



Mary Taylor, CPA
Auditor of State

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Columbiana General Health District
Columbiana County
7360 State Route 45
Lisbon, Ohio 44432

To the Board of Health:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County, Ohio (the Government), as of and for the years ended December 31, 2004 and 2005, which collectively comprise the Government's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Government's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County, Ohio, as of December 31, 2004 and 2005, and the respective changes in cash financial position and the respective budgetary comparison for the General, Public Health Infrastructure, Early Start and Cancer Levy Funds thereof for the years then ended in conformity with the basis of accounting Note 2 describes.

For the years ended December 31, 2004 and 2005, the Government revised its financial presentation comparable to the requirements of Governmental Accounting Standard No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2008, on our consideration of the Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

February 7, 2008

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED**

The management's discussion and analysis of the Columbiana General Health District's (the "Health District") financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2005 and December 31, 2004, within the limitations of the Health District's cash basis of 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 cash-basis basic financial statements and the notes to the financial statements to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for 2005 and 2004 are as follows:

- For fiscal year 2005, the total net cash assets of the Health District increased \$14,880, which represents a 3.44% increase. For fiscal year 2004, the total net cash assets of the Health District increased \$23,757, which represents a 5.80% increase over fiscal year 2003.
- For fiscal year 2005, general cash receipts accounted for \$552,841 or 32.03% of total governmental activities cash receipts. Program specific cash receipts accounted for \$1,173,049 or 67.97% of total governmental activities cash receipts. For fiscal year 2004, general cash receipts accounted for \$676,107 or 38.21% of total governmental activities cash receipts. Program specific cash receipts accounted for \$1,093,290 or 61.79% of total governmental activities cash receipts.
- For fiscal year 2005, the Health District had \$1,711,010 in cash disbursements related to governmental activities; \$1,173,049 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily taxes) of \$552,841 were adequate to provide for these programs. For fiscal year 2004, the Health District had \$1,745,640 in cash disbursements related to governmental activities; \$1,093,290 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily taxes) of \$676,107 were adequate to provide for these programs.
- The Health District's major funds are the general fund, the public health infrastructure fund, the early start fund and the cancer levy fund. The general fund, the Health District's largest major fund, had cash receipts of \$729,623 and \$709,052 in 2005 and 2004, respectively. The cash disbursements of the general fund, totaled \$711,181 and \$616,585 in 2005 and 2004, respectively. The general fund's cash balance increased \$18,442 from 2004 to 2005 and increased \$92,467 from 2003 to 2004.
- The public health infrastructure fund, a Health District major fund, had cash receipts of \$223,300 and \$217,800 in 2005 and 2004, respectively. The public health infrastructure fund had cash disbursements of \$247,321 and \$176,544 in 2005 and 2004, respectively. The public health infrastructure fund cash balance decreased \$24,021 from 2004 to 2005 and increased \$41,256 from 2003 to 2004.
- The early start fund, a Health District major fund, had cash receipts of \$256,573 and \$195,748 in 2005 and 2004, respectively. The early start fund had cash disbursements of \$234,766 and \$211,575 in 2005 and 2004, respectively. The early start fund cash balance increased \$21,807 from 2004 to 2005 and decreased \$15,827 from 2003 to 2004.
- The cancer levy fund, a Health District major fund, had cash receipts of \$201,842 and \$200,455 in 2005 and 2004, respectively. The cancer levy fund had cash disbursements of \$207,232 and \$210,322 in 2005 and 2004, respectively. The cancer levy fund cash balance decreased \$5,390 from 2004 to 2005 and decreased \$9,867 from 2003 to 2004.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED

Using this Cash Basis Basic Financial Statements (BFS)

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

The Statement of Net Assets – Cash Basis and Statement of Activities – Cash Basis provide information about the activities of the whole Health District, presenting an aggregate view of the Health District's cash basis finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Health District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Health District, there are four major governmental funds. The general fund is the largest major fund.

Reporting the Health District as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis answer the question, "How did we do financially during 2005 and 2004?" These statements include *only net assets* using the *cash basis of accounting*, which is a basis of accounting other than accounting principals generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid.

These two statements report the Health District's net assets and changes in those assets on a cash basis. This change in net cash assets is important because it tells the reader that, for the Health District as a whole, the cash basis financial position of the Health District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the Health District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, mandated federal and state programs and other factors.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not collected) and 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. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis, Governmental Activities - include the Health District's programs and services, including public health infrastructure, early start, cancer levy and general government.

The Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis can be found on pages 13-16 of this report.

Reporting the Health District's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Health District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Health District are classified as governmental funds.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
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Fund financial reports provide detailed information about the Health District's major funds. The Health District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Health District's most significant funds. The Health District's major governmental funds are the General Fund, the Public Health Infrastructure Fund, the Early Start Fund, and the Cancer Levy Fund. The analysis of the Health District's major governmental funds begins on page 17.

Governmental Funds

All of the Health District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principals generally accepted in the United States of America. The governmental fund statements provide a detailed view of the Health District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various Health District programs. Since the Health District is reporting on the cash basis of accounting, there are no differences in the Net Assets and fund cash balances or changes in Net Assets and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements. The governmental fund statements can be found on pages 17-20 of this report.

The Health District's budgetary process accounts for certain transactions on a cash basis. The budgetary statements for the General Fund, the Public Health Infrastructure Fund, the Early Start Fund, and the Cancer Levy Fund are presented to demonstrate the Health District's compliance with annually adopted budgets. The budgetary statements can be found on pages 21-28 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-34 of this report.

Government-Wide Financial Analysis

Recall that the Statement of Net Assets – Cash Basis provides the perspective of the Health District as a whole.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED**

The table below provides a summary of the Health District's net cash assets for 2005 and 2004.

	Net Cash Assets	
	Governmental Activities	Governmental Activities
	<u>2005</u>	<u>2004</u>
<u>Assets</u>		
Equity in pooled cash and cash equivalents	\$ 447,888	\$ 433,008
Total assets	<u>447,888</u>	<u>433,008</u>
<u>Net Assets</u>		
Restricted	174,512	180,201
Unrestricted	<u>273,376</u>	<u>252,807</u>
Total net assets	<u>\$ 447,888</u>	<u>\$ 433,008</u>

For fiscal year 2005, the total net cash assets of the Health District increased \$14,880, which represents a 3.44% increase. For fiscal year 2004, the total net cash assets of the Health District increased \$23,757, which represents a 5.80% increase.

The balance of government-wide unrestricted net cash assets of \$273,376 and \$252,807 at December 31, 2005 and December 31, 2004, respectively may be used to meet the government's ongoing obligations to citizens and creditors.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED**

The table below shows the changes in net cash assets for fiscal year 2005 and 2004.

	Change in Net Cash Assets	
	Governmental Activities <u>2005</u>	Governmental Activities <u>2004</u>
Cash Receipts:		
Program cash receipts:		
Charges for services and sales	\$ 606,922	\$ 579,507
Operating grants and contributions	<u>566,127</u>	<u>513,783</u>
Total program cash receipts	<u>1,173,049</u>	<u>1,093,290</u>
General cash receipts:		
Property and other taxes	418,903	414,479
Unrestricted grants	86,938	120,243
Other	<u>47,000</u>	<u>141,385</u>
Total general cash receipts	<u>552,841</u>	<u>676,107</u>
Total cash receipts	<u>1,725,890</u>	<u>1,769,397</u>
Cash Disbursements:		
Salaries	766,547	771,322
Supplies	101,878	85,829
Remittance to State	81,840	77,096
Equipment	81,725	18,301
Contracts - Services	201,122	236,840
Membership/Subscriptions	1,427	2,913
Travel	65,281	59,377
Advertising and printing	317	-
Public Employee's Retirement	101,326	101,680
Hospitalization	243,501	255,884
Medicare	10,102	10,161
Unemployment Compensation	-	723
Worker's Compensation	11,821	7,385
Other	<u>44,123</u>	<u>118,129</u>
Total cash disbursements	<u>1,711,010</u>	<u>1,745,640</u>
Change in net cash assets	14,880	23,757
Net cash assets at beginning of year	<u>433,008</u>	<u>409,251</u>
Net cash assets at end of year	<u>\$ 447,888</u>	<u>\$ 433,008</u>

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED**

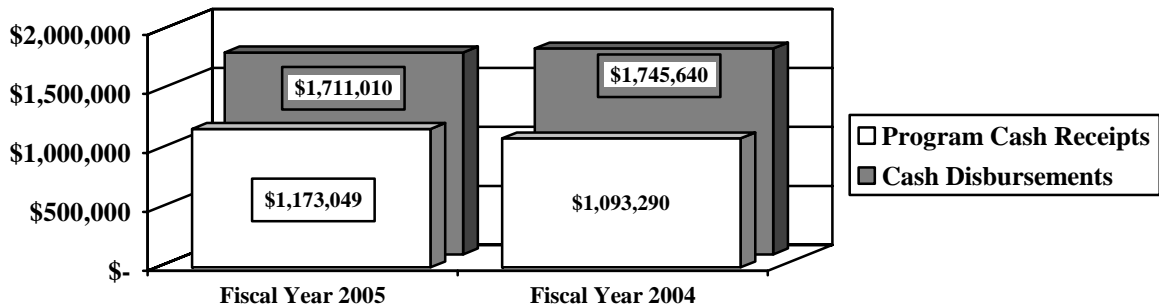
Governmental Activities

Governmental cash assets increased by \$14,880 in 2005 from 2004 and increased by \$23,757 in 2004 from 2003.

Salaries represent the largest expenditure of the Health District. In 2005, salary cash disbursements totaled \$766,547, or 44.80% of total governmental cash disbursements. Salary expenditures were supported by \$529,906 in direct charges to users for services. In 2004, salary cash disbursements totaled \$771,322 or 44.19% of total governmental cash disbursements. Salary expenditures were supported by \$500,202 in direct charges to users for services.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2005 and 2004. That is, it identifies the cost of these services supported by tax receipts and unrestricted state grants and entitlements.

Governmental Activities – Program Cash Receipts vs. Total Cash Disbursements



**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

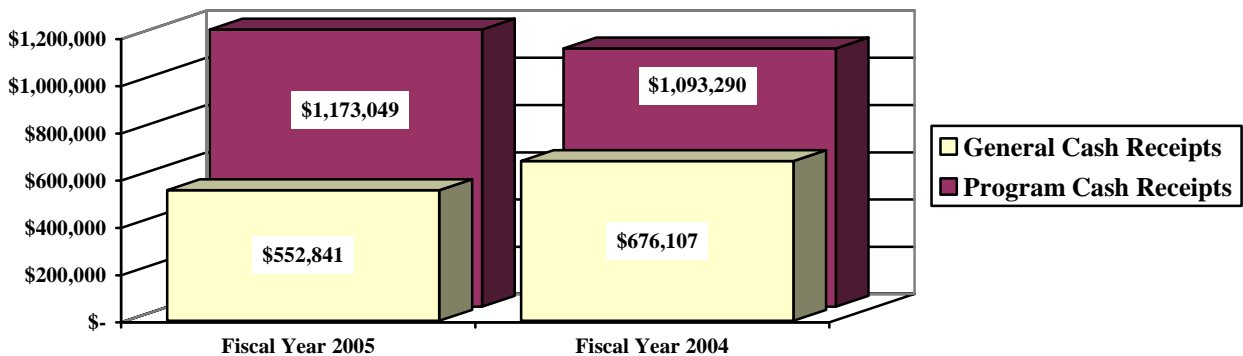
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED**

Governmental Activities

	Total Cost of Services 2005	Net Cost of Services 2005	Total Cost of Services 2004	Net Cost of Services 2004
Cash disbursements:				
Current:				
Salaries	\$ 766,547	\$ 236,641	\$ 771,322	\$ 271,120
Supplies	101,878	34,771	85,829	28,802
Remittance to State	81,840	27,122	77,096	20,192
Equipment	81,725	8,386	18,301	1,570
Contracts - Services	201,122	73,901	236,840	128,068
Membership/Subscriptions	1,427	644	2,913	1,221
Travel	65,281	13,979	59,377	14,110
Advertising and printing	317	190	-	-
Public Employee's Retirement	101,326	31,933	101,680	35,855
Hospitalization	243,501	97,976	255,884	91,960
Medicare	10,102	2,692	10,161	3,202
Unemployment Compensation	-	-	723	283
Worker's Compensation	11,821	3,918	7,385	2,692
Other	44,123	5,808	118,129	53,275
Total	\$ 1,711,010	\$ 537,961	\$ 1,745,640	\$ 652,350

The dependence upon general cash receipts for governmental activities is apparent; with 31.44% and 37.37% of cash disbursements supported through taxes and other general cash receipts during 2005 and 2004, respectively.

Governmental Activities - General and Program Cash Receipts



Financial Analysis of the Government's Funds

As noted earlier, the Health District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED

Governmental Funds

The Health District's governmental funds are accounted for using the cash basis of accounting.

The Health District's governmental funds reported a combined fund cash balance of \$447,888, which is \$14,880 above last year's total of \$433,008. The schedule below indicates the fund cash balance and the total change in fund cash balance as of December 31, 2005 and December 31, 2004, for all major and nonmajor governmental funds.

	<u>Fund Cash Balance</u> <u>December 31, 2005</u>	<u>Fund Cash Balance</u> <u>December 31, 2004</u>	<u>Increase</u> <u>(Decrease)</u>
Major Funds:			
General	\$ 198,400	\$ 179,958	\$ 18,442
Public Health Infrastructure	53,523	77,544	(24,021)
Early Start	50,652	28,845	21,807
Cancer Levy	45,624	51,014	(5,390)
Other Nonmajor Governmental Funds	<u>99,689</u>	<u>95,647</u>	<u>4,042</u>
Total	<u>\$ 447,888</u>	<u>\$ 433,008</u>	<u>\$ 14,880</u>

General Fund

The general fund, the Health District's largest major fund, had cash receipts of \$729,623 and \$709,052 in 2005 and 2004, respectively. The cash disbursements of the general fund totaled \$711,181 and \$616,585 in 2005 and 2004, respectively. The general fund's cash balance increased \$18,442 from 2004 to 2005 and increased \$92,467 from 2003 to 2004.

The table that follows assists in illustrating the cash receipts of the general fund.

	<u>2005</u> <u>Amount</u>	<u>2004</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Cash Receipts:</u>			
Taxes	\$ 232,000	\$ 225,000	3.11 %
Intergovernmental	86,938	69,914	24.35 %
Fees	390,080	375,721	3.82 %
Other	<u>20,605</u>	<u>38,417</u>	(46.36) %
Total	<u>\$ 729,623</u>	<u>\$ 709,052</u>	2.90 %

Intergovernmental cash receipts increased due to higher amounts of grants received in 2005. All other revenue remained comparable to 2004.

The table that follows assists in illustrating the expenditures of the general fund.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED

	<u>2005</u> <u>Amount</u>	<u>2004</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Cash Disbursements</u>			
Salaries	\$ 306,108	\$ 269,157	13.73 %
Supplies	49,235	40,255	22.31 %
Remittances to State	51,510	49,863	3.30 %
Equipment	-	1,020	(100.00) %
Contracts - Services	74,305	48,133	54.37 %
Memberships/Subscriptions	1,427	2,763	(48.35) %
Travel	32,986	27,656	19.27 %
Public Employee's Retirement	39,188	35,603	10.07 %
Hospitalization	135,210	106,390	27.09 %
Medicare	4,076	3,534	15.34 %
Unemployment Compensation	-	723	(100.00) %
Worker's Compensation	5,402	3,098	74.37 %
Other	11,734	28,390	(58.67) %
Total	<u>\$ 711,181</u>	<u>\$ 616,585</u>	15.34 %

Salaries, Public Employee's Retirement, Hospitalization, Medicare, and Worker's Compensation expenditure changes are a direct result of personnel changes within the Health District. Equipment and Unemployment Compensation decreased in 2005 as a result of the Health District not purchasing any new equipment and not having to pay any unemployment. Overall, cash disbursements increased \$94,596 from 2004.

Public Health Infrastructure Fund

The public health infrastructure fund, a Health District major fund, had cash receipts of \$223,300 and \$217,800 in 2005 and 2004, respectively. The public health infrastructure fund had cash disbursements of \$247,321 and \$176,544 in 2005 and 2004, respectively. The public health infrastructure fund cash balance decreased \$24,021 from 2004 to 2005 and increased \$41,256 from 2003 to 2004.

Early Start Fund

The early start fund, a Health District major fund, had cash receipts of \$256,573 and \$195,748 in 2005 and 2004, respectively. The early start fund had cash disbursements of \$234,766 and \$211,575 in 2005 and 2004, respectively. The early start fund cash balance increased \$21,807 from 2004 to 2005 and decreased \$15,827 from 2003 to 2004.

Cancer Levy Fund

The cancer levy fund, a Health District major fund, had cash receipts of \$201,842 and \$200,455 in 2005 and 2004, respectively. The cancer levy fund had cash disbursements of \$207,232 and \$210,322 in 2005 and 2004, respectively. The cancer levy fund cash balance decreased \$5,390 from 2004 to 2005 and decreased \$9,867 from 2003 to 2004.

Budgeting Highlights - General Fund

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

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004
UNAUDITED**

For fiscal year 2005, the general fund, final budget basis receipts were equal to original budget estimates of \$650,000. Actual cash receipts of \$129,958 were more than final budget estimates by \$79,623. The final budgetary basis disbursements of \$779,958 were more than original budget estimates. The actual budgetary basis disbursements of \$711,181 were \$68,777 less than the final budget estimates. For fiscal year 2004, the general fund, final budget basis receipts were greater than original budget estimates of \$510,000 by \$81,767. Actual cash receipts of \$709,052 were more than final budget estimates by \$117,285. The final budgetary basis disbursements of \$669,258 were \$169,258 more than original budget estimates of \$500,000. The actual budgetary basis disbursements of \$616,585 were \$52,673 less than final budget estimates.

Capital Assets and Debt Administration

Capital Assets

The Health District does not record capital assets in the accompanying cash basis basic financial statements, but records payments for capital assets as disbursements. The Health District had equipment cash disbursements of \$81,725 and \$18,301 during fiscal year 2005 and 2004, respectively.

Debt Administration

The Health District did not have any long-term obligations at December 31, 2005 and December 31, 2004.

Contacting the Health District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Health District's finances and to show the Health District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ms. Cecile Donahey, Fiscal Officer, Columbiana General Health District, P.O. Box 309, Lisbon, OH 44432.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2005

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 447,888
Total assets.	447,888
Net assets:	
Restricted for:	
Other purposes:	
Public health infrastructure.	53,523
Early start	50,652
Cancer levy	45,624
Home health	10,259
Food service.	14,454
Unrestricted	273,376
Total net assets	\$ 447,888

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF NET ASSETS - CASH BASIS
DECEMBER 31, 2004

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 433,008
Total assets.	433,008
Net assets:	
Restricted for:	
Other purposes:	
Public health infrastructure.	77,544
Early start	28,845
Cancer levy	51,014
Home health	14,470
Food service.	8,328
Unrestricted	252,807
Total net assets	\$ 433,008

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005

	Program Cash Receipts			Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets
	Cash Disbursements	Charges for Services	Operating and Contributions	Governmental Activities
Governmental activities:				
Salaries	\$ 766,547	\$ 304,520	\$ 225,386	\$ (236,641)
Supplies	101,878	29,098	38,009	(34,771)
Remittance to State	81,840	54,718	-	(27,122)
Equipment	81,725	-	73,339	(8,386)
Contracts - Services	201,122	41,333	85,888	(73,901)
Membership/Subscriptions	1,427	783	-	(644)
Travel	65,281	27,398	23,904	(13,979)
Advertising and printing	317	-	127	(190)
Public Employee's Retirement	101,326	38,942	30,451	(31,933)
Hospitalization	243,501	94,174	51,351	(97,976)
Medicare	10,102	4,208	3,202	(2,692)
Worker's Compensation	11,821	4,735	3,168	(3,918)
Other	44,123	7,013	31,302	(5,808)
Totals	\$ 1,711,010	\$ 606,922	\$ 566,127	(537,961)

General Cash Receipts:

Property and other taxes levied for:

General purposes	418,903
Grants and entitlements not restricted to specific programs	86,938
Miscellaneous	47,000
Total general cash receipts	552,841
Change in net cash assets	14,880
Net cash assets at beginning of year	433,008
Net cash assets at end of year	\$ 447,888

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Program Cash Receipts</u>			<u>Net (Cash Disbursements) Cash Receipts and Changes in Net Cash Assets</u>
	<u>Cash Disbursements</u>	<u>Charges for Services</u>	<u>Operating and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:				
Salaries	\$ 771,322	\$ 279,681	\$ 220,521	\$ (271,120)
Supplies	85,829	25,133	31,894	(28,802)
Remittance to State	77,096	56,904	-	(20,192)
Equipment	18,301	621	16,110	(1,570)
Contracts - Services	236,840	29,341	79,431	(128,068)
Membership/Subscriptions	2,913	1,684	8	(1,221)
Travel	59,377	24,824	20,443	(14,110)
Public Employee's Retirement	101,680	36,819	29,006	(35,855)
Hospitalization	255,884	94,413	69,511	(91,960)
Medicare	10,161	3,823	3,136	(3,202)
Unemployment Compensation	723	440	-	(283)
Worker's Compensation	7,385	2,669	2,024	(2,692)
Other	118,129	23,155	41,699	(53,275)
Totals	<u>\$ 1,745,640</u>	<u>\$ 579,507</u>	<u>\$ 513,783</u>	<u>(652,350)</u>

General Cash Receipts:

Property and other taxes levied for:

General purposes	414,479
Grants and entitlements not restricted to specific programs. . .	120,243
Miscellaneous	<u>141,385</u>
Total general cash receipts.	<u>676,107</u>
Change in net cash assets	23,757
Net cash assets at beginning of year.	<u>409,251</u>
Net cash assets at end of year	<u>\$ 433,008</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF ASSETS AND CASH FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2005

	<u>General</u>	<u>Public Health Infrastructure</u>	<u>Early Start</u>	<u>Cancer Levy</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash assets:						
Equity in pooled cash and cash equivalents . . .	\$ 198,400	\$ 53,523	\$ 50,652	\$ 45,624	\$ 99,689	\$ 447,888
Total assets	<u>\$ 198,400</u>	<u>\$ 53,523</u>	<u>\$ 50,652</u>	<u>\$ 45,624</u>	<u>\$ 99,689</u>	<u>\$ 447,888</u>
Fund cash balances:						
Unreserved, undesignated, reported in:						
General fund.	\$ 198,400	\$ -	\$ -	\$ -	\$ -	\$ 198,400
Special revenue funds	-	53,523	50,652	45,624	99,689	249,488
Total fund cash balances	<u>\$ 198,400</u>	<u>\$ 53,523</u>	<u>\$ 50,652</u>	<u>\$ 45,624</u>	<u>\$ 99,689</u>	<u>\$ 447,888</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF ASSETS AND CASH FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2004

	<u>General</u>	<u>Public Health Infrastructure</u>	<u>Early Start</u>	<u>Cancer Levy</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash assets:						
Equity in pooled cash and cash equivalents . . .	\$ 179,958	\$ 77,544	\$ 28,845	\$ 51,014	\$ 95,647	\$ 433,008
Total assets	<u>\$ 179,958</u>	<u>\$ 77,544</u>	<u>\$ 28,845</u>	<u>\$ 51,014</u>	<u>\$ 95,647</u>	<u>\$ 433,008</u>
Fund cash balances:						
Unreserved, undesignated, reported in:						
General fund.	\$ 179,958	\$ -	\$ -	\$ -	\$ -	\$ 179,958
Special revenue funds	-	77,544	28,845	51,014	95,647	253,050
Total fund cash balances	<u>\$ 179,958</u>	<u>\$ 77,544</u>	<u>\$ 28,845</u>	<u>\$ 51,014</u>	<u>\$ 95,647</u>	<u>\$ 433,008</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>General</u>	<u>Public Health Infrastructure</u>	<u>Early Start</u>	<u>Cancer Levy</u>	<u>Other Governmenta Funds</u>	<u>Total Governmental Funds</u>
Cash receipts:						
Taxes	\$ 232,000	\$ -	\$ -	\$ 186,903	\$ -	\$ 418,903
Intergovernmental	86,938	221,946	255,340	11,015	98,580	673,819
Fees	390,080	-	-	-	3,380	393,460
Licenses and permits.	-	-	-	460	192,248	192,708
Other.	20,605	1,354	1,233	3,464	20,344	47,000
Total cash receipts	<u>729,623</u>	<u>223,300</u>	<u>256,573</u>	<u>201,842</u>	<u>314,552</u>	<u>1,725,890</u>
Cash disbursements:						
Salaries	306,108	42,702	137,938	112,433	167,366	766,547
Supplies	49,235	14,225	5,989	4,717	27,712	101,878
Remittances to State	51,510	-	-	-	30,330	81,840
Equipment	-	81,725	-	-	-	81,725
Contracts - Services	74,305	70,680	1,330	28,666	26,141	201,122
Memberships/Subscriptions.	1,427	-	-	-	-	1,427
Travel	32,986	4,270	15,812	-	12,213	65,281
Advertising and printing	-	-	107	210	-	317
Public Employee's Retirement	39,188	6,188	18,395	16,165	21,390	101,326
Hospitalization	135,210	9,615	37,207	42,410	19,059	243,501
Medicare	4,076	612	1,976	1,019	2,419	10,102
Worker's Compensation.	5,402	531	1,750	1,612	2,526	11,821
Other	11,734	16,773	14,262	-	1,354	44,123
Total cash disbursements	<u>711,181</u>	<u>247,321</u>	<u>234,766</u>	<u>207,232</u>	<u>310,510</u>	<u>1,711,010</u>
Net change in fund cash balances	18,442	(24,021)	21,807	(5,390)	4,042	14,880
Fund cash balances						
at beginning of year	179,958	77,544	28,845	51,014	95,647	433,008
Fund cash balances at end of year	<u>\$ 198,400</u>	<u>\$ 53,523</u>	<u>\$ 50,652</u>	<u>\$ 45,624</u>	<u>\$ 99,689</u>	<u>\$ 447,888</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>General</u>	<u>Public Health Infrastructure</u>	<u>Early Start</u>	<u>Cancer Levy</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash receipts:						
Taxes	\$ 225,000	\$ -	\$ -	\$ 189,479	\$ -	\$ 414,479
Intergovernmental	69,914	214,913	194,286	10,518	144,395	634,026
Fees.	375,721	-	-	-	17,706	393,427
Licenses and permits.	-	-	-	140	185,940	186,080
Other.	38,417	2,887	1,462	318	98,301	141,385
Total cash receipts	<u>709,052</u>	<u>217,800</u>	<u>195,748</u>	<u>200,455</u>	<u>446,342</u>	<u>1,769,397</u>
Cash disbursements:						
Salaries	269,157	37,931	129,696	119,485	215,053	771,322
Supplies	40,255	11,903	7,363	7,965	18,343	85,829
Remittances to State	49,863	-	-	-	27,233	77,096
Equipment	1,020	17,281	-	-	-	18,301
Contracts - Services	48,133	68,880	-	15,111	104,716	236,840
Memberships/Subscriptions.	2,763	-	-	150	-	2,913
Travel	27,656	2,872	13,519	400	14,930	59,377
Public Employee's Retirement	35,603	5,069	16,810	15,513	28,685	101,680
Hospitalization	106,390	10,567	35,646	37,932	65,349	255,884
Medicare	3,534	542	1,856	1,119	3,110	10,161
Unemployment Compensation.	723	-	-	-	-	723
Worker's Compensation.	3,098	311	1,021	846	2,109	7,385
Other	28,390	21,188	5,664	11,801	51,086	118,129
Total cash disbursements	<u>616,585</u>	<u>176,544</u>	<u>211,575</u>	<u>210,322</u>	<u>530,614</u>	<u>1,745,640</u>
Net change in fund cash balances	92,467	41,256	(15,827)	(9,867)	(84,272)	23,757
Fund cash balances						
at beginning of year	<u>87,491</u>	<u>36,288</u>	<u>44,672</u>	<u>60,881</u>	<u>179,919</u>	<u>409,251</u>
Fund cash balances						
at end of year	<u>\$ 179,958</u>	<u>\$ 77,544</u>	<u>\$ 28,845</u>	<u>\$ 51,014</u>	<u>\$ 95,647</u>	<u>\$ 433,008</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Taxes	\$ 206,682	\$ 206,682	\$ 232,000	\$ 25,318
Intergovernmental	77,451	77,451	86,938	9,487
Fees	347,511	347,511	390,080	42,569
Other	18,356	18,356	20,605	2,249
Total budgetary basis receipts	<u>650,000</u>	<u>650,000</u>	<u>729,623</u>	<u>79,623</u>
Budgetary basis disbursements:				
Salaries	279,775	320,598	306,108	14,490
Supplies	44,999	55,000	49,235	5,765
Remittances to State	47,079	60,000	51,510	8,490
Contracts - Services	67,913	95,300	74,305	20,995
Membership/Subscriptions	1,304	2,000	1,427	573
Travel	30,148	40,000	32,986	7,014
Public Employee's Retirement	35,817	40,700	39,188	1,512
Hospitalization	123,578	136,958	135,210	1,748
Medicare	3,725	4,300	4,076	224
Worker's Compensation	4,937	5,402	5,402	-
Other	10,725	19,700	11,734	7,966
Total budgetary basis disbursements.	<u>650,000</u>	<u>779,958</u>	<u>711,181</u>	<u>68,777</u>
Net change in fund cash balance	-	(129,958)	18,442	148,400
Fund cash balance at beginning of year	<u>179,958</u>	<u>179,958</u>	<u>179,958</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 179,958</u>	<u>\$ 50,000</u>	<u>\$ 198,400</u>	<u>\$ 148,400</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Taxes	\$ 161,836	\$ 187,783	\$ 225,000	\$ 37,217
Intergovernmental	50,287	58,349	69,914	11,565
Fees	270,245	313,573	375,721	62,148
Other	27,632	32,062	38,417	6,355
Total budgetary basis receipts	<u>510,000</u>	<u>591,767</u>	<u>709,052</u>	<u>117,285</u>
Budgetary basis disbursements:				
Salaries	245,000	292,149	269,157	22,992
Supplies	30,000	43,694	40,255	3,439
Remittances to State	21,000	54,123	49,863	4,260
Equipment	3,000	1,107	1,020	87
Contracts - Services	3,500	52,245	48,133	4,112
Membership/Subscriptions	1,000	2,999	2,763	236
Advertising and printing	500	-	-	-
Travel	42,500	30,019	27,656	2,363
Public Employee's Retirement	37,000	38,644	35,603	3,041
Hospitalization	70,000	115,479	106,390	9,089
Medicare	3,000	3,836	3,534	302
Unemployment Compensation	-	785	723	62
Worker's Compensation	4,000	3,363	3,098	265
Other	39,500	30,815	28,390	2,425
Total budgetary basis disbursements.	<u>500,000</u>	<u>669,258</u>	<u>616,585</u>	<u>52,673</u>
Net change in fund cash balance	10,000	(77,491)	92,467	169,958
Fund cash balance at beginning of year	<u>87,491</u>	<u>87,491</u>	<u>87,491</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 97,491</u>	<u>\$ 10,000</u>	<u>\$ 179,958</u>	<u>\$ 169,958</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
PUBLIC HEALTH INFRASTRUCTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Intergovernmental	\$ 139,151	\$ 186,705	\$ 221,946	\$ 35,241
Other	849	1,139	1,354	215
Total budgetary basis receipts	<u>140,000</u>	<u>187,844</u>	<u>223,300</u>	<u>35,456</u>
Budgetary basis disbursements:				
Salaries	24,172	42,729	42,702	27
Supplies	8,052	14,225	14,225	-
Equipment	46,261	82,073	81,725	348
Contracts - Services	40,010	74,429	70,680	3,749
Travel	2,417	4,410	4,270	140
Public Employee's Retirement	3,503	7,305	6,188	1,117
Hospitalization	5,443	9,615	9,615	-
Medicare	346	700	612	88
Worker's Compensation	301	531	531	-
Other	9,495	17,371	16,773	598
Total budgetary basis disbursements.	<u>140,000</u>	<u>253,388</u>	<u>247,321</u>	<u>6,067</u>
Net change in fund cash balance	-	(65,544)	(24,021)	41,523
Fund cash balance at beginning of year	<u>77,544</u>	<u>77,544</u>	<u>77,544</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 77,544</u>	<u>\$ 12,000</u>	<u>\$ 53,523</u>	<u>\$ 41,523</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
PUBLIC HEALTH INFRASTRUCTURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Intergovernmental	\$ 93,703	\$ 108,060	\$ 214,913	\$ 106,853
Other	30,297	34,940	2,887	(32,053)
Total budgetary basis receipts	<u>124,000</u>	<u>143,000</u>	<u>217,800</u>	<u>74,800</u>
Budgetary basis disbursements:				
Salaries	29,000	38,520	37,931	589
Supplies	7,000	12,088	11,903	185
Equipment	11,100	17,550	17,281	269
Contracts - Services	30,000	69,951	68,880	1,071
Membership/Subscriptions	500	-	-	-
Advertising and printing	900	-	-	-
Travel	5,000	2,917	2,872	45
Public Employee's Retirement	7,500	5,148	5,069	79
Hospitalization	12,000	10,731	10,567	164
Medicare	500	550	542	8
Worker's Compensation	500	316	311	5
Other	20,000	21,517	21,188	329
Total budgetary basis disbursements.	<u>124,000</u>	<u>179,288</u>	<u>176,544</u>	<u>2,744</u>
Net change in fund cash balance	-	(36,288)	41,256	77,544
Fund cash balance at beginning of year	<u>36,288</u>	<u>36,288</u>	<u>36,288</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 36,288</u>	<u>\$ -</u>	<u>\$ 77,544</u>	<u>\$ 77,544</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
EARLY START
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Intergovernmental	\$ 298,559	\$ 208,991	\$ 255,340	\$ 46,349
Other	1,441	1,009	1,233	224
Total budgetary basis receipts	<u>300,000</u>	<u>210,000</u>	<u>256,573</u>	<u>46,573</u>
Budgetary basis disbursements:				
Salaries	176,266	137,938	137,938	-
Supplies	7,653	6,000	5,989	11
Contracts - Services	1,700	1,330	1,330	-
Advertising and printing	137	107	107	-
Travel	20,206	15,900	15,812	88
Public Employee's Retirement	23,506	20,300	18,395	1,905
Hospitalization	47,546	37,210	37,207	3
Medicare	2,525	2,150	1,976	174
Worker's Compensation	2,236	1,750	1,750	-
Other	18,225	16,115	14,262	1,853
Total budgetary basis disbursements.	<u>300,000</u>	<u>238,800</u>	<u>234,766</u>	<u>4,034</u>
Net change in fund cash balance	-	(28,800)	21,807	50,607
Fund cash balance at beginning of year	<u>28,845</u>	<u>28,845</u>	<u>28,845</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 28,845</u>	<u>\$ 45</u>	<u>\$ 50,652</u>	<u>\$ 50,607</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
EARLY START
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Intergovernmental	\$ 148,880	\$ 168,730	\$ 194,286	\$ 25,556
Other	1,120	1,270	1,462	192
Total budgetary basis receipts	<u>150,000</u>	<u>170,000</u>	<u>195,748</u>	<u>25,748</u>
Budgetary basis disbursements:				
Salaries	80,000	131,594	129,696	1,898
Supplies	5,000	7,471	7,363	108
Equipment	640	-	-	-
Advertising and printing	1,000	-	-	-
Travel	10,000	13,717	13,519	198
Public Employee's Retirement	10,000	17,056	16,810	246
Hospitalization	38,400	36,168	35,646	522
Medicare	1,160	1,883	1,856	27
Worker's Compensation	800	1,036	1,021	15
Other	3,000	5,747	5,664	83
Total budgetary basis disbursements.	<u>150,000</u>	<u>214,672</u>	<u>211,575</u>	<u>3,097</u>
Net change in fund cash balance	-	(44,672)	(15,827)	28,845
Fund cash balance at beginning of year	<u>44,672</u>	<u>44,672</u>	<u>44,672</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 44,672</u>	<u>\$ -</u>	<u>\$ 28,845</u>	<u>\$ 28,845</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
CANCER LEVY
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Taxes	\$ 360,954	\$ 175,756	\$ 186,903	\$ 11,147
Intergovernmental	21,272	10,358	11,015	657
Fees	889	433	460	27
Other	6,689	3,257	3,464	207
Total budgetary basis receipts	<u>389,804</u>	<u>189,804</u>	<u>201,842</u>	<u>12,038</u>
Budgetary basis disbursements:				
Salaries	151,913	134,383	112,433	21,950
Supplies	6,373	6,300	4,717	1,583
Contracts - Services	38,732	31,932	28,666	3,266
Advertising and printing	284	5,488	210	5,278
Public Employee's Retirement	21,841	17,000	16,165	835
Hospitalization	57,302	42,500	42,410	90
Medicare	1,377	1,600	1,019	581
Worker's Compensation	2,178	1,612	1,612	-
Total budgetary basis disbursements.	<u>280,000</u>	<u>240,815</u>	<u>207,232</u>	<u>33,583</u>
Net change in fund cash balance	109,804	(51,011)	(5,390)	45,621
Fund cash balance at beginning of year	<u>51,014</u>	<u>51,014</u>	<u>51,014</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 160,818</u>	<u>\$ 3</u>	<u>\$ 45,624</u>	<u>\$ 45,621</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN FUND CASH
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
CANCER LEVY
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary basis receipts:				
Taxes	\$ 176,781	\$ 176,781	\$ 189,479	\$ 12,698
Intergovernmental	9,813	9,813	10,518	705
Licenses and permits	131	131	140	9
Other	297	297	318	21
Total budgetary basis receipts	<u>187,022</u>	<u>187,022</u>	<u>200,455</u>	<u>13,433</u>
Budgetary basis disbursements:				
Salaries	100,000	140,835	119,485	21,350
Supplies	2,000	9,388	7,965	1,423
Equipment	1,000	-	-	-
Contracts - Services	35,000	17,811	15,111	2,700
Membership/Subscriptions	1,000	177	150	27
Advertising and printing	1,200	-	-	-
Travel	500	471	400	71
Public Employee's Retirement	15,000	18,285	15,513	2,772
Hospitalization	30,000	44,710	37,932	6,778
Medicare	1,300	1,319	1,119	200
Worker's Compensation	1,000	997	846	151
Other	2,000	13,910	11,801	2,109
Total budgetary basis disbursements.	<u>190,000</u>	<u>247,903</u>	<u>210,322</u>	<u>37,581</u>
Net change in fund cash balance	(2,978)	(60,881)	(9,867)	51,014
Fund cash balance at beginning of year	<u>60,881</u>	<u>60,881</u>	<u>60,881</u>	<u>-</u>
Fund cash balance at end of year.	<u>\$ 57,903</u>	<u>\$ -</u>	<u>\$ 51,014</u>	<u>\$ 51,014</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004

NOTE 1 - DESCRIPTION OF THE ENTITY

The Columbiana General Health District, Columbiana County (the "Health District") is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Health District is directed by a five-member Board and a Health Commissioner. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and issues health-related licenses and permits.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

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

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.

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.

These statements include adequate disclosure of material matters, in accordance with the basis of accounting described in the preceding paragraph.

B. Fund Accounting

The Health District uses funds to maintain its financial records during the year. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts. The Health District classifies each fund as either governmental, proprietary or fiduciary. The Health District has no proprietary or fiduciary funds.

Governmental Funds - The Health District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants) and other non-exchange transactions as governmental funds. The following are the Health District's major governmental funds:

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

General Fund - This fund is used to account for all financial resources of the Health District except those required to be accounted for 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.

Public Health Infrastructure Fund - This is a Federal grant fund used to account for the Centers for Disease Control and Prevention – Investigations and Technical Assistance Program.

Early Start Fund – This fund receives nursing costs reimbursed by the County for home care visits.

Cancer Levy Fund – This fund accounts mainly for tax monies received for reducing the incidence and mortality of cancer by preventing it, finding it early, treating it, and caring for those who have it.

Other governmental funds of the Health District are used to account for grants and other resources, and capital projects whose use is restricted to a particular purpose.

Proprietary Funds - These funds are used to account for activities that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The Health District does not have any proprietary funds.

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Health District does not have any fiduciary funds.

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. These statements usually 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 assets 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

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

particular program, and receipts of interest earned on grants that are required to be used to support 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 - Fund financial statements report detailed information about the Health District. 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.

D. Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Health District. 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 amended certificate of estimated resources in effect at the time final appropriations were passed by the County 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 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 appropriations amounts passed by the Health District during the year.

E. Cash and Cash Equivalents

The Columbiana 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 Treasurer, Nick Barborak, 105 S. Market Street, Lisbon, Ohio 44432.

F. Capital Assets

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

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Health District (See Note 2.A.).

H. Long-Term Obligations

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

I. 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 5 and 6, the employer contributions include portions for pension benefits and for postretirement health care benefits.

J. Net Assets

Net assets are reported as restricted when enabling legislation or creditors, grantors or laws or regulations of other governments have imposed limitations on its use.

The Health District first applies restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted net assets are available.

NOTE 3 – CHANGE IN BASIS OF ACCOUNTING

For the year ended December 31, 2003, the Health District reported fund financial statements by fund type using the regulatory basis of accounting as prescribed by the State Auditor's Office. For years ended 2005 and 2004 the Health District has implemented the GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for the State and local Governments" format. The fund financial statements now present each major fund in a separate column with nonmajor funds aggregated and presented in a single column, rather than a column for each fund type.

NOTE 4 - RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004

NOTE 5 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

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

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit.

Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to established and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2005, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5% of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1% of their annual covered salary; members in public safety contributed 9%. The Health District's contribution rate for pension benefits for 2005 was 9.55%, except for those plan members in law enforcement or public safety. For those classifications, the Health District's pension contributions were 12.7% of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Health District's contributions to OPERS for the years ended December 31, 2005 and 2004 were \$101,367 and \$100,769, respectively; these contributions were sufficient to fulfill the requirements.

NOTE 6 - POSTRETIREMENT BENEFIT PLANS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 local government employer contribution rate was 13.55% of covered payroll (16.70% for public safety and law enforcement); 4.00% of covered payroll was the portion that was used to fund health care.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND DECEMBER 31, 2004

NOTE 6 - POSTRETIREMENT BENEFIT PLANS - (Continued)

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPER's latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8.00%, an annual increase in active employee total payroll of 4.00% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.3% based on additional annual pay increases. Health care premiums were assumed to increase 4.00% annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005 and 2004 which were used to fund postemployment benefits were \$29,912 and \$29,747, respectively. The actual contribution and the actuarially required contribution amounts are the same. OPER's net assets available for payment of benefits at December 31, 2004 (the latest information available) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2004, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

NOTE 7 - CONTINGENT LIABILITY

LITIGATION

The Health District is not currently involved in litigation that the Health District's legal counsel anticipates a loss.



Mary Taylor, CPA

Auditor of State

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

Columbiana General Health District
Columbiana County
7360 State Route 45
Lisbon, Ohio 44432

To the Board of Health:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Columbiana General Health District, Columbiana County, Ohio (the Government) as of and for the years ended December 31, 2004 and 2005, which collectively comprise the Government's basic financial statements and have issued our report thereon dated February 7, 2008, wherein we noted the Government revised its financial presentation comparable to the requirements of Governmental Accounting Standards Board Statement No. 34. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Government's internal control over financial reporting to determine our auditing procedures to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the Government's management dated February 7, 2008, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the Government's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2005-001 through 2005-002. In a separate letter to the Government's management dated February 7, 2008, we reported an other matter related to noncompliance we deemed immaterial.

Voinovich Government Center / 242 Federal Plaza W. / Suite 302 / Youngstown, OH 44503-1293

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www.auditor.state.oh.us

Columbiana General Health District
Columbiana County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

We intend this report solely for the information and use of the audit committee, management and Board of Health. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

February 7, 2008

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2004 AND 2005**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2005-001

Finding for Recovery – Book Purchases

Under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure is made is strictly liable for the amount of such expenditure. Seward v. National Surety Corp., 120 Ohio St. 47 (1929); 1980 Op. Atty Gen. No. 80-074; Ohio Rev. Code Section 9.39; State, ex. rel. Village of Linndale v. Masten, 18 Ohio St. 3d 228 (1985). Public officials who have control over public funds or property are secondarily liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen. Public officials will be liable if and to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property, 1980 Op. Atty Gen. No. 80-074.

During our review of the Health District's credit card expenses from January 1 through December 31, 2004 the Health Commissioner, Robert Morehead, used the Health District's credit card to purchase books from Waldenbooks and Barnes and Noble which were not purchased to benefit the Health District, were not for a proper public purpose, but were used for personal gain. The total of these charges during the audit period defined above was two hundred thirty three dollars and seventeen cents (\$233.17).

In accordance with the forgoing facts, and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued jointly and severally against Robert Morehead and Western Surety Company, in the amount of two hundred thirty three dollars and seventeen cents (\$233.17), and in favor of the Health District's General Fund.

FINDING NUMBER 2005-002

Finding for Recovery – Miscellaneous Purchases

Under Ohio law, any public official who either authorizes an illegal expenditure of public funds or supervises the accounts of a public office from which such illegal expenditure is made is strictly liable for the amount of such expenditure. Seward v. National Surety Corp., 120 Ohio St. 47 (1929); 1980 Op. Atty Gen. No. 80-074; Ohio Rev. Code Section 9.39; State, ex. rel. Village of Linndale v. Masten, 18 Ohio St. 3d 228 (1985). Public officials who have control over public funds or property are secondarily liable for the loss incurred should such funds or property be fraudulently obtained by another, converted, misappropriated, lost or stolen. Public officials will be liable if and to the extent that recovery or restitution is not obtained from the persons who unlawfully obtained such funds or property, 1980 Op. Atty Gen. No. 80-074.

During our review of the Health District's credit card expenses from January 1 through December 31, 2004 the Health Commissioner, Robert Morehead, used the Health District's credit card to purchase miscellaneous items which were not purchased to benefit the Health District, were not for a proper public purpose, but were used for personal gain. The total of these charges during the audit period defined above was three hundred sixty four dollars and three cents (\$ 364.03) for gift items and clothing at the University Bookstore, and cell phone faceplate.

**FINDING NUMBER 2005-002
(Continued)**

Also during our review of the Health District's travel records for Health Commissioner Robert Morehead from January 1 through December 31, 2004, it was noted the Health Commissioner Robert Morehead received a monthly reimbursement for mileage based on a rate of \$.32 per mile. As defined in the Health District's travel policy, mileage reimbursement is considered to be total reimbursement for all vehicle related expenses (e.g. gas, oil, depreciation etc.) A review of the Health District's credit card expenses from January 1 through December 31, 2004 noted that Health Commissioner Robert Morehead used the Health District's credit card to purchase gasoline in the amount of sixty nine dollars and ten cents (\$69.10) and car washes in the amount of fifteen dollars (\$15) for his personal vehicle. As a result, Health Commissioner Robert Morehead was overcompensated by eighty four dollars and ten cents (\$84.10).

In accordance with the forgoing facts, and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued jointly and severally against Robert Morehead and Western Surety Company, in the amount of four hundred forty eight four dollars and thirteen cents (\$ 448.13), and in favor of the Health District's General Fund.

**COLUMBIANA GENERAL HEALTH DISTRICT
COLUMBIANA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2004 AND 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2003-001	Purchases made at Barnes and Noble	No	Not Corrected, this finding has not been repaid as of the completion of the 12/31/05 audit.
2003-002	Automobile Travel Expenses	No	Not Corrected, this finding has not been repaid as of the completion of the 12/31/05 audit.
2003-003	In County Meal Reimbursements / Charges	No	Not Corrected, this finding has not been repaid as of the completion of the 12/31/05 audit.
2003-004	Unsupported Out of County Hotel and Meal Expenses	No	Not Corrected, this finding has not been repaid as of the completion of the 12/31/05 audit.
2003-005	Miscellaneous Purchases	No	Not Corrected, this finding has not been repaid as of the completion of the 12/31/05 audit.
2003-006	Unnecessary Overnight Hotel Stay	Yes	This finding has been repaid.
2003-007	Unnecessary Overnight Hotel Stay	Yes	This finding has been repaid.
2003-008	Unnecessary Overnight Hotel Stay	Yes	This finding has been repaid.
2003-009	Unnecessary Overnight Hotel Stay	No	Not Corrected, this finding has not been repaid as of the completion of the 12/31/05 audit.
2003-010	5705.41(D), failure to certify funds	No	Partially Corrected, this citation will be repeated in the current year management letter.
2003-011	Cell phone and credit card policy	No	Partially Corrected, this recommendation will be repeated in the current year management letter.
2003-012	Travel policy	No	Partially Corrected, this recommendation will be repeated in the current year management letter.



Mary Taylor, CPA
Auditor of State

COLUMBIANA GENERAL HEALTH DISTRICT

COLUMBIANA 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
MAY 13, 2008**