>	<u>449,846</u>	<u>449,846</u>	<u>495,455</u>	<u>45,609</u>
<b>Disbursements</b>				
Current:				
Personal Health				
General Nursing & Ohio Children's Trust	493,021	466,474	371,330	95,144
Health Education and Partnerships	404,452	368,523	308,926	59,597
Injury Prevention	69,981	71,297	69,860	1,437
Smoking Cessation	22,500	22,000	8,072	13,928
Help Me Grow/LEADS/Central Intake	334,663	351,708	321,888	29,820
Prescription Assistance	26,250	27,250	26,734	516
Child and Family Health Services	-	-	-	-
Reproductive Health & Wellness	142,946	223,143	222,045	1,098
Clinics/BCMH	164,615	64,287	40,063	24,224
Public Health Infrastructure	-	12,973	9,821	3,152
General Health District & LGIF	-	50,773	50,773	-
<i>Total Disbursements</i>	<u>1,658,428</u>	<u>1,658,428</u>	<u>1,429,512</u>	<u>228,916</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(1,208,582)</u>	<u>(1,208,582)</u>	<u>(934,057)</u>	<u>274,525</u>
<b>Other Financing Sources</b>				
Transfers In	1,058,488	1,058,488	860,000	(198,488)
Transfers Out	-	-	-	-
Advances In	-	-	-	-
Advances Out	-	-	-	-
<i>Total Other Financing Sources</i>	<u>1,058,488</u>	<u>1,058,488</u>	<u>860,000</u>	<u>(198,488)</u>
<i>Net Change in Fund Balance</i>	(150,094)	(150,094)	(74,057)	76,037
<i>Fund Balance Beginning of Year</i>	77,953	77,953	77,953	-
Prior Year Encumbrances Appropriated	98,526	98,526	98,526	-
<i>Fund Balance End of Year</i>	<u>\$ 26,385</u>	<u>\$ 26,385</u>	<u>\$ 102,422</u>	<u>\$ 76,037</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

***Statement of Receipts, Disbursements and Changes  
In Fund Balance - Budget and Actual - Budget Basis  
Public Health Infrastructure Fund  
For the Year Ended December 31, 2013***

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 169,376	\$ 169,376	\$ 165,517	\$ (3,859)
Contractual Services	36,639	36,639	85,584	48,945
Miscellaneous	-	-	1,519	1,519
<i>Total Receipts</i>	<u>206,015</u>	<u>206,015</u>	<u>252,620</u>	<u>46,605</u>
<b>Disbursements</b>				
Current:				
Public Health Infrastructure	210,582	210,582	207,322	3,260
<i>Total Disbursements</i>	<u>210,582</u>	<u>210,582</u>	<u>207,322</u>	<u>3,260</u>
<i>Net Change in Fund Balance</i>	<u>(4,567)</u>	<u>(4,567)</u>	<u>45,298</u>	<u>49,865</u>
<i>Fund Balance Beginning of Year</i>	351,800	351,800	351,800	-
Prior Year Encumbrances Appropriated	7,122	7,122	7,122	-
<i>Fund Balance End of Year</i>	<u>\$ 354,355</u>	<u>\$ 354,355</u>	<u>\$ 404,220</u>	<u>\$ 49,865</u>

See accompanying notes to the basic financial statements

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

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**Note 1 - Reporting Entity**

The Union County General Health District (the "Health District"), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A seven-member Board of Health (the "Board") governs the Health District. Three members are appointed by the District Advisory Council on behalf of the townships, two members are appointed by the City of Marysville, one member is appointed by the District Advisory Council as a medical representative, and one member is appointed by the Licensing Council that represents vendors who are inspected or certified by the District. The Board appoints a health commissioner and all employees of the Health District.

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

***Primary Government***

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

***Public Entity Risk Pool***

The Health District participates in the Public Entities Pool of Ohio, a public entity risk pool. This organization is presented in Note 10 to the financial statements.

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

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

As discussed further in the "Basis of Accounting" section of this note, 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. Following are the more significant of the Health District's accounting policies.

***Basis of Presentation***

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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

**Government-Wide Financial Statements** The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Health District has no business-type activities.

The statement of net position presents the cash balance of the governmental activities of the Health District at year end. The statement of activities compares disbursements and program receipts for each program or function of the Health 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 Health 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. Receipts which are not classified as program receipts are presented as general receipts of the Health 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 Health District.

**Fund Financial Statements** During the year, the Health District segregates transactions related to certain Health 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 Health 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.

**Fund Accounting**

The Health 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 Health District are presented in a single category (governmental).

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

**General Health Fund** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Health District for any purpose provided it is expended or transferred according to the general laws of Ohio.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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

**Public Health Nursing Special Revenue Fund** This fund receives grants and patient fees to provide for and make disbursements toward health planning, health promotion, health education, and various public health and clinical nursing services.

**Public Health Infrastructure Grant Special Revenue Fund** This fund accounts for and reports federal grants received from the Ohio Department of Health and the City of Columbus restricted for public health infrastructure (preparedness and education) for the Health District.

The other governmental funds of the Health District account for and report grants and other resources, whose use is restricted, committed or assigned to a particular purpose.

**Basis of Accounting**

The Health District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Health 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 Health District are described in the appropriate section in this note.

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.

**Budgetary Process**

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

ORC Section 5705.28(C)(1) requires the Health District to file an estimate of contemplated revenue and expenses with the municipalities and townships within the Health 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 Health District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April the Health 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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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

Health may, by resolution, transfer appropriations from one appropriation item to another, reduce or increase any item, create new items, and make additional appropriations or reduce the total appropriation. Such appropriation modifications shall be certified to the county budget commission for approval.

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

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

***Cash and Investments***

The County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health 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 County, Donna M. Rausch, Union County Treasurer, 233 West Sixth Street, Maysville, Ohio 43040. The phone number is (937) 645-3035.

***Restricted Assets***

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

***Inventory and Prepaid Items***

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

***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.

***Interfund Receivables/Payables***

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

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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

***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 Health District's cash basis of accounting.

***Employer Contributions to Cost-Sharing Pension Plans***

The Health 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.

***Long-Term Obligations***

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

***Net Position***

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The Health 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.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Health 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 are 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 interfund loans.

***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.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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

**Committed** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by 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 Health 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 or a Health District official delegated that authority by resolution, or by State statute.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Health 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.

***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 and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular 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 – Budgetary Basis presented for the General Health Fund, Public Health Nursing Fund, and Public Health Infrastructure 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 cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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**Note 3 - Budgetary Basis of Accounting (Continued)**

The encumbrances outstanding at year end (budgetary basis) amounted to:

<u>Oustanding Encumbrances by Fund (Year-End)</u>	<u>2014</u>	<u>2013</u>
General Health Fund	\$ 23,713	\$ 50,355
Major Special Revenue Funds		
Public Health Nursing Fund	168,523	132,961
Public Health Infrastructure Grant Fund	1,225	15,312

**Note 4 - Accountability and Compliance**

**Compliance**

In 2013, General Health District expenditures exceeded appropriations in the General Fund by \$3,178.

In 2014, Smoking Cessation and General Health District & LGIF expenditures exceeded appropriations in the Public Health Nursing fund for by \$288 and \$2,533 respectively.

**Note 5 - Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the Health District. Property tax revenue received during 2014 and 2013 for real and public utility property taxes represents collections of 2013 and 2012 taxes, respectively.

Real property taxes received in 2013 were levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Real property taxes received in 2014 were levied after October 1, 2013, on the assessed value as of January 1, 2013, the lien date. Assessed values are established by State law at 35 percent of appraised market value. Real property taxes received in 2013 were collected in and intended to finance 2014. Real property taxes received in 2014 were collected in and intended to finance 2015.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 and 2013 public utility property taxes which became a lien December 31, 2013 and 2012, respectively, are levied after October 1, 2014, and 2013, and are collected in 2015 and 2014 with real property taxes.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

**Note 5 - Property Taxes (Continued)**

The full tax rate for all Health District operations for the year ended December 31, 2014 and 2013 was \$1.25 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2014 and 2013 property tax receipts were based are as follows:

	Tax Year 2013	Tax Year 2012
Real Property:		
Agriculture	\$271,596,940	\$187,264,130
Residential	758,017,940	764,628,070
Commercial/Industrial/Mineral	204,138,190	246,147,000
Public Utility Property:		
Real	965,770	1,381,730
Personal	80,419,180	57,831,470
Total Assessed Value	1,315,138,020	1,257,252,400

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the County. The County Auditor periodically remits to the Health District its portion of the taxes collected.

**Note 6 - Risk Management**

The Health District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2014 and 2013, the Health District contracted with the Public Entities Pool of Ohio for various types of insurance as follows:

Type of Coverage	Coverage	Deductible
Public Entities Pool of Ohio		
Blanket Property and Contents, Replacement	\$175,000	\$500
General Liability	5,000,000	1,000
Automobile Liability	5,000,000	0
Wrongful Acts	5,000,000	1,000
Employment Practice Liability	2,000,000	0
Computer - Hardware and Software	315,000	500
Public Employee Dishonesty	5,000	0
Money and Securities	10,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year.

The Health District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The rate is calculated based on accident history and administrative costs.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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**Note 6 – Risk Management (Continued)**

The Health District manages employee health benefits on a fully-insured basis. The employee health benefit plan provided basic health coverage through Anthem Blue Cross & Blue Shield of Ohio in 2013, and Medical Mutual of Ohio in 2014, which reviews and pays the medical claims. The Health District provided dental insurance through Ohio Public Entity Consortium in 2013, which is a third-party administrator that administers a contract with Delta Dental, and in 2014 it provided dental insurance through Delta Dental directly, which reviews and pays the dental claims. The monthly medical premiums in 2014 were \$1,238.22, \$906.64, \$787.46, \$621.67, and \$455.88 for family, employee plus spouse, employee plus two children, employee plus child, and single coverage, respectively. The monthly medical premiums in 2013 were \$1,387.23, \$987.73, \$758.55, and \$449.38 for family, employee plus spouse, employee plus child, and single coverage, respectively. The monthly premiums for dental in 2014 were \$104.78, \$57.51, and \$30.49 for family, employee plus one, and single coverage, respectively. The monthly premiums for dental in 2013 were \$106.76, \$55.50, and \$29.34 for family, employee plus one, and single coverage, respectively. Both Anthem Blue Cross & Blue Shield and Medical Mutual of Ohio charged the Health District a medical administration fee of \$25.00 per month to administer the respective medical plans.

**Note 7 - Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Health District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension 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 Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS 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 by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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 members in the State and local classifications. For the years ended December 31, 2014 and 2013, members in state and local classifications contributed 10 percent of covered payroll. Members in the state and local classifications may participate in all three plans. For 2014 and 2013, member and employer contribution rates were consistent across all three plans.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014 and 2013, state and local employers contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code 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 of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 2 percent during calendar year 2014. The portion of employer contributions allocated to health care for members in the Combined Plan was 2 percent during the calendar year 2014.

The Health District's required contributions for pension obligations to the Traditional Pension, Combined, and Member-Directed Plans for the years ended December 31, 2014, 2013, and 2012 were, \$232,524, and \$217,360, and \$208,501, respectively; 100 percent has been contributed for 2014 and 100 percent for 2013 and 2012.

**Note 8 - Interfund Transfers**

During 2014 the following transfers were made:

	<b>Transfers From</b>
<b>Transfers To</b>	General
<b>Other Governmental Funds</b>	
Drug Free Communities Fund	\$50,000
Public Health Nursing Fund	705,000
Total	\$755,000

During 2013 the following transfers were made:

	<b>Transfers From</b>
<b>Transfers To</b>	General
<b>Other Governmental Funds</b>	
Public Health Nursing Fund	\$860,000
Total	\$860,000

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance current operations accounted for in other funds in accordance with budgetary authorizations.

The General Health Fund transfers to the Public Health Nursing Fund and the Drug Free Communities Fund were made to provide additional resources for current operations.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

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**Note 9 – Contingent Liabilities**

Amounts grantor agencies pay to the Health 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.

**Note 10 – Public Entity Risk Pool**

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), 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. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2014, PEP retained \$350,000 for casualty claims and \$100,000 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, 2013 and 2014:

	<u>2013</u>	<u>2014</u>
Assets	\$34,411,883	\$35,402,177
Liabilities	<u>(12,760,194)</u>	<u>(12,363,257)</u>
Net Position	<u>\$21,651,689</u>	<u>\$23,038,920</u>

At December 31, 2013 and 2014, respectively, the liabilities above include approximately \$11.6 million and \$11.1 million of estimated incurred claims payable. The assets above also include approximately \$11.1 million and \$10.8 million of unpaid claims to be billed. The Pool's membership increased from 475 members in 2013 to 488 members in 2014. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2014, the District's share of these unpaid claims collectible in future years is approximately \$12,000.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

**Note 10 – Public Entity Risk Pool (Continued)**

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.

<b>Contributions to PEP</b>	
<b>2013</b>	<b>2014</b>
\$18,016	\$18,387

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 all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**Note 11 – Fund Balances**

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

2014 Fund Balances	General Fund	Public Health Nursing	Public Health Infrastructure	Other Governmental Funds	Total
<b>Restricted for</b>					
Public Health Nursing		183,318			183,318
Public Health Infrastructure			445,338		445,338
Other				522,714	522,714
<i>Total Restricted</i>	0	183,318	445,338	522,714	1,151,370
<b>Assigned to</b>					
Outstanding Encumbrances	752,881				752,881
<i>Total Assigned</i>	752,881	0	0	0	752,881
Unassigned (deficits):	736,025				736,025
<i>Total Fund Balances</i>	<u>\$1,488,906</u>	<u>\$183,318</u>	<u>\$445,338</u>	<u>\$522,714</u>	<u>\$2,640,276</u>

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013  
(Continued)**

**Note 11 – Fund Balances (Continued)**

2013 Fund Balances	General Fund	Public Health Nursing	Public Health Infrastructure	Other Governmental Funds	Total
<b>Restricted for</b>					
Public Health Nursing		235,383			235,383
Public Health Infrastructure			419,532		419,532
Other				462,473	462,473
<i>Total Restricted</i>	0	235,383	419,532	462,473	1,117,388
<b>Assigned to</b>					
Outstanding Encumbrances	758,707				758,707
<i>Total Assigned</i>	758,707	0	0	0	758,707
Unassigned (deficits):	768,432				768,432
<i>Total Fund Balances</i>	<u>\$1,527,139</u>	<u>\$235,383</u>	<u>\$419,532</u>	<u>\$462,473</u>	<u>\$2,644,527</u>

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# Dave Yost • Auditor of State

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

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

To the Members of the Board:

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 Union County General Health District, Union County, (the District) as of and for the years ended December 31, 2014 and 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 January 8, 2016, 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 opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Entity'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 a 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2014-001 to be a material weakness.

**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*.

**Entity's Response to Findings**

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

**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.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

January 8, 2016

**UNION COUNTY HEALTH DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014 AND 2013**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
----------------------------------------------------------------------------------------------------------

**FINDING NUMBER 2014-001**

**Material Weakness**

Sound financial reporting is the responsibility of the Fiscal Officer and the Board of Trustees and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The following reclassifications and adjustments were made to the December 31, 2014 and 2013 financial statements:

1. In 2013 and 2014, the District's subsequent year appropriations exceeded the subsequent year estimated receipts for the General fund, respectively. As a result a reclassification was needed on the Balance Sheet to report \$593,194 and \$705,455 as an assigned fund balance at December 31, 2013 and 2014, respectively.
2. In 2013, the District failed to record \$15,312 of outstanding encumbrances as actual disbursements on the 2013 Statement of Receipts, Disbursements, and Changes in Fund Balances - Budget and Actual for the Public Health Infrastructure Fund.
3. In 2013, an adjustment in the amounts of \$27,691 to properly report Prior Year Outstanding Encumbrances on the 2013 Statement of Receipts, Disbursements, and Changes in Fund Balances- Budget and Actual for the Public Health Nursing.
4. In 2014, the District did not properly record budgeted receipts. Adjustments in the amounts of \$4,180 and \$21,281 were made to increase Contractual Services and Intergovernmental receipts, respectively.

The following reclassification and adjustments were immaterial to the overall financial statements and were not posted to the Health District's records:

1. In 2013, the District posted \$5,000, \$40,136 and \$1,518 in intergovernmental receipts as miscellaneous revenue in the General Fund, Public Health Nursing Fund, and Public Health Infrastructure Fund, respectively. Additionally in 2014, the District posted \$5,000, \$70,369 and \$13,702 in intergovernmental receipts as miscellaneous revenue in the General Fund, Public Health Nursing Fund, and Public Health Infrastructure Fund, respectively. A reclassification to intergovernmental receipts was made for 2013 and 2014.
2. In 2014, the District posted an \$8,000 contract receipt as miscellaneous revenue in the General Fund. A reclassification to charges for services was made.
3. In 2013, an adjustment in the amounts of \$3,340 to properly report Prior Year Outstanding Encumbrances on the 2013 Statement of Receipts, Disbursements, and Changes in Fund Balances- Budget and Actual for the Public Health Infrastructure Funds.
4. In 2013, the District failed to record \$12,877 of outstanding encumbrances as actual disbursements on the 2013 Statement of Receipts, Disbursements, and Changes in Fund Balances - Budget and Actual for the General Fund.
5. In 2014, an adjustment in the amount of \$1,225 in the Public Health Infrastructure Fund to report outstanding encumbrances as actual disbursements on the 2014 Statement of Receipts, Disbursements, and Changes in Fund Balances - Budget and Actual.
6. In 2014, \$45,932 was reclassified from Administrative to General Health District & LGIF expenses on the Statement of Activities.

**UNION COUNTY HEALTH DISTRICT  
UNION COUNTY**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2014 AND 2013  
(Continued)**

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**FINDING NUMBER 2014-001 (Continued)**

Some of the reclassifications and adjustments noted above were due to classification of fund balances. The District implemented Governmental Accounting Standards Board Statement (GASB) 54 in 2011. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The District should review GASB 54 for proper classification of fund balances.

Improperly classified fund balances and receipts leads to inaccurate financial reports being disseminated to the governing board and management as well as financial statement readers.

The reclassifications identified during the audit should be reviewed by the District's Fiscal Officer and Board of Trustees to ensure that similar errors are not reported on the financial statements in subsequent years. In addition, the Board of Trustees should review the financial statements and note disclosures to identify and correct errors and omissions.

**Officials' Response**

Since engaging in the 2013-14 Audit with the Auditor of State's Office, the Union County General Health District has taken several steps to improve its reporting and management of the districts funds including:

1. Entered into an agreement with the accounting and auditing firm of Julian & Grube, LLC, the same firm used by the Union County Auditor's Office. Under the agreement, the firm will prepare cash-basis financial statements in a format that substantially conforms to the reporting format directed by GASB No. 34 and provide such assistance as necessary to assure our reporting meets all applicable standards. This agreement will begin with the preparation of the 2015 financial statement.
2. Completed a transition to the County Auditor's Office's financial accounting software; beginning with 2016, 100% of the districts accounts will be managed within the Auditor's Office's system.
3. Hired a new Fiscal Officer.

Lastly, the General Health District will continue to work with the County Auditor, Budget Commission, and other pertinent parties to improve communication and fiscal management among, and reporting by, the agencies and parties.

**UNION COUNTY GENERAL HEALTH DISTRICT  
UNION COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2014 AND 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2012-001	Financial Reporting comment due to various adjustments/reclassifications	No	Not Corrected- comment is being repeated as Finding 2014-001

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# Dave Yost • Auditor of State

UNION COUNTY GENERAL HEALTH DISTRICT

UNION COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
MARCH 1, 2016