

**CLERMONT COUNTY
GENERAL HEALTH DISTRICT
CLERMONT COUNTY
Single Audit
For the Year Ended December 31, 2012**

Perry & Associates
Certified Public Accountants, A.C



Dave Yost • Auditor of State

Members of the Board
Clermont County General Health District
2275 Bauer Road, Suite 300
Batavia, Ohio 45103

We have reviewed the *Independent Auditor's Report* of the Clermont County General Health District, Clermont County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2012 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Clermont County General Health District is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

July 8, 2013

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**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

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INDEPENDENT AUDITOR'S REPORT

May 24, 2013

Clermont County General Health District
Clermont County
2275 Bauer Road, Suite 300
Batavia, Ohio 45103

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 the **Clermont County General Health District**, Clermont County, Ohio (the Health District), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Health 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 accounting principles generally accepted in the United States of America; this includes 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 Health 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 Health 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 financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Clermont County General Health District, Clermont County, Ohio, as of December 31, 2012, and the respective changes in financial position, thereof and the respective budgetary comparisons for the General, Bioterrorism Grant Special Revenue, WIC Administration Special Revenue and Sewage Program Special Revenue Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2M to the financial statements, during 2012 the Clermont County General Health District adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the Health District's basic financial statements taken as a whole. The Schedule of Federal Awards Receipts and Disbursements provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements.

The Schedule of Federal Awards Receipts and Disbursements is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2013, on our consideration of the Health 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 Health District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

Perry & Associates
Certified Public Accountants, A.C.

Clermont County General Health District
Clermont County
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

The discussion and analysis of the General Health District's financial performance provides an overall review of the Health District's financial activities for the year ended December 31, 2012. 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 the basic financial statements to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for the year 2012 are as follows:

- The assets of the Health District exceeded its liabilities at the close of the year ended December 31, 2012, by \$1,844,685 (net position).
- The Health District's total net position increased by \$33,444 which represents a 1.8% increase from 2011.
- At the end of 2012, the Health District's governmental funds reported a combined ending fund balance of \$1,180,291. Of this amount, \$587,715 is available for spending (unassigned fund balance) on behalf of Clermont County citizens.
- At the end of the 2012 fiscal year, the unassigned fund balance for the general fund was \$587,715 or 42.9% of total general fund expenditures.

Using the Basic Financial Statements

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Health District, presenting both an aggregate view of the Health District's finances and a longer-term view of those assets. Major 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 dollars remain for future spending. The fund financial statements also look at the Health District's most significant funds with all other non-major funds presented in total in one column.

Reporting the Health District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the Health District to provide services to our citizens, the view of the Health District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2012?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the

Clermont County General Health District
Clermont County
Management's Discussion and Analysis
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private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the Health District's net position and the change in the position. This change in net position is important because it tells the reader whether, for the Health District as a whole, the financial position of the Health District has improved or diminished. However, in evaluating the overall position of the Health District, nonfinancial information such as the condition of the Health District's capital assets, the reliance on non-local financial resources for the operations and the need for continued growth will also need to be evaluated.

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 objects. 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 governmental funds. Fund financial reports provide detailed information about the Health District's major funds.

Based on restrictions on the use of monies, the Health District has established many funds which account for the multitude of services provided. However, these fund financial statements focus on the Health District's most significant funds. In the case of the Clermont County Health District, the major funds are the General, Bioterrorism Grant, WIC Administration and Sewage Program. The analysis of the Health District's major funds begins on page 13.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Health District's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Health District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation.

Clermont County General Health District
Clermont County
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

The notes to the financial statements begin on page 21 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Health District, assets exceeded liabilities by \$1,844,685 as of December 31, 2012.

Table 1 provides a summary of the Health District's net position for 2012 compared to 2011.

Table 1
Net Position
(In Thousands)

	<u>2012</u>	<u>2011</u>
Assets		
Current & Other Assets	\$1,751.9	\$1,631.5
Capital Assets, Net	360.2	427.7
<i>Total Assets</i>	<u>2,112.1</u>	<u>2,059.2</u>
Liabilities		
Current & Other Liabilities	55.8	53.0
Long-Term Liabilities		
Due Within One Year	80.5	88.7
Due in More Than One Year	131.1	106.2
<i>Total Liabilities</i>	<u>267.4</u>	<u>247.9</u>
Net Position		
Invested in Capital Assets Net of Debt	360.2	427.7
Restricted:		
Other Purposes	977.3	906.8
Unrestricted	507.2	476.8
<i>Total Net Position</i>	<u>\$1,844.7</u>	<u>\$1,811.3</u>

The Health District's current assets increased approximately \$120,400 due to an increase in the year end cash carryover balances. Capital assets decreased approximately \$67,500 due to depreciation of furniture, fixtures and equipment. Current liabilities increased approximately \$2,800 due to an increase in accrued wages, benefits and matured compensation absences. Long-term liabilities increased approximately \$24,900 due to compensated absences.

Clermont County General Health District
Clermont County
Management's Discussion and Analysis
For the Year Ended December 31, 2012
Unaudited

Table 2 provides a summary of the changes in net position for 2012 compared to 2011.

Table 2
Changes in Net Position
(In Thousands)

	<u>2012</u>	<u>2011</u>
Program Revenues:		
Charges for Services	\$1,463.8	\$1,550.1
Operating Grants and Contributions	1,721.6	1,442.5
Capital Grants and Contributions	0.0	212.8
<i>Total Revenues</i>	3,185.4	3,205.4
Program Expenses		
Health:		
Environmental Health	1,207.9	1,264.8
Community Health Services	890.1	876.3
Health Promotion and Planning	213.6	361.3
Administration	840.3	828.3
<i>Total Expenses</i>	3,151.9	3,330.7
<i>Increase/Decrease in Net Position</i>	\$33.5	(\$125.3)

Governmental Activities

The Health District's governmental activities include Environmental Health, Community Health Services, Health Promotion and Planning and Administration. Major programs in Environmental Health include Food Service, Solid Waste, Manufactured Home Park, Private Water, Private Sewage, Swimming Pool, Infectious Waste and Plumbing Inspections. Overall expenses decreased by \$178,800 and revenues decreased by \$20,000. The decrease in expenses is largely the result of unfilled staff vacancies in the Environmental Health and Water & Waste Divisions and the Manufactured Home Park Program not being licensed by the Health District for the 2013 licensing year.

Community Health Services includes the Bureau for Children with Medical Handicaps Program which provides diagnostic and treatment programs that link families with providers, the Tuberculosis Program, providing Tuberculosis skin testing and case management, Vision and Hearing program, providing no cost screenings to families, Senior Safety Program, working to reduce injuries among senior citizens, the Pathways Program which assists pregnant teens, and Women, Infants and Children (WIC) whose goal is to improve the nutritional status of mothers, infants, and children during critical stages of growth and development. Expenses for Community Health Services increased by \$13,800 in 2012 compared to 2011. This was partly due to changing a part-time nutritionist position to a full-time position.

Major programs in Health Promotion and Planning are the Bioterrorism (Public Health Emergency Preparedness) Program which ensures public health is ready and able to respond to major emergencies or terrorism events and the Safe Communities Program whose goal is to reduce the number of traffic fatalities. Health Promotion and Planning revenues decreased by \$147,700 in 2012 compared to 2011. This decrease is the result of a significant reduction in the funding being provided for emergency preparedness.

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Clermont County
Management's Discussion and Analysis
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Administration includes the overall administration of the Health District including fiscal management, support staff and vital statistics. Administration is also comprised of the Public Health Nuisance Program which addresses nuisance complaints made by citizens, administration of the Water and Waste Division and administration for the Nursing Division including support services, the Communicable Disease Program for tracking and conducting disease surveillance, and the Immunization Program, providing low cost immunizations for children and adults.

Operating grants and contributions increased by \$279,100 and capital grants and contributions decreased by \$212,800. Increases and decreases occur from year to year based on timing of receipt of grant payments.

The Health District's strategy to secure the maximum amount of grants and contracts that are provided by the state and federal governments continues to be productive. Grants include Safe Communities, Bioterrorism (Public Health Emergency Preparedness), Immunization, Preventive Health – Senior Safety, and Women, Infants, and Children (WIC). The Health District also holds contracts with City of Cincinnati Health Department for Cities Readiness Initiative, the Clermont County Board of Commissioners for the Tuberculosis program, Grant Vocational School for the Pathways program and the Ohio Department of Health for the Vision and Hearing program and the SmokeFree Ohio Workplace program. In 2012, the Health District starting receiving funds for MAC (Medicaid Administrative Claiming) based on services provided to clients by the Nursing and Administrative Divisions.

Financial Analysis of the Health District's Funds

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

Governmental Funds: The focus of the Health District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Health District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Health District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Health District's governmental funds reported combined ending fund balances of \$1,180,291. Of this amount, \$587,715 constitutes unassigned fund balance, which is available for spending. The remainder of fund balance is assigned or restricted to indicate that it is not available for new spending (\$592,276). The General Fund is the chief operating fund of the Health District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$587,715. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 42.8% of the total general fund expenditures.

Revenues exceeded expenditures in the General Fund by \$23,342 in 2012. Intergovernmental accounts for 57.1% of revenues in the General Fund. This consists of money from the townships, villages, and the City of Milford. Administration accounts for the majority, \$831,739, of expenditures in the General Fund.

Clermont County General Health District
Clermont County
Management's Discussion and Analysis
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Unaudited

The WIC Administration Special Revenue Fund accounts for federal grant monies for the Women, Infants and Children (WIC) program. WIC is a program for pregnant women, women who recently had a baby, breastfeeding moms, infants and children up to age five. WIC provides nutrition education and support, breastfeeding education and support, referrals to healthcare, immunization screenings and referrals, and supplemental foods. At the end of the current fiscal year the total fund balance was \$11,975.

The Bioterrorism Special Revenue Fund accounts for federal grant monies for public health infrastructure and emergency planning efforts. The program is responsible for developing the Health District Emergency Operation Plan, all supporting documents, and training and exercise programs. Planning and preparedness are collaborative efforts done on a local level with involvement of key partners in Clermont County as well as regional partners. At the end of the 2012 fiscal year the ending fund balance was \$19,222.

The Sewage Program Special Revenue Fund accounts for permits and licenses for the onsite Sewage Program. The program is responsible for reviewing private sewage treatment system applications, issuing permits for installation and conducting inspections of the installation. The program also conducts basic system assessments of existing private sewage systems to ensure compliance with local and state laws. At the end of the current fiscal year the ending fund balance was \$126,505.

General Fund Budgeting Highlights

The Health District's budget is prepared and approved by the Board of Health according to Ohio Law by April 1st the year prior to the fiscal year. The budget is then approved by the Clermont County Budget Commission in May. The budget 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.

During the course of 2012, the Health District amended its general fund budget several times, the most significant noted below. All recommendations for the budget were reviewed by the Clermont County Board of Health for adoption on the change. With the General Fund supporting many of our major activities, the General Fund is monitored closely looking for possible revenue shortfalls or over spending. Expenditures were increased \$91,557 to account for receipt of \$1,348 in unanticipated state subsidy funds, the purchase of a fleet vehicle, retirement pay-outs resulting from the retirement of 5 Health District staff and the additional transmittal fees generated by the increase in vital statistics activities.

Capital Assets

The Health District's investment in capital assets for its governmental activities as of December 31, 2012, amounts to \$360,184 (net of accumulated depreciation). This investment in capital assets includes vehicles, furniture, and equipment.

Note 5 (Capital Assets) provides capital asset activity during 2012.

Clermont County General Health District
Clermont County
Management's Discussion and Analysis
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Major capital asset events during the current year included the following:

- The purchase of one vehicle.

Economic Factors and 2013 Budget

Clermont County experienced a downturn in residential growth in 2006 which continued through 2012. This correlates to a decrease in the number of permits and licenses. The Health District maintains a conservative approach to spending while maximizing its revenues. Current economic indicators show that the economy should remain at its current pace. The Health District has taken steps to compensate for the decrease in revenues as a result of down turned growth by leaving a sanitarian position in the Water and Waste Division and in Environmental Health vacant, and not fully staffing the WIC Peer Program. The Health District's portion of state-based program revenue will be affected by the fiscal year 2013 State budget bill. The Health District anticipates a decrease in the amount of state based funding for 2013; however, given the small amount of funding provided by the state for public health services this should not have a significant impact on the Health District's budget.

All of these factors were considered in the preparation of the Health District's 2014 budget. The Health District has decreased its 2014 budget by 5% in an attempt to continue providing public health services with the revenue projection based on current economic factors.

Requests for Information

This financial report is designed to provide our citizens, creditors, and investors 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 any questions about this report or need additional financial information, contact Donna Hart, Clermont County General Health District, Fiscal Officer, 2275 Bauer Rd., Batavia, Ohio 45103, (513)732-7499, (email at cchealth@clermontcountyohio.gov) or visit the Health District website at www.clermonthealthdistrict.org.

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Clermont County General Health District
Clermont County
Statement of Net Position
December 31, 2012

	Governmental Activities
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 1,236,122
Intergovernmental Receivable	515,772
Capital Assets:	
Furniture, Fixtures, and Equipment	868,925
Accumulated Depreciation:	
Furniture, Fixtures, and Equipment	(508,741)
<i>Total Assets</i>	2,112,078
LIABILITIES:	
Accounts Payable	744
Accrued Wages and Benefits	43,023
Intergovernmental Payable	6,645
Matured Compensated Absences	5,419
Long-Term Liabilities:	
Due Within One Year	80,454
Due in More Than One Year	131,108
<i>Total Liabilities</i>	267,393
NET POSITION:	
Invested in Capital Assets, Net of Related Debt	360,184
Restricted for Other Purposes	977,305
Unrestricted	507,196
<i>Total Net Position</i>	\$ 1,844,685

See accompanying notes to the basic financial statements.

Clermont County General Health District
Clermont County
Statement of Activities
For the Year Ended December 31, 2012

	Program Revenues			Net(Expense) Revenue and Changes in Net Assets
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
Health:				
Environmental Health	\$ 1,207,894	\$ 1,312,395	\$ 769	\$ 105,270
Community Health Services	890,133	120,949	724,657	(44,527)
Health Promotion and Planning	213,630	0	200,774	(12,856)
Administration	840,336	30,501	795,392	(14,443)
<i>Total Governmental Activities</i>	<u>\$ 3,151,993</u>	<u>\$ 1,463,845</u>	<u>\$ 1,721,592</u>	33,444
				<u>1,811,241</u>
				<u>\$ 1,844,685</u>

See accompanying notes to the basic financial statements.

Clermont County General Health District
Clermont County
Balance Sheet
Governmental Funds
December 31, 2012

	<u>General Fund</u>	<u>Bioterrorism Grant</u>	<u>WIC Administration</u>	<u>Sewage Program</u>
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 476,130	\$ 51,454	\$ 80,848	\$ 131,029
Interfund Receivable	145,891	0	0	0
Intergovernmental Receivable	<u>0</u>	<u>71,746</u>	<u>422,531</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 622,021</u>	<u>\$ 123,200</u>	<u>\$ 503,379</u>	<u>\$ 131,029</u>
LIABILITIES:				
Accounts Payable	744	0	0	0
Accrued Wages and Benefits	20,446	1,933	7,686	3,919
Intergovernmental Payable	3,159	299	1,187	605
Matured Compensated Absences	5,419	0	0	0
Interfund Payable	0	30,000	60,000	0
Deferred Revenue	<u>0</u>	<u>71,746</u>	<u>422,531</u>	<u>0</u>
<i>Total Liabilities</i>	<u>29,768</u>	<u>103,978</u>	<u>491,404</u>	<u>4,524</u>
FUND BALANCES:				
Restricted for Grants	0	19,222	11,975	0
Restricted for Environmental Health	0	0	0	126,505
Restricted for Community Health	0	0	0	0
Assigned for Encumbrances	4,538	0	0	0
Unassigned	<u>587,715</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Fund Balances</i>	<u>592,253</u>	<u>19,222</u>	<u>11,975</u>	<u>126,505</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 622,021</u>	<u>\$ 123,200</u>	<u>\$ 503,379</u>	<u>\$ 131,029</u>

See accompanying notes to the basic financial statements.

Clermont County General Health District
Clermont County
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2012

All Other Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$ 1,180,291
		<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
\$ 496,661	\$ 1,236,122		
0	145,891		
21,495	515,772	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	360,184
\$ 518,156	\$ 1,897,785		
		Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
0	\$ 744	Intergovernmental Revenues	515,772
9,039	43,023		
1,395	6,645	Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds.	
0	5,419	Compensated Absences	(211,562)
55,891	145,891	<i>Net Position of Governmental Activities</i>	\$ 1,844,685
21,495	515,772		
87,820	717,494		
5,476	36,673		
292,664	419,169		
132,196	132,196		
0	4,538		
0	587,715		
430,336	1,180,291		
\$ 518,156	\$ 1,897,785		

Clermont County General Health District
Clermont County
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	<u>General Fund</u>	<u>Bioterrorism Grant</u>	<u>WIC Administration</u>	<u>Sewage Program</u>
REVENUES:				
Taxes	\$ 769	\$ 0	\$ 0	\$ 0
Charges for Services	269,507	0	0	7
Licenses and Permits	320,955	0	0	360,697
Intergovernmental	795,392	162,542	539,859	0
Other	6,441	0	0	0
<i>Total Revenues</i>	<u>1,393,064</u>	<u>162,542</u>	<u>539,859</u>	<u>360,704</u>
EXPENDITURES:				
Current:				
Health:				
Environmental Health	537,983	0	0	298,671
Community Health Services	0	0	538,415	0
Health Promotion and Planning	0	158,522	0	0
Administration	831,739	0	0	0
<i>Total Expenditures</i>	<u>1,369,722</u>	<u>158,522</u>	<u>538,415</u>	<u>298,671</u>
Excess of Revenues Over (Under) Expenditures	23,342	4,020	1,444	62,033
OTHER FINANCING SOURCES:				
Proceeds from the Sale of Capital Assets	3,787	0	0	0
<i>Net Change in Fund Balance</i>	27,129	4,020	1,444	62,033
<i>Fund Balance at Beginning of Year</i>	<u>565,124</u>	<u>15,202</u>	<u>10,531</u>	<u>64,472</u>
<i>Fund Balance at End of Year</i>	<u>\$ 592,253</u>	<u>\$ 19,222</u>	<u>\$ 11,975</u>	<u>\$ 126,505</u>

See accompanying notes to the basic financial statements.

Clermont County General Health District
Clermont County
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2012*

All Other Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$ 123,329
		Amounts reported for governmental activities in the statement of activities are different because	
\$ 0	\$ 769		
89,189	358,703		
383,599	1,065,251	Governmental funds report capital outlays as expenditures. Donated assets are reported as Capital Contribution in the statement of activities. The cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
228,726	1,726,519	Capital Outlay	15,255
33,450	39,891	Depreciation expense	(82,744)
734,964	3,191,133		
		Certain licenses and other revenues that do not provide current financial resources are not reported as revenues in the fund.	
374,917	1,211,571	Intergovernmental revenue	(5,696)
285,251	823,666		
46,093	204,615	Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
0	831,739	Compensated Absences Payable	(16,700)
706,261	3,071,591		
28,703	119,542	<i>Change in Net Position of Governmental Activities</i>	\$ 33,444
0	3,787		
28,703	123,329		
401,633	1,056,962		
\$ 430,336	\$ 1,180,291		

Clermont County General Health District
Clermont County
Statement of Revenues
Expenditures and Changes in
Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2012

General Fund

	Original Budget	Final Budget	Actual	Variance with Final budget Positive (Negative)
Revenues:				
Taxes	\$ 0	\$ 0	\$ 769	\$ 769
Charges for services	227,386	227,386	269,508	42,122
Licenses and permits	288,400	288,400	320,955	32,555
Intergovernmental	816,479	817,827	795,392	(22,435)
Other revenues	0	0	6,441	6,441
Total revenues	<u>1,332,265</u>	<u>1,333,613</u>	<u>1,393,065</u>	<u>59,452</u>
Expenditures:				
Current:				
Administration	847,265	848,613	833,661	14,952
Environmental health	490,474	580,683	534,592	46,091
Total expenditures	<u>1,337,739</u>	<u>1,429,296</u>	<u>1,368,253</u>	<u>61,043</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(5,474)</u>	<u>(95,683)</u>	<u>24,812</u>	<u>120,495</u>
Other financing sources (uses):				
Proceeds from the sale of capital assets	0	0	3,787	3,787
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>3,787</u>	<u>3,787</u>
Net Change in Fund Balance	(5,474)	(95,683)	28,599	124,282
Fund balance at beginning of year	437,519	437,519	437,519	0
Prior year encumbrances appropriated	5,474	5,474	5,474	0
Fund balance at end of year	<u>\$ 437,519</u>	<u>\$ 347,310</u>	<u>\$ 471,592</u>	<u>\$ 124,282</u>

See accompanying notes to the basic financial statements

Clermont County General Health District
Clermont County
Statement of Revenues
Expenditures and Changes in
Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2012

Bioterrorism Grant Special Revenue Fund

	Original Budget	Final Budget	Actual	Variance with Final budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 126,500	\$ 126,500	\$ 162,542	\$ 36,042
Total revenues	<u>126,500</u>	<u>126,500</u>	<u>162,542</u>	<u>36,042</u>
Expenditures:				
Current:				
Health planning and promotion	126,500	167,082	158,451	8,631
Total expenditures	<u>126,500</u>	<u>167,082</u>	<u>158,451</u>	<u>8,631</u>
Excess (deficiency) of revenues over (under) expenditures	<u>0</u>	<u>(40,582)</u>	<u>4,091</u>	<u>44,673</u>
Fund balance at beginning of year	<u>47,253</u>	<u>47,253</u>	<u>47,253</u>	<u>0</u>
Fund balance at end of year	<u>\$ 47,253</u>	<u>\$ 6,671</u>	<u>\$ 51,344</u>	<u>\$ 44,673</u>

See accompanying notes to the basic financial statements

Clermont County General Health District
Clermont County
Statement of Revenues
Expenditures and Changes in
Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2012

WIC Administration Special Revenue Fund

	Original Budget	Final Budget	Actual	Variance with Final budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 563,374	\$ 563,374	\$ 539,859	\$ (23,515)
Total revenues	<u>563,374</u>	<u>563,374</u>	<u>539,859</u>	<u>(23,515)</u>
Expenditures:				
Current:				
Community health services	563,374	563,374	538,411	24,963
Total expenditures	<u>563,374</u>	<u>563,374</u>	<u>538,411</u>	<u>24,963</u>
Net Change in Fund Balance	0	0	1,448	1,448
Fund balance at beginning of year	<u>79,200</u>	<u>79,200</u>	<u>79,200</u>	<u>0</u>
Fund balance at end of year	<u>\$ 79,200</u>	<u>\$ 79,200</u>	<u>\$ 80,648</u>	<u>\$ 1,448</u>

See accompanying notes to the basic financial statements

Clermont County General Health District
Clermont County
Statement of Revenues
Expenditures and Changes in
Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2012

Sewage Program Special Revenue Fund

	Original Budget	Final Budget	Actual	Variance with Final budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 393,500	\$ 393,500	\$ 360,697	\$ (32,803)
Charges for Services	<u>0</u>	<u>0</u>	<u>7</u>	<u>7</u>
Total revenues	<u>393,500</u>	<u>393,500</u>	<u>360,704</u>	<u>(32,796)</u>
Expenditures:				
Current:				
Environmental Health	<u>393,500</u>	<u>393,500</u>	<u>299,735</u>	<u>93,765</u>
Total expenditures	<u>393,500</u>	<u>393,500</u>	<u>299,735</u>	<u>93,765</u>
Net Change in Fund Balance	0	0	60,969	60,969
Fund balance at beginning of year	<u>70,013</u>	<u>70,013</u>	<u>70,013</u>	<u>0</u>
Fund balance at end of year	<u>\$ 70,013</u>	<u>\$ 70,013</u>	<u>\$ 130,982</u>	<u>\$ 60,969</u>

See accompanying notes to the basic financial statements

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 1 – Reporting Entity

A five-member Board of Health four of who are appointed by the District Advisory Council and one appointed by the Licensing Council governs the Health District. The Board appoints a health commissioner and all employees of 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.

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

As required by generally accepted accounting principles, the financial statements present the Health District (the primary government). The primary government includes all funds, departments and boards for which the Health District is financially accountable. The Health District does not have any component units.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the Health District have been prepared in conformity with the generally accepted accounting principles (GAAP) as applied to government units. Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. 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, 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.

A. 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.

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. Governmental activities generally are financed through payments from townships and villages, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the financial condition of the governmental activities for the District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Health District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular program.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operation of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Health District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing 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. Non-major funds are aggregated and presented in a single column.

B. 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 one category; governmental.

Governmental Funds

Governmental funds are those through which all governmental functions of the Health District are financed. Governmental fund reporting focuses on the sources, use and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Health District's major governmental funds:

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

WIC Administration Special Revenue Fund – The WIC Administration Special Revenue Fund accounts for federal grant monies for the Women, Infants and Children program.

Bioterrorism Special Revenue Fund – The Bioterrorism Special Revenue Fund accounts for federal grant monies for public health infrastructure and emergency planning efforts.

Sewage Program Special Revenue Fund – The Sewage Fund accounts for all permits, applications and basic system assessment fees for the residential sewage program.

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

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds for the Health District are classified as internal service. The Health District currently does not have any proprietary funds.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included in the Statement of Net Position. The Statement of Activities presents increases (i.e., revenue) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenue and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues-Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Health District, available means expected to be received within thirty days of year-end.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

Non-exchange transactions, in which the Health District receives value without directly giving equal value in return include monies from villages, townships, and the City of Milford, grants, entitlements and donations. Revenue from township and village monies, grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Health District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Health District on a reimbursement basis.

On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: grants and charges for services.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The budget determines the amount of money that is needed from the townships, villages and the City of Milford. 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 Health District. The legal level of control has been established by the Health District at the fund, department, and object level for all funds.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

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 appropriation amounts passed by the County Board of Health during the year.

F. 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 Clermont County Auditor, Linda L. Fraley, 101 E Main St. 2nd Floor, Batavia, Ohio 45103, www.clermontauditor.org, (513) 732-7150.

G. Capital Assets

Capital assets, which include vehicles and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Vehicles	5-10
Furniture & Equipment	5-10

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

H. Interfund Transactions

On fund financial statements, receivables and payables resulting from interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the statement of net position.

I. Compensated Absences

Vacation, personal and compensatory benefits are accrued as a liability as the benefits are earned if the employees' right to receive compensation are attributable to services already rendered and it is probable that the employer will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued using the vesting method. The liability is based on sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

Unused vacation is payable upon termination of employment. Employees with a minimum of 6 months of service and have been removed from probation become vested in accumulated unpaid vacation. Unused vacation is payable upon termination of employment. Unused sick time may be accumulated until retirement. Employees eligible to retire under a District recognized retirement plan, with a minimum of ten years of service, are paid one-fourth of accumulated sick time upon retirement. Such payment may not exceed the value of thirty days of accrued but unused sick leave. All sick, vacation, personal and compensation payments are made at employees' current wage rates.

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligation of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year.

K. Net Position

Net Position represent the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation adopted by the Board of Health or 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. Net position restricted for other purposes are restricted by grantors and regulations of other governments.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

L. Fund Balance

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

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of 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 or enabling legislation (Board resolutions).

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

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

Assigned: Amounts in the assigned fund balance classification are intended to be used by the Board 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 or by State Statute.

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

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

The Board 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.

M. Change in Accounting Principles

For 2012, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". GASB 63 will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. There was no change in the classification of reported assets and liabilities for 2012.

N. Interfund Transactions

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

O. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Budgetary Basis of Accounting

While the Health District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general and each major special revenue fund is presented in the Basic Financial Statements to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 3 – Budgetary Basis of Accounting (continued)

3. Advances in and advances out are operating transactions (Budget) as opposed to balance sheets transactions (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the major special revenue funds.

**Net Change in Fund Balance
General and Major Special Revenue Funds**

	General	Bioterrorism	WIC Administration	Sewage Program
GAAP Basis	\$ 27,129	\$ 4,020	\$ 1,444	\$ 62,033
Net Adjustment for Revenue Accruals	1	0	0	0
Net Adjustment for Expenditure Accruals	1,469	71	4	(1,064)
Budget Basis	<u>\$ 28,599</u>	<u>\$ 4,091</u>	<u>\$ 1,448</u>	<u>\$ 60,969</u>

Note 4 – Receivables

Receivables at December 31, 2012 consisted of charges for services, interfund and intergovernmental receivables arising from grants. A summary of the items of intergovernmental receivables follows:

IAP	\$ 10,832
Injury Prevention	1,368
Safe Communities	9,295
Bioterrorism	71,746
WIC	422,531
Total	<u>\$ 515,772</u>

Note 5 - Capital Assets

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance 12/31/2011	Additions	Reductions	Balance 12/31/2012
Governmental Activities				
Capital Assets being depreciated:				
Furniture, Fixtures, and Equipment	\$ 894,865	\$ 15,255	\$ (41,195)	\$ 868,925
Total Capital Assets at Historical cost being depreciated	<u>894,865</u>	<u>15,255</u>	<u>(41,195)</u>	<u>868,925</u>
Less Accumulated Depreciation:				
Furniture, Fixtures, and Equipment	(467,192)	(82,744)	41,195	(508,741)
Total Accumulated Depreciation	<u>(467,192)</u>	<u>(82,744)</u>	<u>41,195</u>	<u>(508,741)</u>
Governmental Activities Capital Assets, Net	<u>\$ 427,673</u>	<u>\$ (67,489)</u>	<u>\$ 0</u>	<u>\$ 360,184</u>

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 5 - Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Environmental Health	\$8,308
Community Health Services	63,313
Health Promotion and Planning	8,920
Administration	2,203
Total Depreciation Expense - Governmental Activities	\$82,744

Note 6 – Interfund Receivables/Payables

Individual fund interfund assets/liabilities balances as of December 31, 2012, related to the primary government were as follows:

GOVERNMENTAL ACTIVITIES	ASSET	LIABILITY
	Interfund Receivable	Interfund Payable
General	\$145,891	
Bioterrorism Grant		\$30,000
WIC		60,000
Nonmajor Governmental Funds		55,891
TOTAL	\$145,891	\$145,891

Note 7 – Amendments to Original Appropriations Budget

Amendments beyond the object level must be approved by the Board of Health. In 2012, the original appropriation measure was increased and decreased by the Board with the net effect as follows: General Fund \$91,557 and Special Revenue Funds \$40,582.

Note 8 - Risk Management

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

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

The District belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), 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.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 8 - Risk Management (continued)

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, 2010, PEP retained \$350,000 for casualty claims and \$150,000 for property claims.

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

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

Financial Position

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

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

At December 31, 2011 and 2010, respectively, the liabilities above include approximately \$13 million and \$12.9 million of estimated incurred claims payable. The assets above also include approximately \$12.1 million and \$12.4 million of unpaid claims to be billed to approximately 455 member governments in the future, as of December 31, 2011 and 2010, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2012, the District's share of these unpaid claims collectible in future years is approximately \$21,000.

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

<u>Contributions to PEP</u>	
2010	\$27,670
2011	\$21,854
2012	\$22,562

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

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 9 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

All full-time employees, other than teachers, participate in the Ohio Public Employees Retirement System (OPERS) which is a public employee retirement system created by the State of Ohio. OPERS administers three separate pension plans as described below:

- The Traditional Pension Plan - a cost sharing multiple-employer defined benefit pension plan;
- The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and vested employer contributions plus any investment earnings.
- The Combined Plan - a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

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. The authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS, issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2012, member and employer contribution rates were consistent across all three plans. The employee contribution rate for 2012 was 10.0% for employees. The 2012 employer contribution rate was 14.0% of covered payroll. The District's contributions to PERS for the years ended December 31, 2012, 2011 and 2010 were \$281,891; \$288,723; and \$298,410; respectively, 100% has been contributed for the above years, respectively.

Note 10 - Postemployment Benefits

Ohio Public Employees Retirement System

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

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 10 - Postemployment Benefits (continued)

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

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care based on authority granted by state statute. The 2012 employer contribution rate was 14.0% of covered payroll for employees. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for employees. Active members do not make contributions to the OPEB plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS 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 4% during calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012. The District's actual contributions for 2012 which were used to fund OPEB were \$80,536 for employees. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1% for both plans, as recommended by the OPERS Actuary. The OPERS Retirement Board is also authorized to establish rules for the retiree of their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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

Note 11 – Other Employee Benefits

Health District employees have the option of participating in four state-wide deferred compensation plans created in accordance with the Internal Revenue Code Section 457. Under this program, employees elect to have a portion of their pay deferred until a future time. According to this plan, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The deferred pay and any income earned thereon is not subject to income tax until actually received by the employee. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights (until paid or made available to the employee or other beneficiary) must be held in a trust, custodial account, or annuity contract for the exclusive benefit of plan participants and their beneficiaries. Deferred amounts from the plan are not considered "made available" just because a trust, custodial account or annuity contract holds these amounts. The Plan Agreement states that the County and the plan administrators have no liability for losses under the plan with the exception of fraud or wrongful taking.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

Notes to the Basic Financial Statements
For the Year Ended December 31, 2012

Note 12 – 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 13 – Long-Term Liabilities

Long-term obligations of the Health District at December 31, 2012 were as follows:

	Balance			Balance	Amounts
	<u>12/31/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2012</u>	<u>Due in One</u>
					<u>Year</u>
Compensated Absences	\$ 194,862	\$ 105,402	\$ 88,702	\$ 211,562	\$ 80,454

Compensated absences will be paid from the fund from which the employee's salary is paid.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

**Schedule of Federal Awards Receipts and Disbursements
For the Year Ended December 31, 2012**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Health</i>				
Preventive Health and Health Services Block Grant - Injury Prevention	01310014IP0411	93.991	6,475	3,456
Preventive Health and Health Services Block Grant - Injury Prevention	01310014IP0512	93.991	57,132	56,725
Total Preventive Health and Health Services Block Grant - Injury Prevention			<u>63,607</u>	<u>60,181</u>
Immunization Grants	01310012IM0411	93.268	2,716	3,092
Immunization Grants	01310012IM0512	93.268	32,727	40,292
Total Immunization Grants			<u>35,443</u>	<u>43,384</u>
Public Health Emergency Preparedness Grant	01310012PH0312	93.069	90,796	108,589
Public Health Emergency Preparedness Grant	01310012PH0413	93.069	71,746	49,752
Total Public Health Emergency Preparedness Grant			<u>162,542</u>	<u>158,341</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			261,592	261,906
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed Through Ohio Department of Public Safety</i>				
State and Community Highway Safety Grant	SC-2012-13-00-00-00377-01	20.600	45,388	36,761
State and Community Highway Safety Grant	SC-2013-13-00-00-00321-01	20.600	-	9,295
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			45,388	46,056
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Health</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program)	01310011WA0512	10.557	399,015	418,307
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC Program)	01310011WA0613	10.557	140,844	119,904
TOTAL U.S. DEPARTMENT OF AGRICULTURE			539,859	538,211
<u>CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)</u>				
<i>Passed Through Ohio Department of Health</i>				
Medicaid Administrative Claiming (MAC)		93.778	42,503	19,897
TOTAL CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)			42,503	19,897
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 889,342	\$ 866,070

The accompanying notes to this schedule are an integral part of this schedule.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

**Notes to the Schedule of Federal Awards Receipts and Disbursements
For the Year Ended December 31, 2012**

Note A – Significant Accounting Policies

The accompanying Schedule of Federal Awards Receipts and Disbursements (the Schedule) reports the Clermont County General Health District's (the Health District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

Note B – Matching Requirements

Certain Federal programs require the Health District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Health District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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

May 24, 2013

Clermont County General Health District
Clermont County
2275 Bauer Road, Suite 300
Batavia, Ohio 45103

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 **Clermont County General Health District**, Clermont County, Ohio (the Health District), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Health District's basic financial statements and have issued our report thereon dated May 24, 2013, wherein we noted the Health District has adopted Governmental Accounting Standards Board Statement No. 63.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully Submitted,

A handwritten signature in cursive script that reads "Perry & Associates CPAs A.C.".

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Certified Public Accountants, A.C.

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

May 24, 2013

Clermont County General Health District
Clermont County
2275 Bauer Road, Suite 300
Batavia, Ohio 45103

To the Members of the Board:

Report on Compliance for Each Major Federal Program

We have audited the **Clermont County General Health District's**, Clermont County, Ohio, (the Health District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Health District's major federal program for the year ended December 31, 2012. The Summary of Audit Results in the accompanying Schedule of Audit Findings identifies the Health District's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Health District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2012.

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.

**CLERMONT COUNTY GENERAL HEALTH DISTRICT
CLERMONT COUNTY**

**Schedule of Audit Findings
OMB Circular A -133 § .505
For the Year Ended December 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS FOR FEDERAL AWARDS

None



Dave Yost • Auditor of State

CLERMONT COUNTY GENERAL HEALTH DISTRICT

CLERMONT 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
JULY 18, 2013**