

***CRAWFORD COUNTY GENERAL HEALTH DISTRICT***

**CRAWFORD COUNTY, OHIO**

**AUDIT REPORT**

**For the Year Ended December 31, 2009**

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





Mary Taylor, CPA  
Auditor of State

Board of Health  
Crawford County General Health District  
130 North Walnut Street  
Bucyrus, Ohio 44820

We have reviewed the *Report of Independent Accountants* of the Crawford County General Health District, Crawford County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2009 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

July 1, 2010

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**CRAWFORD COUNTY GENERAL HEALTH DISTRICT**  
**CRAWFORD COUNTY, OHIO**  
**Audit Report**  
**For the year ended December 31, 2009**

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**REPORT OF INDEPENDENT ACCOUNTANTS**

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

**To the Board of Health:**

**We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Crawford County General Health District, Crawford County (the District), as of and for the year ended December 31, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.**

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

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

**In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Crawford County General Health District, as of December 31, 2009, and the respective changes in cash basis financial position and the respective budgetary comparisons for the General Fund and each major Special Revenue Fund, thereof for the year then ended in conformity with the accounting basis Note 2 describes.**

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our testing of internal controls over financial reporting and compliance and the results of testing. It does not opine on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

***Charles E. Harris & Associates, Inc.***  
May 14, 2010



**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited

The discussion and analysis of the District Board of Health's (the District) financial performance provides a review of the District's financial activities for the year ended December 31, 2009, within the limitations of the District's cash basis of accounting. The intent of this discussion and analysis is to provide readers with a general explanation of the District's financial performance. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Using the Basic Financial Statements**

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

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

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

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

**Basis of Accounting**

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

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited  
(continued)

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

The statement of net assets and the statement of activities reflect how the District did financially during 2009, within the limitations of the cash basis of accounting. The Statement of Net Assets - Cash Basis presents the cash balances of the governmental activities of the District at year end. The Statement of Activities - Cash Basis compares disbursements with program receipts for each governmental activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

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

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

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

***Fund Financial Statements***

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

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited  
(continued)

**The District as a Whole**

Table 1 provides a summary of the District's net assets for 2009 compared to 2008 on a cash basis:

**Table 1  
Net Assets - Cash Basis**

	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$623,877	\$429,707
<b>Net Assets</b>		
Restricted for Other Purposes	440,418	345,152
Unrestricted	<u>183,459</u>	<u>84,555</u>
<b>Total Net Assets</b>	<u><u>\$623,877</u></u>	<u><u>\$429,707</u></u>

Total net assets for the District increased \$194,170 or 45 percent from 2008. This increase was attributable to the District receiving additional grant dollars for emergency preparedness and readiness related to the H1N1 flu pandemic. Additional contributing factors were an increase in revenue to administer mandated General Health programs received from subdivision settlements, and an increase in fees received for the Public Health and School Services program from an updated fee schedule.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited  
(continued)

Table 2 reflects the changes in net assets for 2009 and 2008.

**Table 2  
Change in Net Assets**

	<b>Governmental Activities</b>	
	<b>2009</b>	<b>2008</b>
<b>Program Cash Receipts</b>		
Charges for Services	\$703,645	\$660,334
Operating Grants and Contributions	787,180	635,972
<b>Total Program Cash Receipts</b>	<u>1,490,825</u>	<u>1,296,306</u>
<b>General Receipts</b>		
Subdivision Settlements	122,366	99,661
Miscellaneous	8,413	35,436
<b>Total General Receipts</b>	<u>130,779</u>	<u>135,097</u>
<b>Total Receipts</b>	<u>1,621,604</u>	<u>1,431,403</u>
<b>Disbursements</b>		
Health		
General Health	230,738	235,539
Public and School Health Services	273,631	303,135
Women, Infants and Children	200,620	196,424
Public Health Infrastructure	199,896	100,323
Help Me Grow	302,774	257,502
Sewage	17,663	17,880
Reserve Balance Account	0	276
Landfill/Construction and Demolition	47,693	47,984
Swimming Pool	2,792	2,762
Solid Waste	62,434	64,488
Mobile Home and RV Park	5,132	7,175
Food Service	53,818	46,668
Water System	16,491	13,320
Immunization Action Plan	13,752	22,017
319 Grant	0	291
<b>Total Disbursements</b>	<u>1,427,434</u>	<u>1,315,784</u>
<b>Change in Net Assets</b>	194,170	115,619
<b>Net Assets Beginning of Year</b>	<u>429,707</u>	<u>314,088</u>
<b>Net Assets End of Year</b>	<u><u>\$623,877</u></u>	<u><u>\$429,707</u></u>

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited  
(continued)

In 2009, 8 percent of the District's total receipts were from general receipts, consisting mainly of subdivision settlements collected for general health district purposes. Subdivision settlements represent revenue received from townships and municipalities that comprise the District. Subdivision settlements increased by 23 percent as a result of the District's need for additional revenue to administer mandated General Health programs. Miscellaneous receipts decreased significantly as a result of the District receiving an administrative reimbursement in 2008 related to the Help Me Grow program. Program cash receipts accounted for 92 percent of the District's total receipts in 2009. These receipts consist primarily of charges for services for nursing services and outside service contracts, birth and death certificates, sewage permits, food service licenses, mobile home and RV park, swimming pools, and water system permits and state and federal operating grants. Charges for services did not change significantly. Operating grants and contributions increased by 24 percent primarily due to the receipt of additional grant revenue in response to the H1N1 flu pandemic.

**Governmental Activities**

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

**Table 3  
Governmental Activities**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Health				
General Health	\$230,738	\$235,539	\$40,028	\$24,693
Public and School Health Services	273,631	303,135	(45,252)	(92,945)
Women, Infants and Children	200,620	196,424	3,278	15,680
Public Health Infrastructure	199,896	100,323	(9,935)	20,356
Help Me Grow	302,774	257,502	60,395	2,549
Sewage	17,663	17,880	(3,428)	(6,860)
Reserve Balance Account	0	276	0	(276)
Landfill/Construction and Demolition	47,693	47,984	3,647	4,715
Swimming Pool	2,792	2,762	536	(437)
Solid Waste	62,434	64,488	1,676	(2,393)
Mobile Home and RV Park	5,132	7,175	6,411	1,422
Food Service	53,818	46,668	4,520	11,358
Water System	16,491	13,320	2,980	2,146
Immunization Action Plan	13,752	22,017	(1,465)	805
319 Grant	0	291	0	(291)
Total Expenses	<u>\$1,427,434</u>	<u>\$1,315,784</u>	<u>\$63,391</u>	<u>(\$19,478)</u>

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited  
(continued)

In total, program cash receipts supported all of the costs of services for the District. Program cash receipts include charges for services and sales and operating grants and contributions. General receipts include, most significantly, subdivision settlements. The total cost for providing general health services increased 8 percent from 2008 to 2009. Total cost of providing services for the Public Health Infrastructure program increased significantly as a result of administering services related to the H1N1 flu pandemic in 2009. Total cost of services for the Public and School Health Services program decreased 10 percent from temporary vacant positions within the Nursing division. Total cost of services increased 17 percent for the Help Me Grow program. This was a result of a retirement payout occurring in 2009 and also fully staffing the program.

Overall, the net cost of services for the District increased by \$82,869 from 2008. This increase was partially attributable to slightly more program cash receipts combined with slightly less in disbursements for the General Health program. In addition, the Public School Health Services program also experienced an increase in cash receipts due to an updated fee schedule. The Women, Infants and Children had a decrease in the net cost of services from additional personal services costs. Due to increased services required for the H1N1 flu pandemic, the net cost of services decreased for the Public Health Infrastructure program. An increase in program cash receipts was realized to administer the Help Me Grow program.

**The Health District's Funds**

The governmental funds had total receipts of \$1,621,604 and disbursements of \$1,427,434. The governmental funds had an increase in the cash balance of \$194,170. This increase was largely attributable to the effect of the H1N1 pandemic flu response in 2009. A great deal of time was spent on tracking, readiness, preparation and clinics. This time was paid for with grant revenue, which in turn, reduced disbursements in the other funds.

***Budgetary Highlights***

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

During the course of 2009, the District amended its estimated revenues and appropriations as set forth by Ohio law, and the budgetary statement reflects that financial activity. Amendments to original receipts and disbursements in the Public Health Infrastructure Fund occurred as a result of the District receiving additional grant dollars for the pandemic H1N1 flu response. Amendments to original disbursements in the Help Me Grow Fund were made to allow for the purchase of additional supplies and equipment. A decrease in original encumbrances carried over from the prior year resulted in a decrease in original appropriations for the General and Public and School Health Services Funds.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

Unaudited  
(continued)

Actual receipts in the General Fund did not vary significantly from the final budget. Total disbursements were 15 percent less than budgeted as salaries and other expenses were less than anticipated. These expenses were absorbed in the Public Health Infrastructure Fund due to the pandemic H1N1 flu response.

**Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances and to reflect the District's accountability for the money it receives. Questions concerning any of the information in this report or requests for additional information should be directed to the Crawford County General Health District, 130 North Walnut Street, Suite B, Bucyrus, Ohio 44820.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF NET ASSETS - CASH BASIS  
DECEMBER 31, 2009*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$623,877</u>
<i>Total Assets</i>	<u><u>623,877</u></u>
<b>Net Assets</b>	
Restricted for:	
Other Purposes	440,418
Unrestricted	<u>183,459</u>
<i>Total Net Assets</i>	<u><u>\$623,877</u></u>

See accompanying notes to the basic financial statements



**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Program Cash Receipts</u>		<u>Net (Disbursements) Receipts and Changes in Net Assets</u>	
	<u>Disbursements</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	
			<u>Governmental Activities</u>	
<b>Governmental Activities</b>				
<b>Health</b>				
General Health	\$230,738	\$262,001	\$8,765	\$40,028
Public and School Health Services	273,631	219,279	9,100	(45,252)
Women, Infants and Children	200,620	0	203,898	3,278
Public Health Infrastructure	199,896	0	189,961	(9,935)
Help Me Grow	302,774	0	363,169	60,395
Sewage	17,663	14,235	0	(3,428)
Landfill/Construction and Demolition	47,693	51,340	0	3,647
Swimming Pool	2,792	3,328	0	536
Solid Waste	62,434	64,110	0	1,676
Mobile Home and RV Park	5,132	11,543	0	6,411
Food Service	53,818	58,338	0	4,520
Water System	16,491	19,471	0	2,980
Immunization Action Plan	13,752	0	12,287	(1,465)
<b>Total Governmental Activities</b>	<u>\$1,427,434</u>	<u>\$703,645</u>	<u>\$787,180</u>	<u>63,391</u>
		<b>General Receipts</b>		
				122,366
				8,413
		<b>Total General Receipts</b>		<u>130,779</u>
				194,170
		<b>Change in Net Assets</b>		
				429,707
		<b>Net Assets Beginning of Year</b>		<u>429,707</u>
				\$623,877
		<b>Net Assets End of Year</b>		<u><u>\$623,877</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF ASSETS AND FUND BALANCE - CASH BASIS  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2009*

	General	Public and School Health Services	Women, Infants and Children	Public Health Infrastructure	Help Me Grow	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$183,459	\$89,672	\$54,630	\$68,836	\$104,857	\$122,423	\$623,877
<b>Total Assets</b>	<b>\$183,459</b>	<b>\$89,672</b>	<b>\$54,630</b>	<b>\$68,836</b>	<b>\$104,857</b>	<b>\$122,423</b>	<b>\$623,877</b>
<b>Fund Balances</b>							
Reserved:							
Reserved for Encumbrances	\$6,013	\$4,586	\$1,908	\$41,927	\$20,851	\$17,854	\$93,139
Unreserved:							
Undesignated, Reported in:							
General Fund	177,446	0	0	0	0	0	177,446
Special Revenue Funds	0	85,086	52,722	26,909	84,006	104,569	353,292
<b>Total Fund Balances</b>	<b>\$183,459</b>	<b>\$89,672</b>	<b>\$54,630</b>	<b>\$68,836</b>	<b>\$104,857</b>	<b>\$122,423</b>	<b>\$623,877</b>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGE IN CASH BASIS  
FUND BALANCE - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	General	Public and School Health Services	Women, Infants and Children	Public Health Infrastructure	Help Me Grow	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>							
Charges for Services	\$261,626	\$206,399	\$0	\$0	\$0	\$3,320	\$471,345
Contributions	0	0	0	0	125	0	125
Licenses, Fees and Permits	375	12,880	0	0	0	218,465	231,720
Fines	0	0	0	0	0	580	580
Intergovernmental	131,131	9,100	203,898	189,961	363,044	12,287	909,421
Miscellaneous	2,510	5,432	0	0	0	471	8,413
<i>Total Receipts</i>	<u>395,642</u>	<u>233,811</u>	<u>203,898</u>	<u>189,961</u>	<u>363,169</u>	<u>235,123</u>	<u>1,621,604</u>
<b>Disbursements</b>							
Current:							
Health							
Personal Services	183,868	231,042	184,104	84,640	229,939	100,092	1,013,685
Materials and Supplies	2,120	30,468	0	0	11,033	1,433	45,054
Remittances	14,456	0	0	0	0	105,546	120,002
Contractual Services	14,362	0	0	38,400	30,876	6,093	89,731
Capital Outlay	180	0	1,212	23,895	9,390	780	35,457
Other	15,752	12,121	15,304	52,961	21,536	5,831	123,505
<i>Total Disbursements</i>	<u>230,738</u>	<u>273,631</u>	<u>200,620</u>	<u>199,896</u>	<u>302,774</u>	<u>219,775</u>	<u>1,427,434</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>164,904</u>	<u>(39,820)</u>	<u>3,278</u>	<u>(9,935)</u>	<u>60,395</u>	<u>15,348</u>	<u>194,170</u>
<b>Other Financing Sources (Uses)</b>							
Advances In	33,000	0	0	0	25,000	0	58,000
Transfers In	0	74,000	0	0	0	0	74,000
Advances Out	(25,000)	0	0	0	(33,000)	0	(58,000)
Transfers Out	(74,000)	0	0	0	0	0	(74,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(66,000)</u>	<u>74,000</u>	<u>0</u>	<u>0</u>	<u>(8,000)</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balance	98,904	34,180	3,278	(9,935)	52,395	15,348	194,170
<i>Fund Balance Beginning of Year</i>	<u>84,555</u>	<u>55,492</u>	<u>51,352</u>	<u>78,771</u>	<u>52,462</u>	<u>107,075</u>	<u>429,707</u>
<i>Fund Balance End of Year</i>	<u>\$183,459</u>	<u>\$89,672</u>	<u>\$54,630</u>	<u>\$68,836</u>	<u>\$104,857</u>	<u>\$122,423</u>	<u>\$623,877</u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Receipts</b>				
Charges for Services	\$266,752	\$266,752	\$261,626	(\$5,126)
Licenses, Fees and Permits	0	0	375	375
Intergovernmental	131,563	131,563	131,131	(432)
Miscellaneous	1,500	1,500	2,510	1,010
<i>Total Receipts</i>	<u>399,815</u>	<u>399,815</u>	<u>395,642</u>	<u>(4,173)</u>
<b>Disbursements</b>				
Current:				
Health				
Personal Services	200,735	212,335	183,868	28,467
Materials and Supplies	2,250	2,250	2,250	0
Remittances	21,255	19,230	16,956	2,274
Contractual Services	16,022	18,340	14,498	3,842
Capital Outlay	1,000	700	180	520
Other	41,883	27,963	18,999	8,964
<i>Total Disbursements</i>	<u>283,145</u>	<u>280,818</u>	<u>236,751</u>	<u>44,067</u>
<i>Excess of Receipts Over Disbursements</i>	<u>116,670</u>	<u>118,997</u>	<u>158,891</u>	<u>39,894</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	0	0	33,000	33,000
Advances Out	0	0	(25,000)	(25,000)
Transfers Out	(121,514)	(121,514)	(74,000)	47,514
<i>Total Other Financing Sources (Uses)</i>	<u>(121,514)</u>	<u>(121,514)</u>	<u>(66,000)</u>	<u>55,514</u>
<i>Net Changes in Fund Balance</i>	(4,844)	(2,517)	92,891	95,408
<i>Fund Balance Beginning of Year</i>	79,711	79,711	79,711	0
Prior Year Encumbrances Appropriated	<u>4,844</u>	<u>4,844</u>	<u>4,844</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$79,711</u></u>	<u><u>\$82,038</u></u>	<u><u>\$177,446</u></u>	<u><u>\$95,408</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC AND SCHOOL HEALTH SERVICES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Charges for Services	\$157,480	\$157,480	\$206,399	\$48,919
Licenses, Fees and Permits	18,000	18,000	12,880	(5,120)
Intergovernmental	10,000	10,000	9,100	(900)
Miscellaneous	3,000	3,000	5,432	2,432
<i>Total Receipts</i>	<u>188,480</u>	<u>188,480</u>	<u>233,811</u>	<u>45,331</u>
<b>Disbursements</b>				
Current:				
Health				
Personal Services	265,876	261,776	231,043	30,733
Materials and Supplies	30,201	31,600	31,600	0
Other	18,403	18,559	15,574	2,985
<i>Total Disbursements</i>	<u>314,480</u>	<u>311,935</u>	<u>278,217</u>	<u>33,718</u>
<i>Excess of Receipts Under Disbursements</i>	(126,000)	(123,455)	(44,406)	79,049
<b>Other Financing Sources</b>				
Transfers In	121,514	121,514	74,000	(47,514)
<i>Net Changes in Fund Balance</i>	(4,486)	(1,941)	29,594	31,535
<i>Fund Balance Beginning of Year</i>	51,005	51,005	51,005	0
Prior Year Encumbrances Appropriated	4,487	4,487	4,487	0
<i>Fund Balance End of Year</i>	<u><u>\$51,006</u></u>	<u><u>\$53,551</u></u>	<u><u>\$85,086</u></u>	<u><u>\$31,535</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
WOMEN, INFANTS AND CHILDREN FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$199,584	\$203,447	\$203,898	\$451
<b>Disbursements</b>				
Current:				
Health				
Personal Services	185,784	187,799	184,105	3,694
Capital Outlay	0	1,535	1,212	323
Other	17,477	17,603	17,211	392
<i>Total Disbursements</i>	<u>203,261</u>	<u>206,937</u>	<u>202,528</u>	<u>4,409</u>
<i>Net Changes in Fund Balance</i>	(3,677)	(3,490)	1,370	4,860
<i>Fund Balance Beginning of Year</i>	47,675	47,675	47,675	0
Prior Year Encumbrances Appropriated	<u>3,677</u>	<u>3,677</u>	<u>3,677</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$47,675</u></u>	<u><u>\$47,862</u></u>	<u><u>\$52,722</u></u>	<u><u>\$4,860</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
PUBLIC HEALTH INFRASTRUCTURE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$115,000	\$265,447	\$189,961	(\$75,486)
<b>Disbursements</b>				
Current:				
Health				
Personal Services	39,939	86,200	84,640	1,560
Contractual Services	71,851	98,403	70,008	28,395
Capital Outlay	0	33,118	29,031	4,087
Other	21,208	65,169	58,144	7,025
<i>Total Disbursements</i>	<u>132,998</u>	<u>282,890</u>	<u>241,823</u>	<u>41,067</u>
<i>Net Changes in Fund Balance</i>	(17,998)	(17,443)	(51,862)	(34,419)
<i>Fund Balance Beginning of Year</i>	60,773	60,773	60,773	0
Prior Year Encumbrances Appropriated	<u>17,998</u>	<u>17,998</u>	<u>17,998</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$60,773</u></u>	<u><u>\$61,328</u></u>	<u><u>\$26,909</u></u>	<u><u>(\$34,419)</u></u>

See accompanying notes to the basic financial statements

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGE  
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS  
HELP ME GROW FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Receipts</b>				
Intergovernmental	\$291,324	\$291,324	\$363,044	\$71,720
Contributions	0	0	125	125
<i>Total Receipts</i>	<u>291,324</u>	<u>291,324</u>	<u>363,169</u>	<u>71,845</u>
<b>Disbursements</b>				
Current:				
Health				
Personal Services	210,404	234,267	229,939	4,328
Materials and Supplies	2,687	11,907	11,907	0
Contractual Services	48,307	33,478	32,158	1,320
Capital Outlay	2,061	22,295	21,745	550
Other	14,782	32,848	27,876	4,972
<i>Total Disbursements</i>	<u>278,241</u>	<u>334,795</u>	<u>323,625</u>	<u>11,170</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	13,083	(43,471)	39,544	83,015
<b>Other Financing Sources (Uses)</b>				
Advances In	0	0	25,000	25,000
Advances Out	0	0	(33,000)	(33,000)
Transfers Out	(21,121)	0	0	0
<i>Total Other Financing Uses</i>	(21,121)	0	(8,000)	(8,000)
<i>Net Changes in Fund Balance</i>	(8,038)	(43,471)	31,544	75,015
<i>Fund Balance Beginning of Year</i>	44,425	44,425	44,425	0
Prior Year Encumbrances Appropriated	8,037	8,037	8,037	0
<i>Fund Balance End of Year</i>	<u><u>\$44,424</u></u>	<u><u>\$8,991</u></u>	<u><u>\$84,006</u></u>	<u><u>\$75,015</u></u>

See accompanying notes to the basic financial statements



**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Note 1 - Reporting Entity**

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

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

The reporting entity is composed of the primary government.

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

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements and program receipts for each program or function of the District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the District is responsible.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

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

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

*Public and School Health Services Fund* - The Public and School Health Services Fund accounts for monies received from providing general nursing and community health services.

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

*Public Health Infrastructure Fund* - The Public Health Infrastructure Fund receives Federal grant monies used to provide training to establish an infrastructure capable of responding to public health threats, emergencies, disasters and terrorism.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

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

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

C. Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the District are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

D. Budgetary Process

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

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

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

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

E. Cash and Investments

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

F. Capital Assets

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

G. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

H. Employer Contributions to Cost-Sharing Pension Plans

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

I. Long-Term Obligations

The District's cash basis financial statements do not report liabilities for long-term obligations. Proceeds of loans are reported as cash when received and principal and interest are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid. The District did not have any long-term obligations in 2009.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

J. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include activities of Public and School Health Services, WIC, Public Health Infrastructure, Help Me Grow and other governmental. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

The government-wide statement of net assets reports \$440,418 of restricted net assets. The District did not have any net assets restricted by enabling legislation at December 31, 2009.

K. Fund Balance Reserves

The District reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. The Statement of Assets and Fund Balances - Cash Basis reports \$93,139 of reserved for encumbrances. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods.

L. Interfund Transactions

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Note 3 - Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance - Budget and Actual - Budget Basis presented for the General Fund and each major special revenue fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to:

General Fund	\$6,013
Major Special Revenue Funds:	
Public and School Health Services	4,586
Women, Infants and Children	1,908
Public Health Infrastructure	41,927
Help Me Grow	20,851

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

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

**Note 5 - Risk Management**

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

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

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

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

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program to reduce its exposure to loss. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2009, 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. There has been no reductions of limits from the prior year.

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, 2009 and 2008:

<u>Casualty and Property Coverage</u>	<u>2009</u>	<u>2008</u>
Assets	\$36,374,898	\$35,769,535
Liabilities	(15,256,862)	(15,310,206)
Net Assets - Unrestricted	<u>\$21,118,036</u>	<u>\$20,459,329</u>

	<u>2009</u>	<u>2008</u>
Number of Members	447	445
Unpaid claims to be paid in future	Approx. \$13.7 million	Approx. \$12.9 million

At December 31, 2009 and 2008, respectively, the liabilities above include approximately \$13.7 million and \$12.9 million of estimated incurred claims payable. The casualty coverage assets and retained earnings above also include unpaid claims to be billed to approximately 447 member governments in the future, as of December 31, 2009. PEP will collect these amounts in the future annual premium billings when PEP's related liabilities are due for payment.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Note 6 - Defined Benefit Retirement Plans**

Ohio Public Employees Retirement System

The District participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2009, members in the state and local classifications contributed 10 percent of covered payroll.

The District's contribution rate for 2009 was 14 percent of covered payroll. For the period January 1 through March 31, 2009, a portion of the County's contribution equal to 7 percent of covered payroll was allocated to fund the postemployment health care plan; for the period April 1 through December 31, 2009, this amount was decreased to 5.5 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the District of 14 percent.

The District's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 was \$62,790, \$51,407, and \$53,119, respectively; 91 percent has been contributed for 2009 and 100 percent has been contributed for 2008 and 2007. No contributions were made to the member-directed plan for 2009 by the District or by plan members.



**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Note 7 - Postemployment Benefits**

Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, and survivor benefits as well as postemployment health care coverage to qualifying members of both the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an other postemployment benefit (OPEB) as described in GASB Statement 12.

A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care. The Ohio Revised Code provides statutory authority for employer contributions. In 2009, state and local employers contributed at a rate of 14 percent of covered payroll. For the period January 1 through March 31, 2009, a portion of the County's contribution equal to 7 percent of covered payroll was allocated to fund the postemployment health care plan; for the period April 1 through December 31, 2009, this amount was decreased to 5.5 percent.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS.

Summary of Assumptions:

Actuarial Review - The assumptions and calculations below were based on OPERS' latest actuarial review performed as of December 31, 2008.

Funding Method - The individual entry age actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.

Assets Valuation Method - All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

Investment Return - The investment assumption rate for 2008 was 6.50 percent.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

Active Employee Total Payroll - An annual increase of 4 percent compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. In addition annual pay increases over and above the 4 percent base increase were assumed to range from .50 percent to 6.30 percent.

Health Care - Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .50 percent to 3 percent for the next six years. In subsequent years, (seven and beyond) health care costs were assumed to increase 4 percent (the projected wage inflation rate).

OPEB is advance funded on an actuarially determined basis. The following disclosures are required:

The traditional pension and combined plans had 357,584 active contributing participants as of December 31, 2009. The number of active contributing participants for both plans used in the December 31, 2008 actuarial valuation was 365,388.

The rates stated above are the contractually required contribution rates of OPERS.

The District's contribution allocated to fund postemployment health care benefits for the year ended December 31, 2009, 2008, and 2007 was \$45,402, \$51,507, and \$34,989, respectively. The actual contributions and the actuarially required contributions amounts are the same. The amount of \$10.7 billion represents the actuarial value of OPERS' net assets available for OPEB at December 31, 2008.

Based on the actuarial cost method used, the Actuarial Valuation as of December 31, 2008 reported the actuarially accrued liability and the unfunded actuarially accrued liability for OPEB at \$29.6 billion and \$18.9 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008, which allowed additional funds to be allocated to the health care plan. Rates for public safety and law enforcement increased over a six year period beginning January 1, 2006, with a final rate increase on January 1, 2011.

**Note 8 - Interfund Activity**

During 2009 a transfer was made from the General Fund to Public and School Health Services in the amount of \$74,000. The Public and School Health Services fund received the transfer to offset operating costs. Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During 2009 an advance was made from the General Fund to the Help Me Grow Fund in the amount of \$25,000. The advance paid the Help Me Grow Fund in anticipation of intergovernmental receipts to provide service coordination as part of the Help Me Grow program. This advance along with an additional advance of \$8,000 was repaid in 2009 amounting to a total of \$33,000.

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY**

*NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009*

**Note 9 - Contingent Liabilities**

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

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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

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

To the Board of Health:

We have audited the financial statements of the Crawford County General Health District, Crawford County, Ohio (District) as of and for the year ended December 31, 2009, and have issued our report thereon dated May 14, 2010, wherein we noted the District followed the cash basis of accounting. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

### Compliance and Other Matters

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

We intend this report solely for the information and use of management, the Board of Health, and others within the District. We intend it for no one other than these specified parties.

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

May 14, 2010

**CRAWFORD COUNTY GENERAL HEALTH DISTRICT  
CRAWFORD COUNTY  
DECEMBER 31, 2009**

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

The prior audit report, for the year ending December 31, 2008, reported no material citations or recommendations.



Mary Taylor, CPA  
Auditor of State

**GENERAL HEALTH DISTRICT**

**CRAWFORD COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 15, 2010**